

Society as a whole benefits from a high number of university graduates



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TAGS

Leadership

Does Hong Kong produce too many university graduates? If so, is this good or bad for the city, and our young people? A recent survey showed that only about 21 per cent of Hong Kong's working population has a bachelor's degree or higher qualification. Most advanced economies achieve around 40 per cent, so our city is lagging behind. This relatively low level of education means that Hong Kong fails to meet the needs of a knowledge-based and service-oriented economy.

For individuals in Hong Kong's rapidly developing society, low educational qualifications can become obstacles to employment and mobility. A bachelor's degree has become a minimum requirement to enter the management and professional job market. So continuous self-improvement has become particularly important.

There has been a severe lack of degree places in Hong Kong for a long time. Since the 1900s, public universities have grown from two to just eight. Over the years, the admittance rate for students at public universities has remained steady at 18 per cent, a number which has long been criticised by the community for being too low.

More recently, self-financing institutions have made up for the inadequate capacity of public universities. There are now about 18 recognised institutions which grant degrees, including government-funded colleges (about 15,000 places annually) and self-financing (about 12,500 places annually) colleges. Today, close to 40 per cent of Form Six students have access to an education at bachelor's level.

In other words, almost all of the 27,000 senior high graduates (out of around 60,000) who achieve the minimum required DSE score of 12 can get a first degree place. So access to degree education is no longer an issue.

This increase in degree education opportunities provides the human resources Hong Kong needs. It increases the city's global competitiveness and helps it shift to a knowledge-based economy. It reduces the pressure of getting a university place on local students, and promotes social equity, mobility, and harmony.

But the growth of the tertiary educational sector has led to concerns that the availability of more university places has resulted in the devaluation (or even negation) of these degree qualifications. Critics note that local graduates have more difficulty getting a job than their counterparts did a decade ago.

Even if they do land a job, the nature, position, and pay do not always reflect their hard-earned credentials. The average monthly salary of new university graduates was HK\$14,000 in 2015, which is similar to the median monthly salary of all Hong Kong employees, according to statistics for the second quarter of 2015.

What's more, the gross pay is about the same today as graduates received two decades ago. If we adjust this to take account of the 33 per cent increase in the composite consumer price index over the same period, it means there has been a significant drop in real wages for graduates. As in other advanced economies, survey findings have indicated that upward mobility for Hong Kong youth is slowing down.

An increase in the number of university students would result in a drop in the average admission score, and make the job market even more competitive. That's inevitable. Yet students who are being admitted to recognised degree programmes in Hong Kong have already reached the required minimum HKDSE scores. The academic standards, and the quality assurance system of the Hong Kong higher education sector, are among the world's best. This assures the high quality of our graduates. There is also no hard evidence to show that our degree graduates are any less competent than in the past.

In terms of more traditional job functions, the number of university graduates may seem to be more than the current job market needs. In the M-shaped society of Hong Kong, there has been a slow expansion of middle-class jobs in the labour market since the mid-1990s. This trend clearly affects our young graduates' prospects. According to a Chinese University survey, young graduates employed as managers, administrators and professionals dropped from 82.5 per cent in 2001 to 73.4 per cent in 2011. More degree holders have taken lower-paid clerical, operational, and sales jobs, which have increased from 11 per cent to 18.2 per cent over the same period. In the past, such jobs were mainly taken by people with a secondary-school education.

Due to myriad socio-economic changes, and changes in employers' expectations, a bachelor's degree no longer guarantees a 'good' job, irrespective of whether there is an increase in available degree places,

The wages of young people have remained stagnant during recent years. This is down to factors like globalisation, the internet, economic restructuring, recent economic downturns, and ineffective public policies. Individual family backgrounds may also be an important factor. In this climate, a university degree is simply an entry ticket to the workplace. Further career advancements depend on a range of macro factors, as well the individual's effort after graduation.

Expectations have been rising with the rapid changes in the service-oriented global society. The ever-changing knowledge and skills required at work often do not match the skills that have been learned at university. Even if there is a match between a graduate's major and their first job, after a few years, they may change jobs, or start their own business.

Recently, the story of an elite local university finance graduate taking a job as a public bus driver provoked heated debate. Some considered this action demonstrated the devaluation of university degrees. From a positive perspective, it's good to see university graduates are willing to take jobs at the operational level, so they can train themselves before progressing to managerial posts. In addition, the skills expected from bus drivers today are much more demanding than those 20 years ago.

If more quality university graduates take front-line operational jobs in the police, in restaurants, in tourism, in transit services, and in sales, and if they gradually climb the career ladder in these jobs, then society has advanced.

University education is about more than getting a job

To judge whether there are excessive numbers of university students, we need to consider what the main purpose of university education is. Is it only to produce skilled labour, or is it also to nurture the complete personal, emotional and social development of a person?

Naturally, the government always hopes to link university education with employment, productivity and economic development. For many students and parents, too, university education can enhance career prospects, income, and social mobility. Nevertheless, the purpose of university education is not just to gain individual employment, income, or increase the GDP.

There is a broad social benefit, for a start. More people in higher education means there's less risk of downward mobility. An individual's capabilities and personal qualities are enhanced, along with social development, equity, and harmony.

Furthermore, university education serves important personal and societal purposes. A liberal university education plays a crucial role in developing a student's personal value system, and engenders many transferrable core competencies. The competencies, values, and visions a liberal education develops inform students about every decision they make, and guide their purpose in life.

A quality undergraduate education affects how students form relationships inside organisations and in the community, their interaction with the people they work with or lead, and teaches them how to make a positive impact on others. University education transforms students, and serves them well over their entire lives.

A modern undergraduate education should not only be concerned with a graduate's first job. It should prepare a student for a diversity of possible futures. In other words, rather than focusing on specific job skills, students must leave with broad and deep learning in transferable core competencies. These include language and communication, independent thinking and problem solving, adaptability and innovation, self-learning, teamwork and leadership skills, and global vision. Along with being professional, graduate must be self-reflective, caring, satisfied, and socially responsible people.

University education is a fundamental 'learning' right for young people, and an opportunity for them to build their personal value system and find their purpose in life. It also fulfills society's obligation to pass on knowledge to the next generation. With this in mind, we must conclude that the university admission rate in Hong Kong is still too low. So concerns over "excessive expansion", "devaluation of academic qualification", "over-production of university students", and so on, are invalid.

Although we need to resolve many inherent political, economic, and social issues, we should not slow the development of the higher education sector. This is the key to addressing challenges and advancing society. Quality university education costs a lot to provide, but as a long-term investment in society, it is excellent value for money.

To enhance social equity, mobility and harmony, the government should "buy" more places from private institutions, and provide more direct subsidies to needy local self-financing students. That way students from a lower income group can also afford quality university education. Society as a whole will reap the benefits.