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Are Students Protected? An In-depth Look Into Overseas Education Advisory Services



學生有保障？

細看海外教育諮詢服務



消費者委員會
CONSUMER COUNCIL

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Abbreviations

AACRAO	American Association of Collegiate Registrars and Admissions Officers
ACT	American College Test
AIRC	American International Recruitment Council
AP	Advanced Placement
CAPS-I	Canadian Association of Public Schools International
CBIE	Canadian Bureau for International Education
CCEA	Canada Course for Education Agents
CCIEM	Canadian Consortium for Education Marketing
CCSA	Consumer Cultural Study Award
CMEC	Council of Ministers of Education, Canada
DFATD	Department of Foreign Affairs, Trade, and Development
DSS	Direct Subsidy Scheme
EDB	Education Bureau
ENZ	Education New Zealand
ESF	English Schools Foundation
ESOS Act	Education Services for Overseas Students Act
FYFD	First-year-first-degree
GCE A-Level	General Certificate of Education Advanced Level
HKACMGM	Hong Kong Association of Careers Masters and Guidance Masters
HKAPA	Hong Kong Academy for Performing Arts
HKCAAVQ	Hong Kong Council for Accreditation of Academic and Vocational Qualifications
HKDSE	Hong Kong Diploma of Secondary Education
HKIECA	Hong Kong International Education Consultants' Association
HTS	Highly Trusted Sponsor
IBDP	International Baccalaureate Diploma Programme
ICEF	International Consultants for Education and Fairs
IECA	Independent Educational Consultants Association

IELTS	International English Language Testing System
IES	International Education Services
IGCSE	International General Certificate of Secondary Education
MO	Misrepresentation Ordinance (Cap. 284)
NACAC	National Association for College Admission Counseling
NCR	Non-local Courses Registry
NLC	Non-local courses
NSS	New Senior Secondary
OUHK	Open University of Hong Kong
PDPO	Personal Data (Privacy) Ordinance (Cap. 486)
PIER	Professional International Education Resources
QEACD	Qualified Education Agent Counsellor Database
SAT	Scholastic Assessment Test
SCAD	Savannah College of Art and Design
TDO	Trade Descriptions Ordinance (Cap. 362)
THSR-46	Thematic Household Survey Report 46
TOEFL	Test of English as a Foreign Language
UGC	University Grants Committee
U.K.	United Kingdom
U.S. / U.S.A.	United States of America

Online Content

All websites and electronically available materials referenced in this report were last accessed on or before 11 May 2018.

This report can be downloaded from www.consumer.org.hk.
In case of any update, the latest version shall prevail.

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Executive Summary

Overview

Hong Kong as a world city is interacting and exchanging with international markets on many fronts, one of which is the provision of education services. Each year, many Hong Kong students receive education from overseas, and this participation trend will likely be on the rise in the coming years.

The benefits of a higher education, particularly one from a highly regarded overseas education institution, is typically viewed as a valuable investment in one's career development, justified by the potential financial and personal rewards that will follow. Although education is viewed as a private good, in that most of the benefits of education accrue directly to those who are being educated, the social returns and benefits of having an educated citizenry mean that education can also be viewed as a public good. The benefits to Hong Kong in having a large number of citizens who have successfully attained quality education from either local or overseas education institutions is critical for its continued success.

Students who consider pursuing higher education abroad, often funded by their parents, are making decisions involving huge investments, both in terms of time and capital. It is essential therefore that proper information and advice should be available to them, especially if they do not have any prior experience in this area.

In order to attract students, many overseas education institutions partner with local Hong Kong consultants or agencies and organise exhibitions and "study abroad" seminars to aggressively market their programmes. On occasions, financial incentives are offered by these institutions through referral fees for successful recruitment of students to their programmes.

When faced with aggressive marketing tactics from overseas education institutions, it is even more important that these students and their families not only to have proper access to accurate information on overseas education, but also be given guidance, so that rational and informed choices can be made.

With that objective in mind, the Consumer Council (the Council) undertook this study that focus on overseas education advisory services. Various research methods were employed to gather relevant information including:

- Consumer surveys conducted on students in local secondary schools.
- Trade survey on service providers to gather information on the scope of their service, pricing of their services, and their service terms and conditions.
- Interviews with key stakeholders to solicit views on the local regulatory framework and its impact on the industry; the current service providers' sales practices; and to identify areas for improvement in industry governance.
- Mystery shopping visits to provide insight into the operation of service providers, their fee structures and sales practices.

- Focus group meetings to collect views and information from parents and students on the trade practices encountered, the level of understanding of the information presented by service providers, the range of options in selecting service providers' services, and experience with complaint redress mechanisms, if any.

In summary, there were fundamental differences in findings between the Council's surveys, the focus group discussions and the mystery shopping visits. This is accounted for by the fact that the research was carried out at different points in the students' quest for information on overseas education, together with the fact that the findings could also simply be a reflection of the discrepancy between promises and reality, and expectation and experience. Such discrepancies have to be addressed by strengthening the quality and professionalism of the provision of overseas education advisory services in Hong Kong, so that students can be better protected. The results of the Council's work and its subsequent recommendations are highlighted as follows.

Demand and Supply of Post-Secondary Education

The Demand for overseas education

No matter what types of examination students will take to qualify for post-secondary education, Hong Kong is privileged to have a range of high quality choices to meet local demand in post-secondary education. Moreover, in the coming five years, Hong Kong will likely have an over-supply of places for degree programmes.

Despite ample supply, it is anticipated that there will be a high number of Hong Kong students who will continue to seek overseas education opportunities. There are a number of reasons why they may choose to do so. The results of Census and Statistics Department's 2011 Thematic Household Survey and the findings of the Council's consumer survey carried out in 2017 show that those who intended to study overseas came from households at the upper end of the income scale. The most commonly cited reasons for choosing to study outside Hong Kong were to improve English proficiency and to learn to be independent. Other reasons included: being dissatisfied with the local education system; wanting to achieve a wider academic exposure; a better learning atmosphere outside Hong Kong; and studying outside Hong Kong was regarded as providing better job prospects.

The most popular destinations for studying outside Hong Kong are the United Kingdom (U.K.) followed by Australia, and then the United State of America (U.S.A.), Canada and other markets like the Mainland, New Zealand and Taiwan.

The Market for Overseas Education Advisory Services

Types and nature of services

The supply of overseas education advisory services is a function of the demand for a customised service on overseas education options. Despite advances in technology to search for factual information on overseas education institutions, there is still strong demand for these personalised advisory services. The reason for this is diverse, ranging from the parent or student not having the necessary experience, to the time-poor parent willing to outsource his/her guidance to this service and the fact that some of the practices

of overseas education institutions would only be known through consultants. Some students might also need help to meet the entrance requirements of a particular course in which they are interested.

Agencies are typically remunerated through commissions paid by overseas education institutions, and not by charging a direct service fee to parents/students seeking information and advice. This by its nature raises the concern of lack of impartiality in the service provided, given the advice could be driven by profitability. For example, more commercial rewards offered by one overseas education institution compared to another could influence the advice given, rather than serving the best interests of and/or meeting the needs of the particular student.

However, if a service provider does not represent an overseas education institution and is independent, and compensation is through the payment of charges to the student/parent for advisory and consultancy services, the student/parent is the client and the parties' interests would, as a result, be much more aligned.

Searching for information on overseas education

A range of questions were asked through the Council's consumer surveys and focus groups meetings on how students sought information. In general, respondents felt that overseas education institutions provided the most accurate information, with local overseas education advisory service providers coming next; followed by the local school they were attending. However, in terms of sufficiency of information, overseas education advisory service providers ranked first. The line between an agent for an overseas education institution and an overseas education consultant providing general and specific advice could sometimes be blurred or misunderstood.

It is important that students and parents are aware of the relationship between the education consultants/agents and the overseas education institution. This relationship is not often advertised and this information is usually difficult for the student or parents to ascertain. Nevertheless the correlation between possible bias advice and this relationship is strong.

When it came to charges or fees, most respondents stated the advice they received was free-of-charge, except in some cases where there might be an amount for administration fees for supplementary services. It was generally understood that if rewards were paid by overseas education institutions to service providers, either consultants or agents, the service would tend to benefit the institutions. The extent of rewards paid was generally not made known to the students or their parents. As a result, there were concerns raised in relation to the lack of impartiality of the advice and the veracity of information provided.

On occasions, the findings show that even the relationship of the education advisory service providers and some local schools could possibly affect the impartiality of advice given as the service provider would arrange study seminars or interview sessions and provide overseas study information to the career masters of these local schools.

Agent or consultant

Findings from the Council's trade survey reveal that most service providers in Hong Kong marketed themselves as consultants, when in fact many acted in the capacity of an agent.

Many agents organise or participate in expos or seminars for potential consumers to attend, usually with partner overseas education institutions. Some consultants indicated that the commission charged for placing a student in an overseas education institution would usually be 10%-15% of the tuition fee for the first academic year. Findings from an overseas study show that the market for this service is indeed considerable.

As mentioned earlier, while this relationship/fee structure would raise questions of bias, the response from the trade was that in order to keep a good reputation in the market, they needed to provide a good matching service to satisfy both the institutions they work for and the students.

Some service providers were found to accept new clients through referral and charged consultation fees ranging from HK\$2,000 to HK\$180,000 for the whole engagement ending with enrolment. Consultancy fees could also involve a service package consisting of a range of services, including coaching. These types of service providers are not the main players in the market.

For the purpose of the Council's study, the term "consultant" is generally used to describe any entity that provides information to a student/parent who is seeking information on what options are available for post-secondary overseas education, unless it has been clearly indicated to the student/parent that the service provider for advising on overseas education is an "agent" of an institution.

Market oversight

The Hong Kong Government currently provides guidelines on the types of marketing materials which can be made available to guide students and parents when making choices in the local education market. However, at present there is no specific regulation or Government agency to govern the provision of overseas education advisory services in Hong Kong. Therefore, consumers would typically find it more difficult to evaluate the quality of information and materials provided by various service providers. While there are currently many league tables ranking different aspects of a higher education institution in the global market, and the information being provided by overseas education institutions is becoming more sophisticated and available, many consumers will still need information relating to entry requirements and career prospects after taking the various courses. The need for objective information from overseas education advisory service providers, given the high costs of undertaking overseas education, is therefore critical.

Consumer redress

Without a formal agreement in place between an education advisory service provider and a student/parent and the lack of a proper redress system in place in the event of a dispute, consumers are left in a vulnerable position when seeking to enforce their perceived rights as consumers, compared to their rights in other sectors of the economy. The results of the Council's trade survey reveals that there was no formal industry redress mechanism in place. The main reason given was that there was no formal agreement signed for the

service provided between a consultant/agent and consumer. When asked what they would do if a student complained that the content of a programme or the supplementary service fell below expectations, nearly half the respondents stated that they would offer assistance but only 4 out of the 29 companies that responded mentioned the possibility of some form of refund.

Business Practices of Overseas Education Consultants

Mystery shopping

The Council conducted field visits of selected consultancy offices by way of “mystery shopping” exercise with different study scenarios designed to gauge different responses to varying types of schools attended and circumstances that typical students/parents would face. While the visits elicited helpful information ranging from the provision of brochures, application forms, and information sheets, there were a number of observations made from the visits which raised issues of potential concern as listed below.

Pricing of services

One of the main observations from the exercise was that regardless of whether they were consultants or agents, service providers would not readily disclose pricing information and that most provided what they termed “free” services. There was a tendency on the part of consultants not to transparently disclose the basis of their compensation until they were directly asked for that information.

Transparent disclosure of the relationship with overseas education institutions

Notwithstanding the claims made by consultants in the trade survey, it was clear that the service providers would not transparently disclose the relationship they had with the recommended overseas education institutions. As mentioned, this relationship has a possible bearing on the impartiality of the advice given, for example, on some occasions, it was apparent that the commercial motivation arising out of the basis of compensation induced some education consultants to become biased in favour of their partner institutions and overlook or diminish a student/parent’s preference, which contradicted their own claims that they would provide a good matching service to the student in order to maintain a good reputation.

Personal information

In addition, personal one-on-one consultations were conditional upon the provision of certain personal information. It was claimed that this information was necessary to ensure that tailor-made advisory services would be given. In 33 of the 39 visits to offices, mystery shoppers were required to provide personal information prior to the visit or during the visit. Information requested included name, telephone number, address, email address, student public examination results, academic reports, HKID card/passport number, mobile app contacts such as WhatsApp/WeChat, year of study and study aspiration.

Four out of 39 even asked for financial statements. The claimed reason for the request was that the particular education institution required proof of means from students that they could afford the course. Despite the fact that some of the information required was necessary for the provision of the advisory service; information like HKID, passport details and home address could be perceived as excessive at the early stage of the consultation.

Other dubious trade practices

During one visit, in addition to advising on overseas education options, the consultant advised the parents that applying for the destination country's investment immigration programme would be a good option. The consultant claimed that it had a very good scheme for investment immigrants, and asked the mystery shopper to invest US\$500,000 into the scheme.

There were a number of other practices that raised questions as to whether the transaction between service provider and consumer was transparent, and in the consumers' best interests.

Legal position

The legal position of consumers in some of the scenarios encountered was in some doubt; particularly where the service was being provided free-of-charge. However, where students/parents were legally considered consumers of services of consultants, there was an arguable case that aggrieved consumers could look to the Trade Descriptions Ordinance (Cap. 362) (TDO) which prohibits common unfair trade practices or commence civil action for damages suffered.

Accordingly, while in some mystery shopping scenarios there might have been a course of action available to aggrieved parties when things go wrong, litigation is risky, and it takes time, effort and involves legal costs which the students/parents may not be able to afford or are willing to pay.

Leaving aside the extent to which threat of legal action acts as a constraint to business conduct, as matters currently stand, the quality of overseas education consultancy services in the sector is highly subject to the integrity and the professionalism of the individual consultant/agent concerned. Given the commercial reality borne out of fierce competition and the basis of remuneration of most of these consultants, reliance on these two values alone to afford protection to consumers is considered far from adequate. Where industry-wide problems have arisen in other sectors of Hong Kong, typically there has been an industry-wide initiative through the development of industry codes of conduct and consumer redress schemes. An industry response in this sector, along these lines, would therefore be welcome.

Consumer experiences

While its mystery shopping exercise elicited valuable information, the Council found it necessary to obtain information directly from consumers who had previously used such services. Accordingly, it set up focus group meetings with different groups of consumers to collect information on their actual experiences and asked them to evaluate the overseas education advisory services provided to them.

The experiences of these consumers generally equated with the experiences gained from the mystery shopping exercises. In particular, participants confirmed that the consultants who provided the so called "free" advisory services marketed the products, in fact could be a bias which was in favour of the partner institutions which granted the consultants a reward.

Similar practices of aggressive selling, bundled selling and poor quality services were also revealed. Various examples also indicated that some service providers had insufficient professional knowledge on matters such as the ranking of the overseas education institution, transportation facilities, and accommodation arrangements. One incident related to the safety of the student hostel and the neighbourhood in which the student was situated, and this information was not disclosed by the consultant to the student/parent beforehand. There were also indications of poor follow-up service. Students expected that they could rely on the consultants to act as a bridge in communication between them and the overseas education institutions during the period after offers were made and before arrival at the institution if problems arose. This was not the case from users' experience.

In any event, students felt that even if they were able to obtain some redress after receipt of poor advice, monetary compensation could not make up for any loss as the damage had already been done.

Safeguards for consumers

Given the manner in which the sector generally operates, there may be no contractual obligation on the part of consultants in their dealings with student/parents that would form a basis for legal redress in case of dispute or dissatisfaction with the services rendered. Seeking redress through other ways and means e.g. under the TDO or under an action in tort is time consuming, can be costly and there is no guaranteed success. The absence of safeguards to protect what are essentially "consumer interests", in an environment of asymmetric levels of information, with serious ramifications in terms of financial loss and emotional distress, raises concerns that should not be ignored.

The Council's research shows that other jurisdictions use different mixes of legislation, codes of conduct, official registration systems and training systems to regulate their markets for the provision of overseas education advice by consultants.

For example, Australia, Canada and the U.S.A. are markets which have legislation to regulate the behaviour of education institutions, with support from a strong national code of conduct to ensure that there is proper information disclosure to potential students. In New Zealand, while there is no specific legislation governing education agencies, the government has developed the Education (Pastoral Care of International Students) Code of Practice in 2016 which specifies required outcomes that education service providers and their agents need to deliver to their international students. In the Mainland, a self-regulatory industry white list, a guide to students who wish to study abroad, and official contract templates, have been published for consumers' reference in 2017.

There is also no specific legislation in the U.K.. However, the British Council has issued a "Guide to good practice for education agents" which encompasses all aspects of agents' activities and is a standard of conduct setting out best practice for both ethical behaviour and standards of professionalism for agents. In addition, the U.K. Council for International Student Affairs has promulgated a Code of Ethics for international student advisers and a certificate was developed in line with the seven principles of the London Statement, with emphases on ethical and professional behaviour. The London Statement has since

developed into a Statement of Principles for the Ethical Recruitment of International Students by Education Agents and Consultants and was agreed to by Australia, Ireland, New Zealand and the U.K..

The Council's research further indicates that there are a number of comparable jurisdictions with significant safeguards to mitigate the risks of poor advice and bias; and which tackle the issue of lack of transparency in the provision of education advisory services in their respective markets. In this regard, Hong Kong is lagging far behind. The Council considers that some effort can be made to ensure that measures are put in place whereby Hong Kong consumers can enjoy a greater level of confidence in this sector than is currently the case.

The Council's research on overseas jurisdictions shows that there are a number of measures which can be used. Importantly, the trade itself has to learn from other jurisdictions and adopt a more rigorous industry code and put in place quality assurance mechanism to strengthen the professionalism of the service providers. The Council together with other stakeholders, can play a role in educating consumers, through the dissemination of credible information, so that they have a better understanding on how the industry operates and what they should be aware of when engaging such services. The Government also has a facilitation role to play in ensuring that there is a suitable environment in which the above measures can be introduced.

Recommendations

The Council's approach to making these recommendations is one of pragmatism, with considerations made to the time and cost required from society and the overall effectiveness of the recommendations in bringing results. In referencing overseas practices to the situation in Hong Kong, the Council proposes to strengthen the current self-regulatory regime, and to implement a series of initiatives that can be taken by the various stakeholders in the sector.

Recommendations to the industry

While the Hong Kong International Education Consultants' Association (HKIECA) has a code of conduct (the Code) for its members to follow, the Code could be strengthened to cover the following areas.

Ethical standards and good industry practices – The Council encourages the HKIECA to review its Code regularly to ensure that its guidelines follow the standards and momentum of international markets.

Guidelines to cover relevant regulations for consumer protection – The Council recommends that the Code be expanded to include specific guidelines on important regulations on the protection of privacy, what constitutes unfair trade practices and the prohibition of misleading representations to ensure that industry practitioners comply with the corresponding spirit and legal requirements.

Disclosure of representation and the receipt of rewards for making referrals - To assist consumers to properly assess the impartiality of the overseas education advisers before

deciding who to engage, service providers should be obliged to disclose or display the existence of any commissions or business incentives from overseas education institutions. A price list should be properly displayed and made available to consumers on charges related to the provision of certain services.

Qualifications of consultants – Specific guidelines should be set in the Code for industry practitioners on the types of qualifications which they can present and the form of display to ensure that consumers have a better understanding of who they are dealing with, and to provide a basis on which to challenge any misrepresentations that might be made. The HKIECA should also offer consumers an easily accessible avenue to validate the legitimacy of the consultant's claims.

Professional training requirements – The Council's study shows that there is a need to strengthen the professional knowledge of some of overseas education advisory service providers through introducing a quality assurance mechanism for member consultants, in particular, with regard to a standard number of training hours they have to attend to learn its Code, to ensure that they follow the professional standards required in the industry. Furthermore, to serve as a constant reminder of acceptable conduct, regular training on relevant legislation prohibiting behaviour such as misleading representations should be organised.

Advice on safety of the proposed destination – In the course of dealing with partner education institutions, consultants should seek facts and figures from the institutions on student safety on and near the campuses, and in turn incorporate such information in the advice given to consumers at the early stage of engagement to enable them to make an informed choice on destination.

Promoting the use of service contracts – The Council is of the view that even if free overseas education advisory services are provided, a service agreement with explicit terms and conditions would greatly assist transparency and improve the professionalism of the sector. The Council recommends that the sector should advocate the use of service contracts to ensure that both consumers and consultants understand their terms of engagement clearly, fairly and in a timely manner.

A list of consultants for public reference – To facilitate the searching by consumers for services of overseas education advisers and to enable them to validate the service providers' professional identities from a credible source, the HKIECA is recommended to release a list of service providers based on its verification of individual membership profiles.

A redress mechanism for dispute resolution – The Council also recommends that, through the HKIECA, a redress mechanism with an independent complaint review committee should be created to handle unresolved complaints by aggrieved students and parents against its members.

Recommendations to the Government

The Government can play a critical role in facilitating the industry to improve its Code and equip its members with the right level of knowledge and expertise to deliver quality services, to ensure that Hong Kong's business practices meet the world's best practice.

Decision-making tools – It is important that students have some basic understanding of what they are interested in before making decisions on which career/education path to follow. The Council recommends that the Government considers increasing the subsidies provided through the existing subsidy schemes, in particular, through the Home Affairs Bureau, namely the Funding Scheme for Youth Life Planning Activities and the Career and Life Planning Grant administered by the Education Bureau. Increased funding in this area could serve to strengthen the ability and resources of career masters in local secondary schools to more effectively match students' aspirations, capabilities and personalities with a suitable choice of higher education.

Provide a signpost for consumers – In order to raise the knowledge level of consumers (i.e., student/parents) so that they are aware of what they should do when engaging the services of overseas education advisers, consumer information guides should be produced, containing vital tips and links to key professional bodies on qualification conversion and recognition in Hong Kong. The Council recommends the Government takes the lead in this regard, with support from professional bodies, the industry, as well as the Council.

Funding support to the industry – The Council considers that relying solely on the industry or the relevant associations to raise their own funds to pursue the proposed measures would most likely result in slow progress. Some form of support for the industry from the Government, no matter whether it is in the form of one-off seed capital or facilitation in funding applications, would help to accelerate the development.

Develop guidelines on promotional materials – The Council urges the Government to seek cooperation of the industry to develop advertising guidelines in order to enhance protection to students seeking overseas education advice.

Summary

An educated citizenry is a valuable resource in an economy. The future of our society largely depends on the quality of Hong Kong people through obtaining reputable and quality higher education and qualifications.

With an increasing number of local secondary school graduates opting for overseas education, improper choices and decisions made in relation to their higher education could in the long run, affect the overall human capital development of Hong Kong.

Accordingly, based on the Council's research findings in the overseas education advisory services in Hong Kong, it is believed that the Government, together with the industry, should take an active role in fostering a better and more transparent Hong Kong marketplace for the provision of overseas education advisory services and for the betterment of our next generation.

摘要

概覽

作為一個國際城市，香港在許多領域與國際市場進行互動和交流，其中之一是教育服務。香港每年均有許多學生到海外升學，而人數在未來幾年很可能會繼續上升。

高等教育的益處，尤其是接受一府知名海外院校的教育，通常都被視為對個人事業發展的寶貴投資，理由是會為往後帶來潛在金錢和個人的回報。從這角度，教育會被視為私用商品，受教育的當事人是直接的得益者，然而，社會亦會因擁有受過教育的公民而獲取回報和好處，故此教育亦可視為公共商品。香港是否擁有大量獲得本地或海外優質教育的公民，對其延續成就至關重要。

考慮到海外尋求高等教育的支出通常是由父母承擔，不論在時間和金錢上無疑是涉及重大投資的決定。尤其是當他們在這方面沒有任何經驗，他們需要適當的資訊和建議，以作考慮。

為了吸引學生，許多海外教育機構與本地的香港顧問或中介合作，舉辦展覽和「留學」講座，積極推銷他們的課程。有些時候，這些機構通過提供轉介費，為成功招募學生參加其課程的顧問或中介提供財務誘因。

面對海外教育機構積極的營銷策略，學生及家長更需要有適當的渠道獲取準確的海外升學資訊，同時得到指導，從而做出理性及知情的選擇。

基於以上考慮，消費者委員會（本會）進行了海外教育諮詢服務市場研究。研究採用了多種方法收集相關資料，包括：

- 就本地中學生進行消費者意見調查。
- 向服務商進行行業調查，以收集有關服務範圍、服務收費及條款的資料。
- 與主要持份者進行訪談，以收集他們對本地規管架構及有關架構對業界影響的意見、現時服務商的推銷手法、以及找出就行業規管方面可以改善之處。
- 以神秘顧客方式，了解服務商的運作模式、收費結構及推銷手法。
- 進行以家長和學生為對象的聚焦小組討論，就他們遇到的營商手法、對服務商所提供的資料的了解程度、服務商服務的選擇範圍，以及如曾作出投訴的經驗，收集他們的意見和資料。

總括而言，本會在問卷調查、聚焦小組討論和神秘顧客的調查中有不同發現。這是因為研究是在學生尋求海外教育資訊的不同階段進行，而結果亦反映了承諾與實際情況、期望與經驗之間的落差。這種落差必須通過加強在本地提供海外教育諮詢服務者的質素和專業水平來改善，使學生得到更佳保障。下文重點介紹本會的研究結果和相關建議。

專上教育的需求及供應

海外升學的需求

不論學生打算通過哪一個公開考試升讀專上教育，香港享有一系列優質的專上教育選擇來滿足本地需求。而且，在未來五年，香港的本地學士學位很可能會供過於求。

供應雖然充足，但預計仍然會有許多香港學生基於種種原因而尋求海外升學機會。2011 年政府統計處主題性住戶統計調查，以及 2017 年本會進行的消費者意見調查的結果顯示，打算到海外留學的人來自收入水平較高的家庭。選擇在香港以外求學的最常見理由是提高英語水平和學習獨立。其他原因包括：對本地教育制度不滿；希望獲得更廣泛的學習機會；香港以外的學習氣氛較好；在香港以外的地方學習被視為有更好的就業機會。

最受歡迎的留學地點，首選是英國、其次依次為澳洲、美國、加拿大及其他地區，例如中國大陸、紐西蘭及台灣。

海外教育諮詢服務市場

服務種類及性質

海外教育諮詢服務的供應，是源於消費者對度身訂造的海外教育的需求。雖然現今科技發達，消費者很容易搜尋到海外教育機構的資料，但市場對海外教育顧問的個人化諮詢服務的需求仍然很大。當中的原因很多，包括父母或學生沒有相關的經驗、分身乏術的家長願意「外判」其指導角色予這些服務、以及某些海外教育機構只透過顧問接觸消費者，甚至有學生可能需要這些顧問的幫助才能達到他們想報讀的課程的入學要求。

中介的報酬通常是來自海外教育機構所支付的佣金，而不是向尋求資訊和建議的父母或學生收取服務費。由於中介所提供的建議可能由其佣金驅動，令人質疑其服務的中立性。例如，中介可能會側重考慮某所海外教育機構是否會帶來更多商業報酬，過於其建議是否能夠為個別學生帶來最大益處及/或配合其需要。

反之，如果某服務商是獨立運作，不代表某特定海外教育機構，其報酬是來自索取諮詢及顧問服務的學生或家長，換句話說，即學生或家長是其顧客，那麼雙方的利益考慮會相對較為一致。

尋找海外教育資訊

本會於意見調查和聚焦小組討論收集學生如何尋求有關海外升學資訊。一般來說，受訪者認為海外教育機構提供的資訊最為準確，其次是本地的海外教育顧問服務商，之後才是他們就讀的學校。然而，在資訊的充足程度方面，以海外教育顧問服務商居首，但在提供一般性及針對性建議時，海外教育機構中介和海外教育顧問之間的分別，有時可能是含糊不清或被誤解。

學生和家長對教育顧問/中介和海外教育機構之間的關係是否有所理解是非常重要的。這種關係並不會大事張揚，而且對於學生或家長來說通常很難確定。然而，顧問提供的意見是否偏頗有很大機會與這種關係有關。

當被問及費用或收費時，大多數受訪者表示他們收到的建議是免費的，除了在某些情況下，有些附加服務可能需要繳付一些行政費用。普遍認為如果海外教育機構向服務商支付報酬，無論是顧問或中介，所提供的服務會傾向對該機構有利。然而，學生或其父母一般不知道教育機構給予服務商多少報酬。結果令人對服務商提供的建議的中立性和所提供的資料的真實性產生疑慮。

調查結果顯示，有時候教育諮詢服務商與部分本地學校的關係也有機會會影響其提供建議的中立性，因為部分服務商會安排升學講座或面試課程，並向這些本地學校的輔導教師提供海外升學資訊。

中介或顧問

本會的行業調查顯示，大部分本地服務商把自己推銷為顧問，然而實際上他們多數以中介的身份運作。

不少中介會與海外教育機構合作，舉辦或參與展覽或講座，讓有意到海外升學的消費者參加。部分顧問表示，將學生安排到海外教育機構的佣金通常為第一學年學費的10%-15%。海外研究結果顯示，這項服務的市場相當可觀。

如前所述，雖然這種關係/收費方式會引起有關其服務是否偏頗的疑慮，但業界的反應是，為了在市場上保持良好的聲譽，他們需要提供良好的配對服務，以滿足他們所服務的機構和學生。

研究發現一些服務商會通過轉介接受新客戶，而由接觸到最終若學生獲取錄，會收取由\$2,000 至\$180,000 不等的顧問費。顧問費還可能涉及一系列包括輔導在內的服務。但這類型的服務商在市場上並非主流。

就本會是次研究而言，「顧問」一詞泛指任何向正在尋求海外專上教育選項的資訊的學生或家長提供資訊的服務商，除非他們已向學生或家長明確表明是教育機構的「代理」。

市場監督

香港政府已就本地教育市場可供學生或家長選擇而提供的宣傳資料提供指引。然而，現時香港並沒有特定的規例或政府機構來規管提供海外教育諮詢的服務。因此，消費者難以評估不同服務商所提供的資訊和宣傳資料的質素。雖然目前在國際市場中有許多排名榜，就高等教育機構的不同範疇對院校進行排名，而消費者亦能直接從海外教育機構獲得大量和繁複的資料，但仍有許多消費者需要相關入學要求和職業前景的資訊。因此，考慮到海外教育的高昂成本，對能從海外教育諮詢服務商中獲取客觀資訊的需求更為殷切。

消費者申訴

由於教育諮詢服務商和學生或家長之間沒有正式的協議，和缺乏在出現消費糾紛時適當的申訴機制，消費者在尋求行使他們所認知的消費者權益時，會較其他市場的消費者處於弱勢地位。本會的行業調查結果顯示，行業缺乏正式的申訴機制，主要是因為顧問或中介和消費者之間沒有就相關的服務簽署正式協議。當服務商被問及如果一名學生投訴課程內容或附加服務與預期不符時，他們會如何處理，近一半的受訪者表示他們會提供幫助，但在回覆的 29 間公司中，只有 4 間提及可能會以某種形式退款。

海外升學顧問的營商手法

神秘顧客

本會以「神秘顧客」形式到個別被抽選顧問的辦公地點進行實地視察，以多個虛擬個案探討顧問面對於不同學校就讀的學生時所作的不同回應，及學生與家長普遍會遇到的情況。本會「神秘顧客」於視察中收集到不少有助於了解海外教育的資料，包括小冊子、申請表格及資料單張，但亦同時觀察到以下可能值得關注的問題。

服務收費

從今次「神秘顧客」行動中，其一重要的發現是無論顧問或中介，都不會開宗明義說明收費，而大部分所提供的是他們所謂的「免費」服務。除非消費者直接詢問，否則顧問都不會披露他們收取報酬的方式。

明確披露與海外教育機構的關係

與服務商在行業普查中所述不同，本會發現顧問有機會並不會明確披露與他們推薦海外教育機構的關係。如上文提及，兩者的關係會影響顧問對學生提供建議的中立性，例如在某幾宗個案中，顧問因為商業利益，著眼於合作海外教育機構提供的回報多於學生/家長的意願，這與他們為學生尋求合適學校以維持其商譽的聲稱並不相符。

收集個人資料

而且，在進行個別諮詢前「神秘顧客」均須提供個人資料，顧問聲稱必須獲得這些資料以提供度身訂造的諮詢服務。39次在顧問辦公室的實地視察中，有33次「神秘顧客」須於事前或即場提供個人資料。被要求提供的資料包括姓名、電話號碼、地址、電郵地址、學生的公開考試成績、校內成績表、香港身份證/護照號碼、手機應用程式(例如WhatsApp/微信)的聯絡號碼、現時就讀班級及升學期望等。

4次視察中，「神秘顧客」更被要求提供財務狀況資料。顧問聲稱個別院校須學生提供財務資料以證明他們能負擔課程的費用。儘管有些個人資料是對諮詢工作有所幫助，但個人資料如身份證、護照內容和住址是否有必要，值得商榷。

其他可疑的營商手法

在其中一次視察中，顧問除了提供升學建議外，還提議扮演神秘顧客的「家長」申請升學國家的投資移民計劃。該顧問不斷吹噓投資移民計劃的好處，並游說該「家長」投資\$500,000美元到該計劃。

本會尚發現其他多項令人質疑服務商與消費者之間的交易是否有足夠透明度，及手法是否以消費者的最大利益著想。

法律權益

在某些情況下，尤其是當服務是免費，消費者的法律權益可能會處於不利。在法律上學生/家長可被視為顧問服務的消費者，當利益有所損害時消費者或可根據禁止一般不良營商手法的《商品說明條例》伸張公義，又或純粹循民事訴訟追討損失。

雖然有某些情況下可有法可循，但當蒙受損失的消費者提出訴訟時，風險往往存在，而且訴訟費時費力，其中所須的法律費用未必是家長/學生能夠或願意支付的。

撇開以法律訴訟作為阻嚇不良營商手法的成效性，以現時市場情況而言，海外教育顧問服務的質素相當視乎個別顧問/中介的操守及專業程度。基於商業現實，只依賴市場激烈競爭及顧問收取報酬的兩種角度來保障消費者，實在極為不足。在香港其他行業中，如存有行業普遍的問題，行業一般會以發展行業守則及消費者申訴機制作為處理手法。同理道理，海外升學顧問業界如作出類似回應，相信會受到廣泛歡迎。

消費者經驗

雖然本會的「神秘顧客」行動取得不少寶貴資料，本會認為有必要了解曾使用此服務的消費者的親身經歷。因此，本會舉辦了多個「聚焦小組」，以收集不同消費者群的真實經驗及他們對海外教育顧問服務的評價。

本會發現消費者的經驗大致上與「神秘顧客」行動所見類同，尤其有「聚焦小組」參加者認為有提供「免費」服務的顧問，會因為合作院校的回報，而向他們提供傾斜該等院校的升學建議。

類似的硬銷、捆綁式銷售及劣質客戶服務的營商手法亦有發現。多個例子顯示部分服務商的專業知識不足，例如在海外院校排名、交通、校內設施及住宿安排方面。其中有個案指其宿舍及社區一帶有安全問題，其顧問從沒有向她或其家長披露。另外一些學生參加者則提及他們遇上的不良跟進服務，他們以為在獲得學校取錄至到達校園之間的時間內，如出現問題時，可以依賴顧問作為他們與院校之間的溝通橋樑，但實情並非如此。

無論如何，學生參加者亦普遍認為，就算他們在遇到不良服務後申訴得直，所得的金錢補償也對已做成的損害於事無補。

保障消費者

以行業運作的現況而言，顧問對於與學生/家長的交易可能無法律責任，故即使學生/家長不滿其服務或有爭議，亦難以循法律途徑追討。如循其他途徑例如《商品說明條例》或侵權法追討，會相當費時，費用可能不菲，而且不一定成功。在此情況下，加上資訊並不平衡，「消費者利益」難以受到保障，如有問題消費者可能蒙受巨大財政損失及情緒困擾，問題不容忽視。

本會的研究顯示其他司法管轄區以法例、營商守則、官方註冊制度及培訓系統各不同的組合，以規管區內升學顧問諮詢服務市場。

例如澳洲、加拿大及美國主要以法例規管教育機構的行為，並以全國性守則作強大支援，以確保潛在學生獲披露合適的資料。新西蘭沒有訂立特定法例規管教育中介，但政府於 2016 年推行了《教育（國際學生的教導及照顧）實務守則》，該守則訂明教育服務商及其中介在服務國際學生時須達到的標準。在中國大陸行業自律機制、協助留學教育服務商的白名單、學生指南以及官方教育服務合同模板已於 2017 年發布，可供消費者參考。

英國亦沒有訂立特定法例規管行業，但英國文化協會發布了一份《教育中介良好營商手法指引》。該指引包括了中介活動的所有範疇，並為中介的操守及專業水平訂立標準。另外，英國國際學生事務協會參照《倫敦宣言》中的七大原則，為國際學生顧問制訂一份行為守則，特別強調顧問的操守及專業行為，合資格的顧問可獲發證書。《倫敦宣言》隨後發展為《教育中介及顧問招收國際學生道德原則宣言》，並獲澳洲、愛爾蘭、新西蘭及英國同意共同遵守。

本會的研究進一步指出有一些類同地區為其消費者提供可靠保障，以減低升學顧問的劣質客戶服務及偏頗建議所帶來的風險，並處理教育諮詢服務市場缺乏透明度的問題。香港在此範疇內較為落後。本會認為可落實措施，增強香港消費者對此項服務的信心。

本會研究發現有不少措施可落實，然而最重要的是業界向其他地區借鑒，推行更嚴謹的行業守則，並設立質素保證機制以提升業內人士的專業水平。本會及各持份者可扮演教育消費者的角色，透過發放可靠資訊，令消費者對行業運作有所了解，及提醒他們在使用此類服務時要留意的事項。政府亦可作為協調者，確保以上措施可在合適和有利的環境中落實。

建議

本會考慮到時間及社會須付出的成本，和建議帶來的整體效益，以務實態度提出以下建議。對比外地與本地的情況，本會建議加強現有的業界自我規管，並由各持份者落實以下各項的措施。

對業界的建議

香港國際教育顧問協會（協會）已備有守則供會員遵守，本會認為協會可加強守則以包括下列各項：

操守標準及良好行業手法 — 本會鼓勵協會檢討其守則以確定守則內容跟隨國際市場的標準及趨勢。

指引須包括保障消費者的相關法例 — 本會建議應擴大守則，涵蓋須遵守重要法例的指引，以保障消費者私隱、闡述何謂不良營商手法及禁止誤導性陳述，並確保從業員遵行相關法例的精神及要求。

披露代理身份及轉介學生收取的報酬 — 為協助消費者在接受服務前能有效衡量海外升學顧問的建議是否不偏不倚，服務商有責任披露或展示海外教育機構給予的任何佣金或商業回報的資料。服務商應於店內展示收費表及在提供服務時給予消費者參考。

顧問的資歷 — 行業守則中應明確指引顧問可展示的資歷及其展示方式，以確保消費者更了解相關顧問的資格，及為質疑任何誤導陳述時作為證據基礎。協會亦應為消費者提供便捷途徑以核實顧問所聲稱資歷的真確性。

專業培訓的要求 — 本會研究顯示，業界有需要推行顧問會員質素保證機制以提升個別海外教育諮詢服務商的專業知識，尤其在守則內設定標準學習守則的時數，以確保會員遵從業內所須的專業水平。協會亦應舉行定期培訓，以提醒會員遵守相關法例下如禁止誤導性陳述的合適行為。

顧問作出建議時應提供升學目的地的安全 — 與合作教育機構的溝通過程中，顧問應向機構要求事實和數據了解有關校園內或附近之安全情況，在向消費者提供建議的初期，便把相關資料披露，以確保他們在考慮升學地點時作出知情選擇。

倡導使用服務合約 — 本會認為提供海外教育諮詢服務是免費，一份載有明確條款的服務合約將可大大增加透明度及令業界更顯專業。本會建議業界倡導使用服務合約，以確保消費者及顧問雙方均清楚、合理及適時地知悉其權責。

為公眾提供顧問名單 — 為方便消費者搜尋海外教育顧問服務商，並從可靠途徑核實服務商的專業身份，本會建議協會核實個別會員的資歷並發布一份服務商名單。

調解爭議的申訴機制 — 本會亦建議透過協會成立一項申訴機制，其中包括一個獨立的投訴審查委員會，以處理由不滿的學生及家長對會員提出未能在顧問層面和解的投訴。

對政府的建議

政府在促進改良行業守則和裝備會員層面上擔當重要角色，扶助業界能以合適的知識和專業水平提供優質服務，並確保香港的營商手法與國際看齊。

選擇的工具 — 在決定升學或就業路徑之前，學生對自己的興趣有基本認識是相當重要的。本會建議政府可考慮透過現有計劃增加資助，特別是通過民政事務局的青年生涯規劃活動資助計劃及教育局的生涯規劃津貼計劃。增加這方面的資助可加強本地中學輔導教師的能力及資源，使他們可更有效地就學生的期望、能力及性格，提供合適的專上教育選項建議。

為消費者提供指引 — 為提升消費者（學生/家長）的知識，令他們留意使用此類服務時應注意的事項，可製作載有重要提示及本地主要專業團體在資格轉換及認受資料連結的消費者指南。本會建議由政府牽頭，並由專業團體、業界及本會支援製作。

撥款支持業界 — 本會認為單靠行業及相關組織自行籌募款項以落實上述建議，進展將會相當緩慢。如政府能提供適當支援，無論是提供一筆過的種子基金或協助其申請相關資助，均可加快業界落實和執行建議的進度。

訂立宣傳內容指引 — 本會促請政府與業界合作，訂立相關宣傳內容指引，加強對尋求海外教育資訊學生的保障。

總結

受過教育的公民是社會的寶貴資源。香港社會的將來，是有賴於市民能否獲得可靠、優質及受承認的高等教育資歷。

隨著愈來愈多本地中學畢業生選擇到外地升學，不當的升學選擇及決定長遠而言會影響香港整體的人力資源發展。

因此，基於就本地海外教育顧問服務的研究結果，本會相信政府可與業界一同主動促進香港的升學顧問服務營商環境，增加市場透明度，造福下一代。

Chapter 1 Overview of the Study

1.1 Background

Education is a complex commodity and from an economist's standpoint, it is considered both a consumption good and a capital good. The satisfaction and benefits enjoyed by students while at college is an example of the former whereas the positive impact on an individual's future income earning capacity of a degree education which equips the individual with the right attitudes and work skills is an example of the latter. With education being potentially viewed as an investment in one's career development, for most people, much of the expenditure for post-secondary education is justified.

Although education is viewed as a private good in that most of the benefits of education accrue directly to those who are being educated, the social returns and benefits of having an educated citizenry means that education could also be viewed as a public good. Hong Kong's high investment in public post-secondary education has traditionally been defended for its redistributive effects, i.e. for providing a beneficial outcome to children to become independent from the wealth of their parents.

The marketisation of overseas and local post-secondary education institutions that has accompanied the expansion of these enterprises has resulted in vigorous competition. A "market-led" education institution responds to consumer demands by focusing on the contents students want at a market rate. To cater for this, education institutions might consider decreasing intellectual complexity or learning content of a course, if this is not in primary demand, in favour of increasing enjoyment of the post-secondary education experience in areas which students indicated they value, all the while still satisfying the parents' demand for vocational training. In the past, the common expectation was that under the guidance of an academic faculty, an undergraduate should have the potential to become a scholar, i.e. someone who thinks critically, has an aptitude for study and ultimately becomes a specialist in a particular branch of study. However, in today's modern consumer-centric society, the transformation of a graduate to a scholar is less of a focus and instead, there is more focus on satisfying the students' demands as a legitimate consumer with good career prospect.

1.2 Demand for Overseas Education

When considering studying options for post-secondary education, a secondary school graduate has many choices both locally and overseas. Local programmes include publicly financed programmes, self-financing programmes or non-local courses in Hong Kong which are all regulated by the Government. The choices of local post-secondary education will be discussed in Chapter 2.

Although local publicly-funded and self-financing post-secondary education sectors remain the dominant choices, overseas education which allows children more exposure to other cultures and methods of teaching has become more popular for families who can afford the high cost of this exercise. The International Consultants for Education and Fairs (ICEF) Monitor, a market intelligence resource for the international education and student travel industry, providing the most updated publicly available information, noted that the

number of Hong Kong students studying abroad in 2013 was 31,825; with the United Kingdom (U.K.) (12,946, 40.7%), Australia (9,244, 29%), the United States (U.S.A.) (7,681, 24.1%) and Canada (1,614, 5.1%) hosting the vast majority of these students.¹

In 2011, the Hong Kong Government released the Thematic Household Survey Report 46 (“THSR-46”) setting out the findings of the survey into students studying outside Hong Kong, the fieldwork of which was conducted in 2009 to 2010. At the time of the relevant studies, it was estimated that there were over 2.3 million domestic households in Hong Kong, with some 66,000 (2.8%) households with household members aged 25 and below studying outside Hong Kong.²

The findings of THSR-46 showed that at the time of the relevant surveys, there were about 51,300 persons studying outside Hong Kong at the post-secondary level.³ The U.K. was the most popular place of choice (19,400, 25.9%), followed by Australia (17,800, 23.7%), the U.S.A. (14,700, 19.6%), the Mainland (6,900, 9.2%) and Canada (6,700, 8.9%).⁴

The findings in THSR-46 also showed that in addition to the number of students already studying outside of Hong Kong at the time, 66,700 persons aged 25 and below intended to study outside Hong Kong within five years of the survey and around one-third (35.5%) of these fell within the 16 to 20 age group.⁵ Of these, 32,500 (48.7%) intended to attend secondary level education and 31,600 (47.4%) intended to seek post-secondary education.⁶ From these figures, it can be assumed that the students who initially went for secondary education would most likely remain overseas for higher education, further reflecting that the market size for overseas post-secondary education could be significant.

1.3 Reasons for Pursuing This Study

Given that in every year, many Hong Kong students consider pursuing higher education abroad and these decisions involve huge investments, it is important that proper information and advice be provided to consumers, especially for those who do not have any prior experience with overseas education. When faced with aggressive marketing from the overseas education institutions, it is even more important that these students and their families have proper access to accurate information on overseas education so that rational and informed choices can be made.

A decision which involves huge investment

Overseas education is costly. Leaving aside the education institutions in Asia which typically charge lower fees, annual tuition fees for secondary/high schools in western markets can be as high as HK\$460,000 and for post-secondary education, this can be up to HK\$380,000. The wide range of schools and programmes, i.e. whether they are private or public institutions, general or specialised programmes, and whether there is the provision of boarding facilities or not, account for substantial variation in their costs. As for

¹ ICEF Monitor, *Hong Kong's outbound numbers continue to rise*, 8 February 2016, <http://monitor.icef.com/2016/02/hong-kongs-outbound-numbers-continue-to-rise/>.

² Census and Statistics Department, *Thematic Household Survey Report No. 46 (THSR-46)*, 13 January 2011, page 6, cl 3.5, <https://www.censtatd.gov.hk/hkstat/sub/sp453.jsp?productCode=C0000028>.

³ THSR-46, Table 3.2c.

⁴ THSR-46, Table 3.2b.

⁵ THSR-46, Table 3.4a.

⁶ THSR-46, Table 3.4c. Remaining number of students opted for primary and below grade studies.

living expenses, annual costs can range from HK\$48,000 to HK\$120,000, depending on housing options, personal spending and cost of living variations amongst the countries concerned.⁷

In view of the high cost involved and the fact that the decision to study overseas could affect the future career and even life-long development of the relevant student, education advisers and agents, who tend to be the major service providers, play an important role in this decision making process. Their professional integrity and the accuracy of the information they provide are therefore essential.

Lack of experience in an expensive purchase

During the course of choosing the most suitable study programme, a student has to go through a rigorous assessment of his own preferences, ability and interests, and then take into account influences and opinions of his family. This can involve processing a large amount of information and coping with detailed professional advice, making it difficult for the student to properly prioritise and evaluate. For students who might have fallen behind expectations in public examinations and are therefore urgently looking for an alternative pathway of advancement by considering education overseas, the process of identifying an appropriate education institution abroad could be even more stressful.

As each local secondary school has only one or two career masters serving the need of a whole form of graduates, the limited resource means that the focus is typically on the choice of courses offered by local post-secondary institutions. Information on overseas education options are usually insufficient or outdated. Being faced with a dearth of support and information from their own schools, the students in need of overseas education options would then have to turn to the private sector and engage advisers and consultants or agents for the necessary advice and information. The lack of a high degree of transparency in a competitive market could lead to potential hazards of substandard services being offered or poor advice given.

Aggressive marketing

Over the past two decades, seeing the growth in demand for overseas education from Hong Kong students, overseas education institutions have responded accordingly. In an effort to recruit more overseas students, these institutions have increased the frequency of their marketing activities and widened the scope of their programmes on offer. Instead of just offering traditional study programmes, they now also offer programmes with additional activities where students can learn about other cultures, for example, pre-university summer schools and university tour programmes. In order to reach out to the local students, many overseas education institutions partner with local education advisory service providers and organise exhibitions and "study abroad" seminars to aggressively market their programmes. On occasions, financial incentives are offered through referral fees for successful recruitment of full fee paying overseas students.

⁷ Aggregated figures from various websites.

Given the importance of post-secondary education to students and the society as a whole, and the fact that most consumers in Hong Kong have little or no consumption experience in these education programmes, the Council concluded that there is a need to carry out a study in this area.

The objectives of this study are as follows:

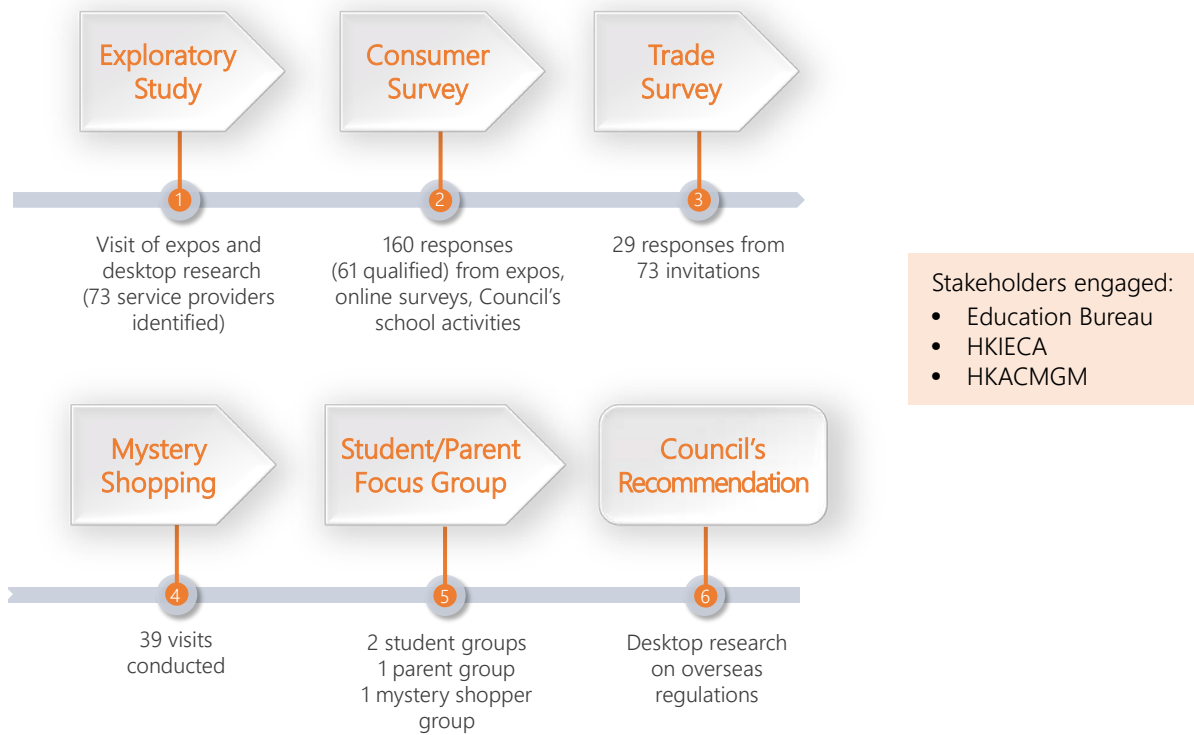
- to assess the adequacy of information provided by local service providers to consumers on overseas education options;
- to assess the level of consumers' understanding of available overseas education options and gauge the level of satisfaction of their experiences;
- to assess the trade practices of local service providers involved in providing overseas education advisory and/or consultancy services and to examine the presence of malpractices which could cause harm to consumers or limit consumers' choice; and
- to assess the adequacy of complaint handling mechanisms and the provision of remedies when consumers are dissatisfied with the services of the service providers, and to recommend effective measures to strengthen protection to consumers.

Methodology

As shown in Figure 1, various research methods have been employed to gather relevant information for this study:

- Consumer surveys were conducted on secondary school students in local secondary schools.
- Trade survey to service providers in the form of a questionnaire was carried out to gather information on the scope of their service, pricing of their services, and their service terms and conditions.
- Interviews were conducted with a range of stakeholders to solicit views on the local regulatory framework and its impact on the industry; the current service providers' sales practices; and to identify areas for improvement in industry governance.
- Mystery shopping visits were conducted to provide insight into the operation of service providers, their fee structures and sales practices.
- Focus group meetings were held to collect views and information from parents and students on the trade practices encountered, the factors determining their overseas study choices, the level of understanding of the information presented by service providers, the range of available options in their selection of service providers, and their experience of complaint redress mechanisms, if any.

Figure 1: Methodology of the study (July 2017 to Mar 2018)



It is the intention of the Council that the findings of this Report will enable the industry and the Government to better regulate the overseas education advisory service market and to educate the public on the possible pitfalls of engaging such service providers.

Chapter 2 Demand and Supply of Post-secondary Education in Hong Kong

The Hong Kong Government provides 12 years' free and universal primary and secondary education (P1-S6) to all children attending public sector and aided schools since 2008. In the 2017/2018 academic year, there will be 52,525 graduates⁸ from local schools, including government, aided, caput (schools receive subsidies from the Government according to the number of pupils admitted), Direct Subsidy Scheme (DSS) and private local schools. Most of them follow the New Senior Secondary (NSS) curriculum launched in 2009. However, some of the DSS schools, the subsidised international schools including the English Schools Foundation (ESF) and other private international schools, design their own courses and do not follow the NSS curriculum.

2.1 Choices on Local Higher Education

Since the 2012/2013 academic year, most secondary school students take the Hong Kong Diploma of Secondary Education (HKDSE) examinations in April in their last secondary school year (S6). The HKDSE examination is a qualification for post-secondary education or career development. Among the 59,039 candidates who applied for the 2018 HKDSE examinations, 51,675 were school candidates, while the remaining 7,364 were private candidates.⁹

There are some students from local schools and international schools who take other examinations, such as the American College Test (ACT), the Advanced Placement (AP) examinations, the General Certificate of Education Advanced Level (GCE A-Level) examinations, the International Baccalaureate Diploma Programme (IBDP) examinations, or Scholastic Assessment Test (SAT), to meet the entrance requirements of local and overseas universities. In 2017, 2,235 candidates¹⁰ took IBDP. No information on the number of Hong Kong students taking other examinations such as GCE A-level or AP is available.

Taking different examinations (for example ACT, GCE A-Level, HKDSE, IBDP or SAT) could result in taking different education pathways. Students who take the HKDSE examinations are required to fulfill a minimum requirement of "3322" or better, for core subjects (i.e. level 3 for Chinese Language and English Language and level 2 for Mathematics and Liberal Studies), in order to be eligible as candidates for University Grants Committee (UGC)-funded 4-year degree local programmes.¹¹ In 2017, 21,593 HKDSE candidates (Table 1) were eligible to apply for locally accredited government funded undergraduate programmes. The Government funds over 80% of the cost of degree education for students accepted by these local programmes.¹²

⁸ Number of graduates inferred from student enrolment statistics obtained from the Education Bureau.

⁹ Hong Kong Examinations and Assessment Authority, *Hong Kong Diploma of Secondary Education Examination 2018*, 15 December 2017, http://www.hkeaa.edu.hk/DocLibrary/Media/FactFigures/2018HKDSE_registrationstat.pdf.

¹⁰ International Baccalaureate Organisation, *Diploma Programme statistical bulletin – May 2017 examination session*, 2017, page 11, <https://www.ibo.org/about-the-ib/facts-and-figures/statistical-bulletins/diploma-programme-statistical-bulletin/>.

¹¹ See Hong Kong Examinations and Assessment Authority, *Local Universities & Higher Education Institutions – Entrance requirements for undergraduate programmes*, http://www.hkeaa.edu.hk/en/recognition/hkdse_recognition/local/.

¹² See Audit Commission, *Director of Audit's Report 67: Chapter 2, Executive Summary* October 2016

Table 1: Statistical overview of HKDSE (2012-2018) – number of candidates¹³

Year of Examination	Applied		Total Number of Candidates who Sat the Examination	Eligible for 4-year Undergraduate Programmes*	Eligible for Sub-degree Programmes
	School Candidates	Private Candidates			
2012	71,745	1,329	72,620	26,636	48,298
2013	71,168	11,115	81,355	28,451	49,816
2014	66,576	12,996	78,400	27,971	46,555
2015	62,199	11,932	72,859	25,782	43,780
2016	57,127	11,001	66,874	24,557	40,768
2017	52,058	9,566	60,349	21,593	35,990
2018	51,675	7,364	59,039	(Unknown at the time of report)	
Cumulative change from 2012 to 2017	-19,687 (-27.4%)	+8,237 (+619.8%)	-12,271 (-16.9%)	-5,043 (-18.9%)	-12,308 (-25.5%)

* Candidates with DSE results fulfilling the minimum requirement of “3322” or better

Currently, Hong Kong has 20 local degree-awarding higher education institutions,¹⁴ 8 of which are funded through the UGC. The remaining 12 degree-awarding tertiary institutions, which are not funded by the UGC, include the publicly-funded Hong Kong Academy for Performing Arts (HKAPA) and the Open University of Hong Kong (OUHK), which is a statutory institution operating on a self-financing basis. The full-time equivalent intake capacity of these 20 local degree-awarding higher education institutions are listed in Annex A.

For all secondary school graduates, there are 4 pathways to pursue post-secondary education:

- (i) study at a local UGC-funded degree programme or a local accredited self-financing degree programme;
- (ii) enrolment in a local sub-degree programme;
- (iii) enrolment in a non-local higher and professional education course offered in Hong Kong by an overseas post-secondary education institution; and
- (iv) enrolment in an overseas post-secondary programme.

https://www.aud.gov.hk/eng/pubpr_arpt/rpt_67.htm.

¹³ Hong Kong Examinations and Assessment Authority, *HKDSE Statistics of entries and results over the years*, HKDSE exam reports of years 2012-2017, and *Registration Statistics of 2018 HKDSE*, <http://www.hkeaa.edu.hk/en/Media/facts/facts.html>.

¹⁴ See the Education Bureau – *Institutions*, <http://www.edb.gov.hk/en/edu-system/postsecondary/local-higher-edu/institutions/index.html>.

Eligible HKDSE students

Eligible HKDSE students can either choose UGC-funded degree programmes (currently maintained at 15,000 available places per year), other publicly-subsidised programmes (1,759 places)¹⁵ or locally accredited self-financing degree programmes (which provided 7,888 places¹⁶ in the 2017/18 academic year). In total, the current annual supply under UGC-funded and self-financing degree programmes are around 24,647 places. If the number of intakes by UGC-funded degree programmes remains unchanged, this should be sufficient to accommodate the demand of all eligible students. According to statistics from the EDB, the number of S6 graduates is decreasing per year (as shown in Table 1, with the number of students sitting the HKDSE reduced by 16.9% from 2012 to 2017). It is further confirmed that the total number of students and hence those eligible for the 4-year undergraduate programmes (those who meet the “3322” criteria) will continue to decrease for the coming years if the passing rate remains the same (as shown in Table 2). With a decrease in number of secondary school graduates and an expansion of the self-financing post-secondary education sector in the coming 5 years, Hong Kong will likely have an over-supply of places for degree programmes. Therefore, it is anticipated that there will be more unfilled places for local degree programmes in future.

Table 2: Estimated total secondary school graduates

Academic Year of Secondary 6	2017/18	2018/19	2019/20	2020/21
Student number in local schools ¹⁷	51,700	48,100	45,600	43,500
Student number in international schools ¹⁸	2,261	2,332	2,613	2,771
Total	53,961	50,432	48,213	46,271

The cost differential¹⁹ between studying in an overseas education institution and doing so in a local institution will possibly attract students to remain in Hong Kong and study locally. However, leaving aside the consideration of costs, these eligible candidates may also consider overseas education institutions for a whole range of reasons. Based on THSR-46, such reasons could be “to improve English proficiency”, “to learn to be independent” or to enjoy a “better learning atmosphere outside Hong Kong”.²⁰

Since the results of the HKDSE are also recognised by education institutions from Australia, Canada, Europe, New Zealand, Taiwan, the U.K., the U.S.A. and the Mainland,²¹ and some requirements of HKDSE examination scores for overseas university degree programmes

¹⁵ HKSAR Government, *Legislative Council Special Meetings of the Financial Committee to examine the Estimates of Expenditure 2018-2019*, 20 April 2018 meeting, Administration’s replies to Members initial written questions presented by the Secretary for Education, Reply Serial No. EDB 246 Annex A2, https://www.legco.gov.hk/yr17-18/english/fc/fc/w_q/edb-e.pdf and see Report Annex A.

¹⁶ *Ibid.*, annex B1, figures of the Hong Kong Art School, Hong Kong Institute of Technology and SCAD Hong Kong are excluded as they are not listed as local degree-awarding higher education institutions.

¹⁷ The Education Bureau, *Estimated number of local secondary school leavers from the 2016/17 to 2020/21 academic years*, Annex 1 of written reply to question LCQ11 in the Legislative Council on 1 June 2016, http://gia.info.gov.hk/general/201606/01/P201606010373_0373_167384.pdf.

¹⁸ Forecast according to number of students enrolled in grades S1-S6 in the Education Bureau, *Student Enrolments Statistics 2016/2017*, June 2017, http://www.edb.gov.hk/attachment/en/about-edb/publications-stat/figures/Enrol_2016.pdf.

¹⁹ A 4-year local degree on average would cost a student HK\$200,000 – HK\$350,000 whereas the average cost of an overseas degree education could reach HK\$600,000 per year (with reference to University of Southern California).

²⁰ Top 3 reasons for studying outside Hong Kong quoted in the *Thematic Household Survey Report No. 46*, Table 3.2d.

²¹ See Hong Kong Examinations and Assessment Authority, *Recognition of Qualifications for HKDSE*, http://www.hkeaa.edu.hk/en/recognition/hkdse_recognition/ircountry_hkdse.html.

are similar to that of local degree programmes, this group of students will have many options when choosing their preferred countries/cities and universities to further their education.

HKDSE students not meeting local admission requirements

The HKDSE students not eligible for local undergraduate degree programmes (who failed to attain the scores of "3322" in HKDSE) can opt for local sub-degree programmes. There were around 36,000 such students competing for a total of 34,100 places of which 24,100 places were self-financing programmes in years 2017 and 2018.²² In order to apply for sub-degree programmes in Hong Kong, the following results are required: 5 subjects with level 2 or above, including Chinese Language and English Language.

S6 HKDSE graduates who fail to attain the necessary score for local sub-degree and local degree programmes may consider studying abroad or enrolling in non-local higher and professional education courses. If their HKDSE results also fail to meet the requirements of an overseas education institution, they would need advice on any suitable bridging courses or post-secondary courses which would accept scores below satisfactory levels of public examinations such as HKDSE or IBDP to further advance their studies.

Non-HKDSE students

In 2017, there were 53 local international schools²³ (including 15 schools operated by the ESF). Among those, 44 operate a primary section²⁴ and 33 operate a secondary section.²⁵ Some local schools²⁶ also offer secondary education under the IBDP and it is expected that students from these schools most likely plan to study abroad. Parents of these students are also likely to be much better informed on overseas education options either by their own study abroad experience or from support from the schools. According to the information contained in these international schools' websites, it was estimated that 70% of IBDP programme schools' graduates²⁷ received overseas undergraduate programme entrance offers. These students, meeting non-HKDSE requirements by local universities, are eligible and can choose to study in Hong Kong.

From the statistics collected, the number of unqualified HKDSE students and the number of non-HKDSE students opting for overseas post-secondary education are not large. However, based on figures from the THSR-46, as at 2010, there were around 23,700²⁸ Hong Kong residents aged between 16 and 20, planning to study abroad in 5 years. At that time, there were 295,000 S3-S7 students and in 2017, there were 209,000²⁹ S3-S7 students. By proportion, it would be expected there were around 16,800 who would choose to study abroad for their post-secondary education in 5 years in 2017.

²² See Open University of Hong Kong, *Future post-secondary first-year student numbers in Hong Kong*, http://www.ouhk.edu.hk/wcsprd/Satellite?pagename=OUHK/tcSingPage&c=C_PO&cid=1385172181613.

²³ See International Schools in Hong Kong, *Statistics at a glance*, 2017/18, https://internationalschools.edb.hkedcity.net/statistics_at_a_glance.php?lang=en.

²⁴ See the Education Bureau, *Primary Education*. <http://www.edb.gov.hk/en/about-edb/publications-stat/figures/pri.html>.

²⁵ See the Education Bureau, *Secondary Education*. <http://www.edb.gov.hk/en/about-edb/publications-stat/figures/sec.html>.

²⁶ See International Baccalaureate Organisation, *Find an IB World School*. <http://www.ibo.org/programmes/find-an-ib-school/?SearchFields.Country=HK&SearchFields.ProgrammeDP=true>.

²⁷ Average percentage of admissions as listed on the schools' websites as accessed in July 2017.

²⁸ THSR-46, Table 3.4a, aggregate number of persons of age group 16-20.

²⁹ Student enrolment statistics obtained from the Education Bureau.

2.2 Other Choices in Hong Kong Post-secondary Education Market

In the 2017/18 academic year, around 23,000 students were admitted into full-time self-financing degree and sub-degree programmes,³⁰ and around 21,000 students were granted places in the UGC-funded degree and sub-degree programmes.³¹ When compared with the number of students eligible for undergraduate and sub-degree programmes,³² 77% of the relevant cohort had access to local post-secondary education.

Local self-financing programmes

Locally accredited self-financing degree programmes are supplied by publicly-funded higher education institutions,³³ the Open University of Hong Kong (OUHK), approved post-secondary colleges registered under the Post-Secondary Colleges Ordinance (Cap. 320)³⁴ and other non-local registered institutions, such as the Savannah College of Art and Design (SCAD) Foundation (Hong Kong) Limited / Savannah College of Art and Design, Inc.³⁵ The annual tuition fee for UGC-funded places is HK\$42,100, while that for locally-accredited self-financing degree courses range from HK\$55,000 to HK\$290,000.³⁶ In 2017, the Chief Executive launched the Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong (Subsidy Scheme)³⁷ for students taking accredited self-financing degree programmes with vouchers valued at HK\$30,000 per annum, and the subsidy will be increased to HK\$30,800 in the 2018/19 academic year.³⁸ This scheme should help increase the demand for self-financing degree programmes in the market for post-secondary education.

In fact, the self-financing programmes play an important role in broadening the opportunities and choices for further education, thereby providing quality, diversified and flexible pathways with multiple entry and exit points for school leavers. The Government attaches great importance to the quality of local post-secondary programmes offered by self-financing institutions. In addition, the Government provides publicly-funded financial assistance schemes to students, ensuring that no post-secondary school students in Hong Kong are denied access to further education due to financial reasons.

³⁰ HKSAR Government, *Legislative Council Special Meetings of the Financial Committee to examine the Estimates of Expenditure 2018-2019*, 20 April 2018 meeting, Administration's replies to Members initial written questions presented by the Secretary for Education, Reply Serial No. EDB 246 Annex B2, https://www.legco.gov.hk/yr17-18/english/fc/fc/w_q/edb-e.pdf. Aggregate figure of actual intake of Sub-degree and First-year-first-degree (FYFD).

³¹ Joint University Programmes Admissions System, *Main Round Offer Statistics*, 2017, <https://www.jupas.edu.hk/en/statistics/main-round-offer/>.

³² See Table 1.

³³ There are currently 10 publicly-funded institutions, namely the eight University Grants Committee-funded institutions, the Hong Kong Academy for Performing Arts and the Vocational Training Council, see the Education Bureau, *Post-Secondary Education: Overview*, <http://www.edb.gov.hk/en/edu-system/postsecondary/>.

³⁴ As at January 2018, there are 10 degree-awarding post-secondary education institutions approved by Cap. 320. <http://www.edb.gov.hk/en/edu-system/postsecondary/local-higher-edu/institutions/index.html>.

³⁵ Legislative Council Panel on Education, *Issues related to the policy on self-financing post-secondary programmes*, 13 June 2016, page 2, cl. 5, <https://www.legco.gov.hk/yr15-16/english/panels/ed/papers/ed20160613cb4-1090-1-e.pdf>.

³⁶ HKSAR Government, *Legislative Council Special Meetings of the Financial Committee to examine the Estimates of Expenditure 2018-2019*, 20 April 2018 meeting, Administration's replies to Members initial written questions presented by the Secretary for Education, Reply Serial No. EDB 246 Annex B3, 2017/18 academic year, column "FYFD", https://www.legco.gov.hk/yr17-18/english/fc/fc/w_q/edb-e.pdf.

³⁷ See HKSAR Government, *Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong announced*. <http://www.info.gov.hk/gia/general/201708/04/P2017080400405.htm?fontSize=1>.

³⁸ HKSAR Government, *Press Release - Subsidy amounts for Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies and Study Subsidy Scheme for Designated Professions/Sectors in 2018/19 announced*, 26 April 2018, <http://www.info.gov.hk/gia/general/201804/26/P2018042600574.htm?fontSize=1>.

The post-secondary programmes offered by self-financing institutions are validated by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ). The Government monitors and maintains the quality of the self-financing programmes through 3 quality assurance mechanisms:

- (1) the Accreditation of HKCAAVQ;
- (2) the quality assurance mechanism of UGC-funded institutions; and
- (3) the self-financing post-secondary education fund.

Issues related to the governance and regulation of the local self-financing post-secondary education sector received attention from some legislators in the past. In 2012-2014, motivated by commercial interests, some self-financing post-secondary programme providers indulged in the over-enrolment of students and the indiscriminate admission of students due to an over-supply. Subsequently, the Government imposed measures on these programme providers to safeguard the interests of students.

The industry also took action to mitigate the malpractices of over-selling and misrepresentation. In 2013, the Federation for Self-financing Tertiary Education promulgated a set of guidelines³⁹ for their locally-accredited self-financing programmes at undergraduate level and below, in order to enhance consistency and transparency in enrolment and admission arrangements. As a result, the practice of over-enrolment subsided.

Non-local higher and professional education in Hong Kong

In Hong Kong, there are currently 1,151⁴⁰ non-local courses (NLCs) on offer by different non-local institutions, leading to the award of many higher or professional qualifications. Any person intending to offer a NLC in the market has to apply for registration, or exemption from registration, under the Non-local Courses Registry (NCR) of the EDB.⁴¹ The NCR processes such applications in accordance with the stipulations set out in the Non-local Higher and Professional Education (Regulation) Ordinance (Cap. 493) (the Ordinance). As 61% of these NLCs are conducted in collaboration with some local institutions of higher education, they are exempted from registration under the law.⁴²

The Ordinance is designed to regulate, through a registration system, the operation of non-local institutions in order to prevent substandard NLCs from being provided in Hong

³⁹ Federation for Self-financing Tertiary Education, *Guidelines for Recruitment and Admission Practices*, 17 November 2014, [https://www.fste.edu.hk/files/Guidelines%20on%20Recruitment%20and%20Admission%20Practices%20\(English%20version\)%20rev_20141117.pdf](https://www.fste.edu.hk/files/Guidelines%20on%20Recruitment%20and%20Admission%20Practices%20(English%20version)%20rev_20141117.pdf).

⁴⁰ See the Education Bureau, *Non-local Higher and Professional Education Courses – Statistical Information*. <http://www.edb.gov.hk/en/edu-system/postsecondary/non-local-higher-professional-edu/stat-info/index.html>.

⁴¹ See the Education Bureau, *Non-local Higher and Professional Education Courses – Information for Course Providers*. <http://www.edb.gov.hk/en/edu-system/postsecondary/non-local-higher-professional-edu/info-for-course-providers/index.html>.

⁴² Exemption from registration may be granted to (a) courses conducted in collaboration with specified local institutions of higher education; (b) “purely distance learning courses”; and (c) courses conducted solely by local registered schools or local institutions of higher education. See the Education Bureau website <http://www.edb.gov.hk/en/edu-system/postsecondary/non-local-higher-professional-edu/info-for-course-providers/index.html>, paragraph *Exemptions*.

Kong and thereby protect the interests of the students enrolled in these courses. To ensure adequate standards of NLCs, the Ordinance provides that any NLC offered in Hong Kong by an institution must be at a level comparable to that of the course leading to the same academic/professional qualification awarded by the institution in its home country. However, the Government states that registration/exemption from registration of a course does not on its own confer any particular standing to the course or infer any comparability to a local degree programme.⁴³

In 2017, the Office of the Ombudsman (the Ombudsman) followed up on media reports alleging that an institution forged documents by backdating the registration of some students to enable premature award of academic qualification to those students.⁴⁴ The Ombudsman investigated the matter and produced a report highlighting some of the inadequacies of the current regulatory mechanism such as:

- (i) a lack of self-initiated surprise inspections;
- (ii) no requirement for operators of registered courses; and
- (iii) a lack of specific legal provisions and enforcement guidelines.

The Ombudsman therefore recommended the EDB to devise a mechanism for conducting periodical surprise inspections on documentary records relating to the courses taken by students, in order to effectively prevent falsification. This recommendation has been adopted. In addition, the Ombudsman also recommended the EDB to devise clear enforcement guidelines. In November 2016, EDB introduced a new application form for the registration of a course leading to a non-local higher academic qualification. Since March 2017 course operators for non-local higher academic qualification needs to file in the annual returns of academic courses already registered under the Ordinance. Operators of these courses are required to submit annual returns by using the new form to provide detailed information on the operation of academic courses, such as students' profiles, recruitment statistics, quality assurance issues, etc, for assessment on whether the registration criteria have been continuously met.

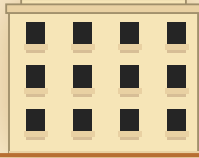
⁴³ See the Education Bureau, *Non-local Higher and Professional Education Courses – Information for Students*, <http://www.edb.gov.hk/en/edu-system/postsecondary/non-local-higher-professional-edu/info-for-student/index.html>.

⁴⁴ Ombudsman, *Executive Summary - Direct Investigation into Education Bureau's Regulation of Institutions Offering Non-local Higher and Professional Education Courses*, March 2017, http://ofomb.ombudsman.hk/abc/files/DI407_ES_E-9_3_2017.pdf.

Pathways For Hong Kong Junior Secondary (S3) School Students



**Day School Students
(S3 School Leavers)**



**Attend Local Government/
Aided/Caput Schools Under
New Senior Secondary Academic
Structure (3-3-4)**


**Attend Local Direct
Subsidy Scheme (DSS)/
Private Schools (S4-S6)**


**Attend English Schools
Foundation (ESF) Schools
And Other Private
International Schools**


**Attend Overseas
Boarding Schools**




**Overseas
Examinations e.g.
IBDP, GCE A-Level,
SAT/ACT**



**Bachelor's Degree
If HKDSE Results Satisfying
"3322" Requirement**

**Programme
If HKDSE Results Not Satisfying
"3322" Requirement**

Local Government-funded



**Local UGC-funded/
SSSDP Degree Programmes
Via JUPAS**

**教育局
Education Bureau**

**Local Government-funded
Sub-degree Programmes**



**Local UGC-funded/
SSSDP Degree Programmes
Via Non-JUPAS**



**Diploma Yi Jin/ VTC Courses/
Other Programmes Offered
By Training Centres**

Local Self-financing



**Local Self-financing
Bachelor's Degree
Programmes**



**Local Self-financing
Sub-degree Programmes**

Overseas



**Overseas Bachelor's
Degree Programmes**



**Non-local Programmes
Offered In HK/Distance
Learning Programmes**



2.3 Consumer Surveys

THSR-46 showed that the most commonly cited reasons for persons who intended to study outside Hong Kong were “to improve English proficiency” (42.1%) and “to learn to be independent” (31.8%). Other important reasons were “dissatisfied with local education system” (23.6%), “to achieve a wider academic exposure” (22.4%), “better learning atmosphere outside Hong Kong” (19.6%) and “studies outside Hong Kong will provide better job prospects” (17.9%).⁴⁵

Students therefore choose overseas education for many reasons and catering to the differences in student or parental preferences arising out of the diverse motivations behind making these choices is challenging. Sometimes, even the students and the parents are not totally certain of what it is they are seeking.

Being able to obtain consumer experience of engaging overseas education advisory services available in Hong Kong to include how and why they choose their service providers from amongst the different ones in the market means that the Council has gained valuable insight into understanding the engagement process and the issues giving rise to concern. In particular, the Council is interested to ascertain whether in the absence of mandated government oversight, the sector is able to provide a quality service that enables student/parent to properly identify the right overseas course which suits his/her needs.

As THSR-46 reported on survey findings from 2009-2010, and there has been no further public survey on this topic, the Council decided to conduct a series of surveys on prospective consumers of overseas education services to bring the findings of the THSR-46 up to date. The questionnaire used in this Study was developed with reference to and closely mirrored the relevant Thematic Household Surveys and is appended at Annex B.

Since relevant data can only be derived from a certain group, i.e., those who are studying in primary or secondary schools or graduating from secondary schools at the time of the survey and who may be considering furthering their studies abroad, it is very costly and difficult to obtain any representative results from a random sample with size of 0.6% of the population from a student cohort of 209,000 (S3-S7) which only has a fraction (estimated 16,800 students) of them which plans to study abroad. With that in mind, the method of purposive sampling was adopted. A total of 160 responses were collected and only around one-third of the total respondents had the intention to study abroad.⁴⁶ The following analysis is based on the response of the 61 students who indicated that they intended to study abroad.

Monthly household income

The results of the survey show that those who intended to study overseas came from households of the upper end of the income scale, and this is quite consistent with the findings of THSR-46. Of those who revealed their income bracket, 29.6% earned a monthly income of HK\$40,000-59,999, 25.9% earned income of HK\$60,000 or above and 24.1% earned between HK\$30,000-39,999.

⁴⁵ THSR-46, Table 3.4d.

⁴⁶ They were collected from 4 occasions, in a study expo held on 8-9 July 2017 (occasion 1), during the rehearsal of the Consumer Cultural Study Award (CCSA) Ceremony on 18 July 2017 (occasion 2) and in the CCSA helper debriefing on 18 August 2017 (occasion 3) and online survey distributed by career master teachers to relevant students as of 2 March 2018 (occasion 4). The survey covered respondents aged 11 to 24, who were studying in secondary schools or IVE. Among those 160 respondents, only 61 (38.1%) intended to study abroad.

In THSR-46,⁴⁷ 26.7% of those with family members who intended to study abroad had a household income of HK\$40,000-\$59,999, 16.2% had a monthly household income of HK\$60,000 or more, and 9.8% earned HK\$30,000-\$39,999. Both sets of results showed that those who planned to study overseas likely come from a middle-upper class family with sufficient income to afford the tuition fees and overseas living expenses.

Type of housing

Over half (65.6%) of the respondents of the consumer survey lived in private housing. The corresponding percentage for households in private housing revealed in THSR-46 was also similarly high (69.1%)⁴⁸ amongst those who had household members aged 25 and below who intended to study outside Hong Kong within five years after the survey was carried out.

Place of study

According to THSR-46,⁴⁹ the most popular destinations for overseas study were the U.K. (25%), followed by Australia (22.3%), the U.S.A. (17.5%) and Canada (10.9%). The findings of the consumer survey generally reaffirmed and mirrored these results. When asked to pick the top 3 countries the students wished to go to for study, the U.K. remained the most named country (27.1%), followed by Australia (17.3%), Canada (12.8%) and Taiwan (10.5%). When asked which single country was the students' favorite destination, the U.K. was still the most popular (33.9%), followed by Australia (23.2%), then the U.S.A. (10.7%) and Taiwan (8.9%).

Table 3: The preferred destination of non-local post-secondary education

Country	The Council's Consumer Survey ^[1]	THSR-46 ^[2]
The U.K.	33.9%	25.0%
Australia	23.2%	22.3%
The U.S.A.	10.7%	17.5%
Taiwan	8.9%	(not shown in THSR-46)
Canada	7.1%	10.9%
New Zealand	5.4%	(not shown in THSR-46)
Mainland China	1.8%	3.9%
Others	9.0%	4.7%
Not yet decided	Not applicable	15.8%
Total ^[3]	100.0%	100.1%

^[1] Based on the Council's Consumer Survey question A3 (b).

^[2] Based on THSR-46, Table 3.4b (the latest official data available).

^[3] The total percentage may exceed 100 due to rounding off effect.

⁴⁷ Percentages in households with members aged 25 and below who intended to study outside Hong Kong during the 5 years after enumeration based on THSR-46, Table 3.3b.

⁴⁸ Percentages in households with members aged 25 and below who intended to study outside Hong Kong during the 5 years after enumeration based on THSR-46, Table 3.3c.

⁴⁹ THSR-46, Table 3.4b.

Reasons for studying outside Hong Kong

The reasons for wanting to study overseas seem to have changed over the recent years. In 2010, the most commonly cited reasons for studying outside Hong Kong were “to improve English proficiency” (42.1%), “to learn to be independent” (31.8%) and “dissatisfied with local education system” (23.6%).⁵⁰ However, the most commonly cited reasons in the Council’s consumer survey were “better learning atmosphere outside Hong Kong” (17.2%), which was only ranked the fifth (19.6%) in the THSR-46, “to learn to be independent” (14.2%), ranked the second (31.8%) in the THSR-46 and “studies outside Hong Kong will provide better job prospects” (13.0%), ranked the sixth (17.9%) in the THSR-46.

Factors behind the decision to study overseas

The Council’s survey also looked into factors which the consumers considered during the decision making process. This was not an aspect covered by the THSR-46 survey.

The consumer survey showed that the most significant factor behind the decision of whether to study abroad or remain local was the “(expected) results of the HKDSE” (21.7%), followed by “family financial capability” (18.4%), and “subject choice” (14.5%).

However, it is interesting to note that the priority of factors changed according to different study destinations. Taking the five most popular destinations as examples, the most significant factor for students who aspired to study in the U.K. and Australia was still the “(expected) results of the HKDSE”, but for those who wished to study in Taiwan and the U.S.A., the financial ability of the family came first. Table 4 summarises the considerations of students aspiring to study in different locations.

Table 4: Top 3 factors behind the decision of studying overseas (by destinations)

Destination/ Rank of Factor	U.K.	Australia	Canada	Taiwan	U.S.A.
1	Expected HKDSE Results	Expected HKDSE Results	Subject(s) of Studies/ Family Members’ Suggestions	Family Financial Ability	Family Financial Ability/ Personal Ability
2	Family Financial Ability	Subject Choice	Family Financial Ability/ Personal Ability	Favoured Educational Institution(s)	Family Members’ Suggestions
3	Subject Choice	Family Financial Ability	Expected HKDSE Results	Personal Ability	Favoured Destination/ Expected HKDSE Results

⁵⁰ THSR-46, Table 3.4d.

Information channels on overseas study

When asked through what channel(s) they obtained information on overseas study, nearly a quarter (24.3%) of respondents replied “overseas education advisory service providers”, and 19.4% said they relied on their family members, and 18.8% said they searched the Internet (excluding official websites of overseas education institutions and overseas education advisory service providers). This shows that “overseas education advisory service providers” was an important source of information for those who planned to study abroad.

Respondents generally felt that the overseas education institutions provided the most accurate information, with an average score of 4.28 (in a 5 point Likert scale, with 5 being “very accurate” and 1 being “very inaccurate”), with overseas education advisory service providers coming next with an average score of 3.92 and the local school they were attending averaging a score of 3.89.

In terms of sufficiency of information rather than the accuracy of the information, the respondents ranked overseas education advisory service providers first (average score of 3.85) (in a 5 point Likert scale, with 5 being “very sufficient” and 1 being “very insufficient”) followed by the overseas education institutions (average score 3.72) and the local school they were attending (average score 3.56) came third. The difference between the findings of this survey and that of the focus group discussions and mystery shopping visits (which will be discussed in later chapters) may be a reflection of the discrepancy between promises and reality, expectation and experience.

Services most needed

The respondents were then asked to rate a range of services provided by service providers on a 5 point Likert scale, with 5 being “very much needed” and 1 being “very much not needed”. The service most needed was “to provide overseas study information (such as information on the education institutions, on the education system of the designated country, pre-requisites of the programmes, etc.)”, with an average score of 4.24, followed by 2 types of services which involved dealing with overseas education institutions, i.e. “to arrange interviews and admission tests” (average score 4), and “to send application documents on behalf of the students to the overseas education institution” (average score 3.93).

Fees and charges

Most of the respondents said they did not know how much the fees and charges were for the provision of the services, including consultation services and follow-up services (See Table 5). For those who gave a response, most of the answers were “free-of-charge”.

Table 5: Awareness of fees and charges when using overseas education advisory service providers^[1]

Categories of Services ⁵¹ / Amount	Services for the Provision of Information	Consultation Services	Administration for Supplementary Services	Administration Related to Study and Admissions	Follow-up Services
Free-of-charge	16.4%	14.8%	8.2%	9.8%	9.8%
\$1,000-less than \$2,000	1.6%	3.3%	3.3%	3.3%	3.3%
Don't know	82.0%	82.0%	88.5%	86.9%	86.9%

^[1] The total percentage may exceed 100 due to rounding off effect.

The questionnaire also asked whether the consumers thought the pricing information provided was clear or not. The responses were “neutral” to “not clear” in all 5 categories of services provided by the overseas education advisory service providers (See Table 6 below).

Table 6: Clarity of pricing information from service providers

Categories of Services ⁵² / Score	Services for the Provision of Information	Consultation Services	Administration for Supplementary Services	Administration Related to Study and Admissions	Follow-up Services
Average Score ⁵³	2.93	2.98	2.74	2.72	2.65

Criteria on which study advice should be made

Nearly 1/3 of the respondents (31.4%) considered that an overseas education advisory service provider should give advice with primary consideration being given to the student's academic results, 24.0% thought the “favoured subject(s)” should be the criteria and 12.4% felt that the “favoured destination(s)” should be the main factor.

Issues encountered

The participants who had experience of advisory services were also asked whether they encountered any issues during this process. Most of them (78.6%) said they met with no problems at all. However, 14.3% of the respondents indicated that there was insufficient

⁵¹ Services included in each category:

1. Informational Services: Providing information on overseas study (such as information on the education institutions, on the education system of the designated jurisdiction, pre-requisites of the programmes, etc.); reminders to students on matters needing attention.
2. Consultation Services: Planning study pathway, choosing insurance.
3. Administration for Supplementary Services: Applying visa, air ticket booking, arranging accommodation.
4. Administration Related to Study and Admissions: To send application documents on behalf of the students to the overseas education institution, communicate with overseas education institution representatives, arranging interviews and admission tests.
5. Follow-up Services: Arranging guardians, arrival pickup, regular communication and support to students during their study overseas.

⁵² *Ibid.*

⁵³ A 5 point Likert scale, with 5 being “very clear” and 1 being “very unclear” was used.

information in relation to the services provided, and 7.1% complained that the service quality was not up to expectations. All of the respondents who encountered problems did nothing to seek redress. The possible reasons for this will be discussed in later chapters.

Summary

Despite the fact that the number of secondary school students is declining over the years and Hong Kong is anticipated to have an over-supply of places for degree programmes in future, the demand for overseas post-secondary school education stays high due to other considerations like seeking better environment, to learn to be independent and to seek better career prospects. The profile of people who tended to look for overseas post-secondary education is the higher income group and despite different considerations which needed to be taken into account when choosing the study destination, the U.K., Australia, the U.S.A. and Canada remain the preferred choices for Hong Kong students.

In certain markets in the world, higher education is regulated, and misrepresentation or mis-statement in marketing the courses is governed by law. However, at present in Hong Kong there is no regulation or Government agency to monitor the promotion and the provision of overseas education advisory services. The consumers are also not fully aware of the charges and fees involved in engaging such services. In Chapter 3, the market for overseas education advisory service providers who play the role of a “middle-man” in facilitating the sales of overseas education services in Hong Kong will be discussed.

Chapter 3 The Market for Overseas Education

Advisory Services

Nowadays, general information on the scope of higher education service, destination countries, institution information, study programmes, background information of the overseas education system can easily be found on the Internet, or through information dissemination events such as seminars, overseas education institution interview sessions, or exhibitions, most of which are available to the public. Therefore, it is expected that the market for advisory services on post-secondary education would focus more on offering personalised services to the students, in accordance with his/her special needs and demands with respect to his/her personality, ability, aspiration and adaptability to a particular overseas learning environment, as well as the financial circumstances of his/her family.

3.1 Value to Consumers

Typically, if a consumer is considering whether to go ahead with a purchase of a product which would involve the expenditure of a large sum of money, and he has no previous experience or much knowledge of the subject matter, he would seek advice from consultants or professionals. When he does, his initial expectation of the quality of the product is customarily set by the observable attributes of the product or which is the information provided by the consultant or the professional.

In the case of overseas education, the vast amount of information on education institutions and programmes, and the geographical distance between Hong Kong and the countries being considered make pre-experience observations of the campus or the actual teaching and learning process quite difficult or even impossible. As a result, apart from word-of-mouth recommendation by friends and families, consumers are usually heavily dependent on the overseas education advisory service providers' advice when selecting the institution(s) and programme(s). The representation made by the overseas education institution via the service provider, therefore, could determine the expected product quality and the range of choices available to the consumers. In this complicated decision-making process, accurate, up-to-date and adequate information are essential for making a rational choice that will have life-long impact.

In many cases, higher education institutions allow online application and provide direct responses to enquiries from potential students. Advances in communications hold significant promise not only of increasing information transparency but also of decreasing search costs, both of which could result in better matching of students with the appropriate and affordable education.

Informed choices on post-secondary education depend on the quality of information available to students and parents. In assessing overseas education institutions, consumers would typically find it difficult to evaluate the veracity or the quality of information and materials provided by the various overseas education institutions. While there are currently

many league tables ranking different aspects of a higher education institution in the global market, consumers still need information relating to entry requirements and career prospects after taking the courses. Objective information on these aspects is usually not available.

The supply of overseas education advisory services is a function of the demand for quality information and customised service on overseas education options. Despite low entry barriers and advances in technology to search for factual information, there is still strong demand for these personalised advisory services. The reason for this is diverse, ranging from the parent not having experience of overseas education and therefore needs professional advice on how to look for appropriate education courses for their children, to the parent lacking time or confidence to complete the necessary formalities but is happy to pay for assistance from professionals. Another reason could be the actual practices of different aspects of the overseas education institutions would only be known through the service providers, thus the parent has to pay a fee to acquire the information. Some students may also need help to meet the entrance requirements of the particular course they are interested in and therefore have to acquire the right assistance through the engagement of an adviser.

3.2 Provision of Overseas Education Advisory Services

Apart from desktop research on overseas literatures on overseas studies, the Council carried out an exploratory market study in June – July 2017 by collecting marketing materials from education expos and from overseas education consultants' websites.

The desktop research showed that in the provision of overseas education advisory services, there are two main types of service providers. The first type involves an **agent** which the service provider acts either as the Hong Kong representative of the overseas education institution or as a free-lance agent and refers students to it. Revenue is mainly derived from commissions for successful placement of students with the relevant associated overseas education institution.⁵⁴ The second type involves an independent **consultant** which a service provider usually charges consultation fees. The student (or parent(s)) pays for the services including tutorial lessons, coaching and advice on application strategy. Although the consultant may get rewards from the overseas education institutions, the main mode of compensation is from the consultancy fees charged to the student or parent(s) (shown in Figure 2).

⁵⁴ European Association for International Education, *The use of overseas agents to recruit students*, 15 December 2014 <https://www.eaie.org/blog/the-use-of-agents/>.

Agents

The commission charged for placing a student in an overseas education institution is usually 10%-15% of the tuition fee for the first academic year.⁵⁵ The market for this service is considerable, for example, it was estimated that the annual total amount of commissions spent by U.K. universities for recruiting overseas students was over £60 million.⁵⁶ It is known that some institutions even provide bonuses to agents if a preset number of placements have been reached.⁵⁷

The pricing policy of this kind of operation is sometimes one-sided. Despite the fact that these agents do not charge students or parents for their advisory services and assistance in making applications for overseas study, they claim that in order to keep a good reputation in the market, they need to provide good matching service to satisfy both the institutions they work for and the students. It is also noted that for Mainland students, as their applications to study overseas involve more complex procedures, they are usually charged a fee which reflects the underlying costs involved.

Many of the service providers focus their agency services to certain study destinations as this would probably help build a long-term business relationship with their overseas education institutions, and become more apparent in their business positioning to attract target customers.

When the desired destination and/or overseas education institution of the consumer is not carried by an agent, as confirmed in the Council's trade survey, the agent may refer the consumer to another agent and the commission/fees charged may be split between the two agents.⁵⁸ Referral between agents was also encountered in the Council's mystery shopping visits, which will be discussed in Chapter 4.

Many agents would organise or participate in expos or seminars for potential consumers to attend, usually with partnering overseas education institutions. These events act as platforms where students can obtain information on the overseas study programmes, or even meet the representatives of overseas education institutions and obtain direct offers from the schools. The agents, in turn, use these events to attract students to come and apply to their partnering institutions, and to offer their advisory services and/or supplementary services to the students.

Consultants

Some service providers offer more long-term and/or customer-centric services, such as planning a student's study pathway through his/her academic years, following-up throughout his/her studying period abroad or even providing continuous advice after the student has enrolled in an overseas education institution. These consultants usually accept new clients through referral and they charge a service fee which could be greater than the amount of commission typically received by the agents, due to the customised nature of the service.

⁵⁵ References were taken from a meeting with service providers from the Hong Kong International Education Consultants' Association; Hong Kong Exchanges and Clearing Limited, listing document of initial public offering of Dadi Overseas Studies Service Centre, January 2017, http://www.hkexnews.hk/listedco/listconews/GEM/2017/0126/GLN20170126008_C.pdf; also World Education Services, *The Use of Recruiting Agents in the United States*, 1 March 2010, <https://wenr.wes.org/2010/03/wenr-march-2010-feature>.

⁵⁶ Vincenzo Raimo, Iona Yuelu Huang, Christine Humfrey, *Managing International Student Recruitment Agents*, October 2014, https://www.britishcouncil.org/sites/default/files/managing_education_agents_report_for_bc_2.pdf.

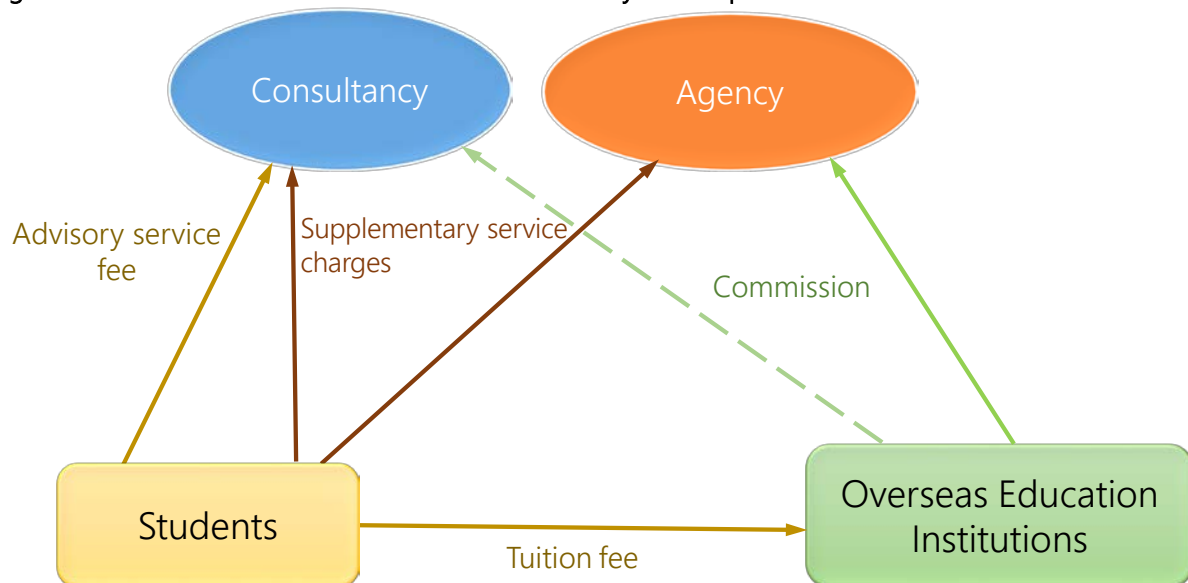
⁵⁷ Hong Kong Exchanges and Clearing Limited, listing document of initial public offering of Dadi Overseas Studies Service Centre, January 2017, page 85, http://www.hkexnews.hk/listedco/listconews/GEM/2017/0126/GLN20170126008_C.pdf.

⁵⁸ *Ibid.*, page.92.

Observations from the mystery shopping visits (Chapter 4) and the results of trade survey to be discussed in the later part of this chapter, reveal that some consultants charged consultation fees ranging from HK\$2,000 to HK\$180,000 for the whole engagement ending with enrolment. Consultancy fees could involve a service package consisting of a range of services, or a basic consultation fee with add-on charges for extra services, such as coaching. These types of consultants are the more specialised players and are the minority in the market. Whether the consultants would also receive rewards from partnering overseas education institutions could not be confirmed. The Council would not exclude the possibility of a consultant who offered customised consultancy advice to a student having some form of connection or partnership with overseas education institutions.

Since over half of the world's top ranking universities are in the U.S.A., the survey results revealed that the service providers serving U.S. destinations also tended to provide coaching and counselling services to ensure that their student customers would be accepted into the top universities in this jurisdiction. As there are legal/regulatory restrictions prohibiting universities in U.S.A. from paying commission for the referral of students, this further supports the findings that service providers offering services to U.S.A. universities would likely offer consultancy services.

Figure 2: Income sources of overseas education advisory service providers



Supplementary services

A service provider may provide a range of supplementary services, such as assisting students with visa applications, arranging accommodation or guardians, and long-term follow-up services. As these are supplementary services, and are not covered by commissions or consultancy fees, usually they will be charged on a separate basis.

Other Market Players

Immigration agents

These consultants use the overseas study advisory service as a starting point to attract students, and then persuade them to migrate to their study destinations after their graduation. In certain countries, different licenses for education agencies and immigration agencies may be required.

Language teaching institutions

These operators focus on the business of providing courses, in particular language courses as their main business, and provide overseas education advisory services to their graduates who would like to go overseas to strengthen their language proficiency. These operators also work as agents to market courses where being proficient in a local language is a pre-requisite.

3.3 Trade Survey

Methodology & response rate

To understand the business of these service providers in greater detail, a trade survey was carried out to look into the services on offer; the scope covered (the geographical destinations and the type of educational services: for example: boarding schools or post-secondary education); the target customers; the related fees; the contractual relationships between the service provider and the overseas education institution; the service terms and conditions between the service provider and the customer; the business practices; and the existence, if any, of a redress mechanism in case of disputes.

During June and July 2017, the Council gathered available information on education service providers in Hong Kong from an education expo, advertisements (for example at MTR stations) and Internet search. A questionnaire (appended as Annex C) was sent to 73 overseas education advisory service providers operating in Hong Kong and 29 responses were received.

To encourage participation from service providers, the Council agreed to keep all respondents' names anonymous. Therefore, the response from individual trader will not be disclosed in the report.

Market representation

Only 6 respondents claimed that they specialised in providing services of a single country. The remainder claimed to have worked with education institutions in 2 to 13 countries, with the U.K. and Australia being most represented. Education institutions in these two countries were represented by 25 (86.2%) and 22 (75.9%) service providers respectively. 18 (62.1%) service providers assisted students to go and study in the U.S.A., 16 (55.2%) to New Zealand, and 13 (44.8%) to Canada. The availability of destination countries amongst service providers is consistent with the favoured destinations (from the THSR-46 and the result of the Council's consumer surveys in Chapter 2).

Table 7: Market representation of the responding service providers^[1]

Number of Markets	Number of Service Providers Carrying Such Number of Markets	Destination Examples
Single market	6 (20.7%)	Australia, the U.K., the U.S.A.
2-5 markets	18 (62.1%)	Canada, New Zealand, Switzerland
6-10 markets	3 (10.3%)	Japan, the Mainland, Singapore, South Korea
11 markets or more	2 (6.9%)	France, Germany, Ireland

^[1] The total percentage may exceed 100 due to rounding off effect.

All 29 respondents also indicated that they could offer assistance to students who wished to attend overseas boarding schools. 27 (93.1%) said they provided or could provide assistance to students to apply for foundation courses/bridging courses. 26 (89.7%) helped students enrol in foreign bachelor degrees, and 20 (69.0%) provided assistance in obtaining a place in sub-degrees, such as associate degrees, higher diplomas, community college degrees, etc.

Target customers

When asked about their target customers, 5 (17.2%) respondents said they would serve anyone who was interested in studying overseas. The others said they served secondary school students, with 24 (82.8%) serving local government/subsidised secondary school students, 22 (75.9%) cater for direct-subsidy/private secondary school students, 23 (79.3%) serving Hong Kong international secondary school students, and 21 (72.4%) also assisted Mainland secondary school students.

It was observed that very few of the respondents served primary school students. Among them, only 14 (48.3%) and 16 (55.2%) said they would also serve government/subsidised and direct-subsidy/private primary school students respectively, 13 (44.8%) would serve Hong Kong primary international school students, and only 9 (31.0%) said they would serve primary school students from the Mainland.

Representation of overseas education institutions

25 of the 29 respondents (86.2%) admitted that they acted as agents for overseas education institutions; the remaining 4 (13.8%) said they were not agents of any overseas education institutions. For those who admitted they were agents, 8 (27.6%) said they also acted in the capacity of "supplementary service providers". Of the remaining 17 (58.6%), 14 (48.3%) said they played 3 roles, i.e., organising expos, acting as agents of overseas education institutions, and providing supplementary services to students who wanted to study abroad. None of the respondents mentioned that they provided immigration services.

Of the 29 responding service providers, 24 (82.8%) had overseas partner institutions, 23 (79.3%) were representatives but only 3 out of 23 (13%) claimed that they were the sole Hong Kong representative of their partner institutions.

As to whether there were other preferential offerings involved in the agreement with the partnering overseas education institutions apart from referring students, 4 (13.8%) respondents said students they referred could have priority in accommodation arrangements (of which 2 of the agents have exclusive representation rights); 4 (13.8%) claimed that their partner institutions would grant admission priority to the students they referred (of which 2 had exclusive representation, and 1 even claimed that it was the official representative of the overseas education institution(s) in Hong Kong). 5 (17.2%) of the 29 respondents claimed that scholarships would be provided to the students they referred, and 13 (44.8%) said they would have the referred education institution provide academic performance reports of the students to their parents as part of their follow-up services.

Of the 4 respondents who denied being an agent of any overseas education institutions, 2 of them claimed that they simply acted as consultants to provide advice in developing a student's long-term profile or provided free advice to students who were studying at their language courses. For the remaining 2, they said that while a recommendation on overseas education institutions might be made in the process of providing language services to students, they claimed not to be acting as agent of any institutions recommended.

Partnership with local schools

26 out of 29 (89.7%) respondents said they did not partner with local secondary schools. For the 3 (10.3%) who admitted to having partner with local schools, all organised overseas study seminars or interview sessions, while 2 provided overseas study information to the career masters of these local schools.

2 (6.9%) of the respondents who indicated that they had no local partner secondary schools nevertheless responded that they would organise overseas study seminars for local schools free-of-charge. This could be explained by the fact that there was no fixed agreements between local secondary schools and the service providers to do this, but arrangements were made through ad hoc invitations by schools or for the purpose of self-promotion. When compared with information obtained from interviews with the education advisory service providers and the representative from the Career Masters Association, it was confirmed that in the last few years, overseas education advisory service providers would occasionally organise seminars in schools.

Consultancy service charges

Only 5 (17.2%) respondents said that they charged students/parents for designing a study plan. 2 (6.9%) charged by way of a package consisting of a one-off payment, with a price tag ranging from HK\$2,000 to HK\$5,000, depending on the effort needed. Only 1 (3.4%) in the sample charged on a yearly basis, from an annual service fee of HK\$100,000 to a 3-year service fee of a total cost of HK\$180,000. 2 (6.9%) claimed they would charge differently for applications to different overseas education institutions and for different services required. The remaining 24 (82.8%) respondents claimed that they did not charge for consultancy services.

Supplementary services

It is noted that 10 of the respondents (34.5%) said that if the student applied to their overseas partner education institutions, they would not be charged for supplementary services such as advice in revising the student's personal statements, arranging guardians, airport pick-ups etc. They claimed that they would inform the students that fees were included in the consultation service package paid by the overseas education institution. Others would charge for some items ranging from \$100 - \$80,000 depending on the type of service demanded and the study destination.

No service contract

Only 2 out of all respondents (6.9%) provided samples of client agreements. The rest either ignored the request or claimed that they had no written agreements with their parent/student customers because they provided free-of-charge consultation services to them.

The survey results showed that in many cases, there was a lack of written, or even oral, service agreement between the service provider and the consumer. Most of the respondents said this was because the service was free for Hong Kong students, and that the students were merely asked to comply with the terms and conditions of the overseas education institution, which offered them a place on their chosen courses.

Management of conflicting opinions

The survey also asked how the service providers managed different kinds of requests from parents and students. On occasions, the services provided might not match the request of the student in terms of the destination or the study programmes offered or the preferences of the parents could differ from those of their children. As the approach of and ability to resolve this difference would have an impact on the decision made, the survey looked into how the service providers resolved this situation.

The Council specifically asked what services or advice the service providers would give if they did not offer the programme or place of study for which a student was searching. 7 (24.1%) replied that they would make the request to the specified education institution for the student, 1 (3.4%) said he would try to offer programmes associated with his own services as alternatives, 5 (17.2%) would refer the client to other advisory service provider and only 2 (6.9%) said they would inform the client that they did not provide the required service. The remainder claimed they would deal with the situation on a case-by-case basis.

In the event that a difference in view existed between the parent and the student on the course to enrol on, 22 out of 29 of the respondents (75.9%) claimed that they would rely on their professional knowledge and analysis (whether there was a match of the student's academic results, the student's interests, financial budget etc.) to advise the parties concerned. 6 respondents (20.7%) would take into account both parties' views, namely the parents and the student, and also they would rely on their own professional knowledge when advising. They stressed that at the end of the day, the final decision rested with the agreement between the parents and the student. The remaining 1 (3.4%) chose to give the student's view and their own professional judgement priority in such a situation.

Customer Redress System

The results from the survey revealed that there was no formal redress mechanism in place as there was no formal agreement signed for the service provided. When asked what they would do if a student complained that the content of a programme or supplementary services fell below expectations, nearly half (44.8%) of the respondents stated that they would offer assistance but only 4 out of 29 (13.8%) respondents mentioned the possibility of some form of refund.

Summary

Agents by their business nature are remunerated through commissions paid by the overseas education institutions, and not by charging a direct service fee to the consumers, i.e. the parents/students, involved. This poses a question of impartiality in the service provided, given the advice could be driven by profitability, for example, higher commissions offered by different overseas education institutions, rather than the best interest of the particular student.

If the marketing and sales of overseas study programmes are carried out by service providers whose compensation model is based on the number of places they managed to sell in an education institution, it can be assumed that the interest and needs of the student/parent will not be of equal or primary concern and that if any conflicts of interest were to arise, the commercial interest of the service providers would dictate.

However, if the company or person does not represent any overseas education institution and is independent and compensation is through the payment of charges to the student/parent for advisory and consultancy services, the student/parent is the client and the parties' interests would be much more aligned. This demonstrates that the relationship of the service provider and the student/parent is of utmost importance in establishing whether any instances of conflicts might exist which in turn, affects the quality of the advice given to the student/parent.

There are many sectors of the market where consumers are typically advised by sales people or intermediaries such as property estate agents and insurance agents who are primarily motivated by the commissions of the companies they act for. In many of these sectors, there are concerns that consumers could be misled by misrepresentations or are steered towards products that might not meet their needs. The situation for the provision of overseas education advisory services is no different. Therefore, to safeguard the interest of consumers, regulations exist to govern the conduct and disclosure of these intermediaries, but as yet, the provision of overseas education advisory services is not regulated, exposing the consumers to the risks of biased service.

Findings from the trade survey reveal that most service providers marketed themselves as consultants, when in actual fact they acted in the capacity of an agent, claiming that when their interests collide, they would act professionally and in the best interest of the student/parent. However, without a formal agreement in place and the lack of a proper redress system, in the event of disputes, the consumers are in a very vulnerable position

and may not be able to seek redress and fend for their own rights. The mystery shopping exercise, discussed in the next chapter, will test the veracity of these claims.

For the purpose of this report, the term "consultant" is used to describe any entity that provides information to a student/parent who is seeking information on what options are available for post-secondary overseas education unless it has been clearly indicated to the student/parent that the service provider for advising overseas education is an agent.

In the following chapter, observations from a mystery shopping exercise are compared to the response of the trade survey and the discrepancies between the observations and the claims made in the trade survey will be discussed.

Chapter 4 Business Practices of Overseas Education Consultants

A mystery shopping exercise was carried out by the Council to validate the trade survey results as summarised in Chapter 3. This chapter captures the key findings of this exercise, noting the gaps which exist between what the consultants claimed and mystery shoppers' experiences. From these findings, and the Council believes that measures have to be imposed to mitigate the risks to which the consumers are exposed.

4.1 Mystery Shopping

From the exploratory field visits to education expos and overseas education exhibitions carried out in June and July 2017, it was observed that the service providers, no matter whether they were "consultants" or "agents", would not disclose pricing information or the full scope of their services on site.

A mystery shopping exercise enabled the Council to obtain first-hand experience on the business practices and sales tactics engaged by overseas education consultants and to collect more accurate information on how these services were charged.

It should be noted that there were limitations to the mystery shopping exercise undertaken by the Council as it only provided information on user experience with consultants at the preliminary engagement stage. Service quality after engaging the consultant was not available from the mystery shopping exercise and to compensate for this, focus group discussions with actual consumers were conducted and the findings will be discussed in Chapter 5.

Research design and methodology

Out of the 73 service providers identified for the trade survey, 62 were shortlisted for the stage of mystery shopping visit.

Although it would have been ideal to have subjected all 62 shortlisted consultants to the mystery shopping visits, this was not possible for various reasons, one of which was the short window of opportunity to carry out this exercise. The visits were designed to match the timeframe of the release of the results by the Joint University Programmes Admissions System on admission to most local degree programmes and visiting all 62 consultants in such a short period was not possible. Because of this limitation, 42 out of the 62 consultants were randomly selected.

Of the 42 selected, 1 did not receive the mystery shopper visit, 1 was found to have ceased business, 1 required a copy of the academic results of the student which the Council could not provide and thus ceased to proceed with the visit, and 1 referred the mystery shopper to another consultant. In the end, a total of 38 consultants were successfully visited in 39 trips (1 consultant was paid a visit twice using different scenarios as the consultant did not carry the favoured destination of the first scenario and could not recommend any programme to the mystery shopper) by the Council's mystery shoppers between late July and mid-August 2017. The following findings were based on a total of 39 visits.

The mystery shoppers were briefed to role-play a concerned parent or guardian who planned to send his/her own or his/her relatives' children overseas for post-secondary study. The mystery shoppers either visited the consultant on their own; or with another visitor who role-played as their spouse, or with their own child or with a relatives' child.

Scenarios to simulate different demand

Different scenarios were designed for the mystery shopping exercise with consideration given to the different type of schools the students attended (including DSS schools, caput schools, international schools, and secondary schools in the Mainland), age, gender, year of study, different public examinations to be taken or already taken, and level of overseas higher education for which students would potentially apply.

2 of the scenarios designed were Hong Kong relatives accompanying Mainland students who had just taken the university entrance examination in the Mainland, i.e., "The National Higher Education Entrance Examination". These scenarios were designed to reflect the type of "mobile consumers" from the Guangdong province who frequently visited Hong Kong for the purpose of purchasing goods and services.

Scenarios were also drawn up with international school students who did not plan to take or had not taken the HKDSE, but had taken or were going to take other popular international examinations such as the AP, GCE A-Level and IBDP examinations.

The mystery shoppers started the exercise by calling the consultants before their visits to ask if they could simply walk-in for a consultation for advice on study programmes or whether an appointment was needed.

Enquiry over the first phone call

As mentioned above, before initiating the on-site visits, contact with the consultant were made via a phone call. The mystery shoppers noted that at this stage, consultants would only provide some limited and general information and recommendations based on either the preference of the parents or students regarding the destination country, institutions or universities, subject areas and study programmes over the phone.

Among the 39 visits, 30 consultants (76.9%) accepted walk-in customers while 9 (23.1%) required prior appointments for further consultation. 3 (7.7%) even required personal information such as a copy of the student's HKDSE results before a reservation could be made. Upon confirmation of a consultation service, the family members and/or the children who planned to study abroad were asked to attend the office for a one-on-one consultation.

Variation in operation scales among traders

During the mystery shopping visits, some of the consultants were highly organised and there was abundant information and materials on the overseas education institutions they recommended. A few of the consultants seemed to be operating on a part-time basis and some operated out of a residential flat without even displaying the name of their consultancy business, which suggested that they might only provide peer-to-peer referral cases.

Information to be given before or during consultation services

It was observed that personal one-on-one consultations were conditional upon the provision of certain information such as the student's passport, academic results, and results/proof of participating extra-curricular activities or sports. It was claimed that this information was necessary to ensure that tailor-made advisory services would be given.

In 33 of the 39 visits (84.6%), the mystery shoppers were required to provide personal information prior to the visit or during the mystery shopping visit. Only on 6 visits (15.4%) the mystery shoppers were not asked to provide this. Information requested included name, telephone number, address, email address, student public examination results (e.g. HKDSE/IELTS/TOEFL), academic reports, HKID card/passport number, mobile app contacts such as WhatsApp/WeChat, year of study and study aspiration. Detailed breakdown of the requests is shown in Table 8.

Table 8: Information requested by overseas education consultants

Information Requested	Telephone Number	Name	Email Address	Public Exam Result	School Transcripts	Address	Passport	HKID
Number of consultants requested	27	24	17	15	8	5	5	3
% of visits	69.2%	61.5%	43.6%	38.5%	20.5%	12.8%	12.8%	7.7%

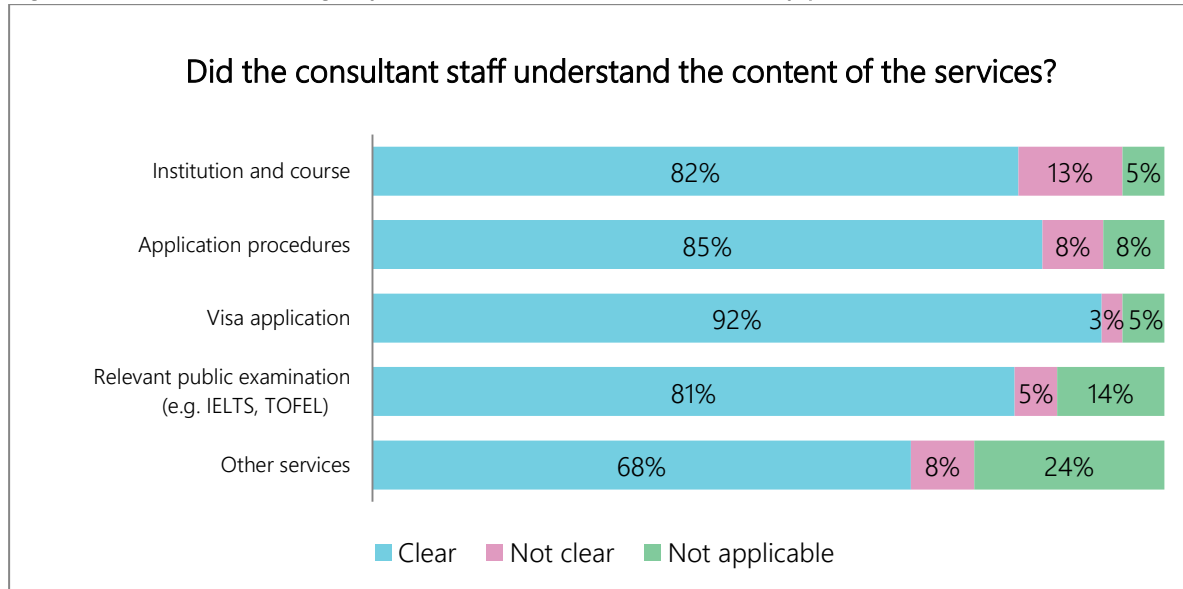
As for financial information, most of the consultants (35 out of 39 consultants, 89.7%) did not enquire about an applicant's or his parent's financial situation or source of income. Only a small proportion of agents (4 out of 39, 10.3%) asked for financial statements. The consultants claimed that the reasons for seeking this information was due to the fact that some of the education institutions in the U.S.A. required proof of means from student that they could afford the course. Some even required students or their parents to put in place savings deposit as part of the enrolment procedures to the course.

Provision of overseas education information during the visits

In the course of the exercise, mystery shoppers were directed to make enquiries of certain information that might affect a student's enrolment, including (i) admission requirements of the course suggested; (ii) study pathway; (iii) passing rates/promotion prospects for the courses, and (iv) whether the qualification was widely recognised in Hong Kong. These were key information of relevance to overseas education. 24 out of 39 visits (61.5%) provided all 4 types of information, the remaining 15 (38.5%) offered partial information only.

The majority of the mystery shoppers found that consultants were clear about institutions and courses they recommended, the application procedures, visa application procedures and requirements, public examination results needed (e.g. IELTS, TOEFL) and other services.

Figure 3: Extent of knowledge by consultant staff on the services they promoted^[1]



^[1] The total percentage may exceed 100 due to rounding off effect.

Although useful supplementary advice was provided by some consultants, such as difficulties in finding placement in some destinations after graduation from certain vocational training courses (e.g. pharmacy or veterinary studies) other information was generally not provided. For example, no information was provided on:

- practicum provided to international students (e.g. the study of medicine in some destinations);
- steps required to convert overseas professional qualifications for local recognition (e.g. for a law degree whether conversion examinations and the taking of local professional training courses would be required);
- qualification accreditation;
- the possibility of staying and working in the country after graduation;
- immigration information if the student planned to do that in future;
- safety level of the proposed destinations for international students.

Information about the services and the fee

Apart from verbal advice provided by the consultants, other information provided include promotional leaflets and booklets of the recommended study programmes, study programme application forms, and booklets for the course/programme of the education institutions. Only 1 consultant (2.6%) made available a service application form with terms and conditions to a “scenario student” from the Mainland. 32 out of the 39 visits (82.1%) did not explain the terms and conditions of using their advisory services.

The consultation services provided were free-of-charge for all of the cases visited except one. This visit involved a Mainland student and a consultancy fee of HK\$20,000 was requested. This suggests that there was a price differential on the application of service fees between local and Mainland consumers. It was also observed that large-scale consultants usually provided free consultation services and could provide more options in terms of overseas destinations whereas medium to small scale consultants who provided

free services were more focused on one or only a few countries. No consultancy fee price list was displayed at any of the visits.

Most consultants visited in the mystery shopper exercise did not reveal their pricing information until the mystery shopper confirmed that they would engage their services. Some of the student focus group participants (Chapter 5) confirmed they had the same experience that they were informed of certain charges but only after they agreed to use the consultancy services.

During all visits, none of the consultants mentioned to the mystery shoppers that they were the agents or the representatives of the overseas education institutions. Only when the mystery shoppers asked the consultants whether they were compensated by the referral of student did they admit that commission would be received from the overseas education institution, but the amount involved was not disclosed.

Selling or consulting

The mystery shoppers reported that some consultants only focused on one destination country or on one type of study programme. It was observed that the consultants had their own preference of countries and education institutions when providing advice, which indicated they behaved like "an agent", being only interested in selling the education services of the institutions they represented rather than as "a consultant" offering advice which would best serve the interest of the student/parent. This finding was inconsistent with the results of the trade survey undertaken which revealed that 75.9% of consultants claimed that they would rely on their professional knowledge to advise their clients when there was a conflict of expectations.

Among the 39 completed visits, there were 9 visits (23.1%) where it was stated that the suggested courses could only be applied through the consultant. In 29 visits (74.4%), students could submit their applications directly to the targeted institution but it was suggested that students would have certain benefits if they were to apply through the consultant, such benefits including assistance from the consultant which would give more convenience to the student (in 26 visits or 66.7%, no specifics of the exact nature of the convenience or benefits were provided), discounts on tuition fees (2 visits, 5.1%) and a guaranteed offer (1 visit, 2.6%). The remaining one (2.6%) did not suggest any programme to the mystery shopper. This further supports Council's concern that the advisory service rendered could be in favour of courses from institutions with which the consultant had a connection.

A public examination result was usually a requirement for enrolment in many degree courses/programmes on offer. During the visits, 13 out of 39 (33.3%) of the consultants promised an offer by the targeted institution if the "scenario student" met the public examination requirements. For the purposes of covering all possible scenarios, the mystery shopping exercise was designed so that 11 of the visits (28.2%) purposely did not reach the targeted institution's admission requirement. In these cases, for the ineligible students, remedial plans were suggested by the consultants, such as retaking the public examination at the same time as taking foundation courses, bridging courses or diplomas. However, assuming the academic results meet the standards, only some consultants guaranteed that completion of these courses or diploma would be helpful in getting admission to the student original preferred course.

Meeting of consumer's preference and status

Mystery shoppers indicated different preferences for destination countries, education institutions and subjects. In 24 out of the 39 visits (61.5%) in which course recommendations were made, consultants recommended the course which was deemed as suitable for the student under the mystery shopper scenario.

However, without any personality and/or aptitude tests conducted by the consultants on the applicants, in 15 visits (38.5%) the consultants recommended alternative courses with reasons that could be difficult for the consumers to validate, such as:

- a better study path;
- consumers' preferred courses were only available to local students;
- ease of gaining admission into other courses or the same course in other destinations.

Some mystery shoppers who had prior experience in sending their children to study overseas commented that the information or claims on the education system of the study destinations deviated from their own research and experience. They therefore commented that it would be difficult for those who had no experience studying overseas or easy access to proper information channels to verify what they were being told.

After sales services

To better understand whether there would be any aftersales service from consultants, the Council's mystery shoppers were instructed to ask what support would be available if any discrepancies occurred between the students' expectations and the actual education services provided by the institution. The following Table 9 summarises the results.

Table 9: Channels for helps suggested by the overseas education consultants

Advice given by consultants	No. of consultants gave such advice to mystery shoppers*
Students can seek help through the consultants	26 (66.7%)
Students can seek help through the overseas education institution	16 (41.0%)
Students can handle by themselves	1 (2.6%)
Others	2 (5.1%)

* Multiple advice may be given by each consultant

The consultants claimed that students could either seek help from them or the overseas education institutions. In 26 out of 39 visits (66.7%), the mystery shoppers were told that assistance could be offered by the consultants. This response was more positive as compared to the findings in the trade survey (44.8%). The difference could be explained by the fact that the potential customer was physically in the consultant's business premises and the consultant was desirous of making a business transaction. In 16 out of 39 visits (41.0%), the mystery shoppers were told they should seek help from the education institutions directly. In 2 of the cases (5.1%), the consultants said they could assist the student's transfer to another institution or refer the student for assistance by a partner consultant.

Supplementary services

In addition to admission assistance services, other services mentioned in the visits were supplementary services and long term follow-up services.

Supplementary services that were mentioned included visa applications, air ticket reservations, airport pick up, hostel arrangements, putting in place legal guardians for students, insurance, purchasing textbooks/reference books, homestay services (e.g. HK\$40,000 per annum in the U.S.A.), assistance with writing personal statements (HK\$1,000 per hour), and administration fees.

Long term follow-up services usually included regular contacts with the students, following up with the education institutions on their academic results, and providing support and suggestions. The existence of associated "service" charges was unknown but 8 of the consultants (20.5%) mentioned that their services were free-of-charge. Services included (i) schools sending academic results regularly to the consultant and the parent; (ii) assisting parents in handling issues in case of emergency; (iii) if there was any request from the education institution, the consultant would follow up.

4.2 Some Interesting Observations

The following interesting trade practices were observed during some of the mystery shopping experiences.

Pitching for side-business

In one of the visits, in addition to advising on overseas education options, the consultant asked the "parent" whether he was interested in immigrating to the U.S.A. and that applying for the destination country's investment immigration programme would be a good option. The consultant claimed that she had a very good scheme for investment immigrants, and asked the mystery shopper to invest US\$500,000 into the scheme. The consultant emphasised that it was a safe investment and that the investment amount would be increased to US\$800,000 in September 2017. However, when the mystery shopper brought back the subject to overseas study (which the consultant took as a "no" to her investment suggestion), the consultant made a new study course recommendation to the mystery shopper, which she claimed was an easier and cheaper route to university for the mystery shopper's "daughter".

Floating service charge and lack of transparent pricing

The fact that there was no easily accessible price list for the provision of overseas education advisory services or clear information about how such services would be charged and what kind of incentive was paid by the education institution, showed that there was a lack of transparency in this regard.

In one case concerning a Mainland Chinese student, the consultant staff mentioned that there would be a charge for the consultation service, but did not mention the exact amount over the phone. Upon arrival at the premises and before starting any consultation, the consultant proposed a service charge of HK\$12,000. When the Council's mystery shopper was still considering whether to accept the charge, the consultant raised the service charge to HK\$20,000, claiming that the original proposed service charge was only for a referral, which was not the case in question. This demonstrates the problem associated with non-

transparency of pricing. Alternatively, it could just be staff incompetency but from a consumer perspective, there was no certainty on how they would be charged until they demonstrated interest in engaging the service.

Unprofessional selling

During one of the visits, the consultant told the mystery shopper that he no longer covered the course offered in the U.S.A. and suggested that, if necessary, he could refer the mystery shopper to another consultant. The consultant also stated that it only provided the degree courses in Canada, and was not clear about any other countries' education systems. However, the consultant persuaded the mystery shopper that his child could complete a degree course in a Canadian university first and then apply for universities in the U.S.A. because he had connections with the universities in the U.S.A. and Canada.

A professional consultant, when realising that he cannot provide any services to the student in his/her preferred destinations, should just tell the consumer that he does not offer this service and simply refer the consumer to another consultant who does. He should not market a programme in another destination only because that destination is covered by him.

In 2 other visits, consultants who referred students to study in Singapore, recommended them to take a degree course in a business school rather than the preferred subject (history and politics), as they only had connections with institutions in Singapore offering business related subjects but not others. However, there was no attempt to make referral to other consultants who could meet the students' interest, or suggested alternative routes for the mystery shoppers to search for information more relevant to their needs.

4.3 Legal Obligations of the Consultants

Contractual obligations

If a student/parent approaches a consultant and asks for the provision of advice in exchange for a fee, an agreement, i.e. contract, is made creating mutual contractual obligations which are enforceable by law. Out of this contract flows legal obligations. A legal obligation is a legal duty to perform some action. It also confers upon the parties' rights and expectations. Under the Supply of Services (Implied Terms) Ordinance, the consultant has a duty to provide his advice with reasonable care and skill. Therefore, should a party to the contract fail to perform any of these contractual duties whether with reasonable care and skill or not, the other party can enforce their rights by taking the delinquent party to Court. Therefore in this case, should the consultant give wrong or bad advice to the student/parent, then he/she has failed in his legal obligation and can be sued for breach of contract and be liable to pay damages for that breach. Please note that not all contracts need to be in writing to be valid and binding on both parties.

In a situation where the student/parent goes to a consultant for education advice and is then told that the consultant would not charge for the advice, then the element of consideration may be missing and therefore no contract may have been formed between the student/parent and the consultant. In this situation, there is probably also no intention to create a legally binding contract on the part of the consultant either. Therefore should the student/parent be unhappy with the advice provided, there may not be any contractual redress against the consultant. This position remains unchanged whether or not the consultant tells the student that the fees will be taken care of or paid for by the overseas education institution.

Relationship between the consultant and the overseas education institution and its effect on the rights of the student

In the traders' survey, 86.2% of the consultants admitted that they have some sort of relationship with the overseas education institutions. This relationship could be that of a service provider, an authorised agent or in a loose commercial partnership with the overseas education institution. The exact relationship will depend on the terms of their contractual agreement with each other and this is something to which the consumers would not be privy. Findings from the mystery shopping exercise as confirmed by the focus group discussions (Chapter 5) show that most consultants did not expressly offer or disclose this important piece of information.

Therefore, what is the position when a student finds that he/she had been misled by representations made by the consultants and enrolled into the partner overseas education institution only to find that the course was not as he/she expected? If the consultant is an authorised agent of the overseas education institution, under the Misrepresentation Ordinance (Cap. 284) (MO), the student has a right of action for damages and a right of rescission of the contract against both the overseas education institution and the consultant. The student will have to establish the agency relationship, show how the misrepresentation originated by proving that the consultant acted with authority from the overseas education institution to make the representation and that there has been disclosure of the agency relationship.

However, if the consultant has no relationship with the overseas education institution and he/she has not charged any fees to the student for the advice provided, then the aggrieved student in this position may only be able to look to common law of tort instead of contract law for redress.

Negligent mis-statement

As mentioned above, where there is no contractual obligations between the consultant and the student, an aggrieved student may still seek redress through an action in tort. A tort is a civil wrong that causes someone else to suffer loss or harm resulting in legal liability for the person who committed the tortious act. To successfully mount a claim for loss and damages suffered as a result of the negligent mis-statements made by a consultant, the student has to, amongst other things, establish the following:

- the existence of a "special relationship" between the advisee (the student/parent) and the adviser (the consultant) involving a kind of responsibility by the consultant to the student/parent; and
- the relationship has prompted reasonable reliance by the advisee on the adviser.

In Hong Kong, such negligence claims usually involve advice from professionals, such as accountants, bankers, surveyors and lawyers. There has not been any reported cases where education consultants have been taken to court based on this cause of action. Therefore it remains untested whether the Court would regard that such a special relationship exists between the education consultant and the student.

Trade Descriptions Ordinance

As students and parents are consumers of the services of the consultants, arguably, students and parents can look to the TDO for justice. The TDO prohibits common unfair trade practices being deployed against consumers, including false trade descriptions; misleading omissions; aggressive commercial practices; bait advertising; bait-and-switch; and wrongly accepting payment. The principal enforcement agency of the TDO is the Customs and Excise Department and the maximum penalty of these offences is a fine of HK\$500,000 and imprisonment for five years.

Section 2 of the TDO sets out that:

- 1) Trade description in relation to a service, means an indication, direct or indirect, and by whatever means given, with respect to the service or any part of the service including an indication of, among other matters, the person by whom the service is supplied or to be supplied.
- 2) A trader means any person (other than an exempt person) who, in relation to a commercial practice, is acting or purporting to act, for purposes relating to the person's trade or business.

Section 7A of the TDO also stipulates that it is an offence for any person in the course of his trade or business, to apply a false trade description to a service supplied or offered to be supplied to a consumer or supply or offer to supply to a consumer a service to which a false trade description is applied.

Under the TDO, a consultant could be regarded as a trader. So if the consultant made representations to the consumer that the ranking of the overseas education institution or its course was of a certain high level, or informed the student he had to undertake a foundation course or a language course to guarantee his acceptance to the partner institution, but it later transpired that this was not to be the case, then arguably an offence is committed under s7A.

For criminal prosecutions, even if the mis-selling and or mis-statements constitute offences under the TDO, experience shows that the enforcement under TDO is not without challenge. In criminal proceedings, the standard of proof is "beyond reasonable doubt". So if there is any doubt that that the trader is guilty of the offence, he/she should be acquitted. This is a much higher standard than "the balance of probability" required under a civil action. By nature, criminal offences require a high evidential burden for prosecution to prove and cases without sufficient evidence cannot be pursued in accordance with the prosecution guidelines. It should also be noted that the success of any prosecutions relies on the willingness of the consumer to act as witnesses to see the prosecution through. The credibility of the consumer as a witness and the quality of the evidence given also plays a part in the successful conclusion or otherwise of the prosecution. A further point to note is that successful prosecution only results in penalties of imprisonment and fines which will act as a deterrent to continue to indulge in these delinquent trade practices. The consumer will still have to sue via civil action for damages suffered with all that it entails. Relying solely on criminal prosecution for redress is therefore not sufficient nor satisfactory and cannot afford the consumers the protection they need.

Personal Data (Privacy) Ordinance CAP 486 (PDPO)

In mystery shoppers' experiences, personal information was collected. Data Protection Principle 1 of the PDPO (the Principle) sets out the Data Collection Principle as follows:

- Personal data must be collected in a lawful and fair way, for a purpose directly related to a function /activity of the data user.
- Data subjects must be notified of the purpose and the classes of persons to whom the data may be transferred.
- Data collected should be necessary but not excessive.

Non-compliance with this Principle does not constitute a criminal offence directly but the Privacy Commissioner for Personal Data (the Commissioner) may serve an Enforcement Notice to direct the data user to remedy the contravention and/or instigate prosecution. However, contravention of an Enforcement Notice is an offence which could result in a maximum fine of HK\$50,000 and imprisonment for 2 years. Furthermore, an individual who suffers damage, including injured feelings, by reason of a contravention of the PDPO in relation to his or her personal data may seek compensation from the data user i.e. the consultant concerned.

Code of Practice on the Identity Card Number and Other Personal Identifiers (the Code)

The Code which was approved on 19 December 1997 and subsequently amended in April 2016 gives practical effect to the Principle. Amongst other things, it provides guidelines on when it is permissible for a data user to collect the HKID Card number of an individual. Although the provisions of the Code are not legally binding, nevertheless, a breach of the Code by a data user will give rise to a presumption against the data user in any legal proceedings under the Ordinance.

As mentioned above and summarised in Table 8, the consultants often asked for personal information of different nature, i.e. contact information (such as names, telephone numbers, and addresses), academic results (public exam results and school transcripts) and personal identity related information (HKID and passport numbers) before and during the consultation. At times, the granting of a consultation was even conditional upon prior provision of all of the requested information. The consultants claimed that such arrangement was necessary in some cases, such as applying for some education institutions in the U.S.A., financial statements were requested as the relevant institutions required proof of means.

While there is no doubt that some of the information requested was ultimately necessary for the consultant so that proper advice could be given for the particular student/parent, the extent of personal information sought, such as home address, HKID card details and or passport details at this first contact stage when all the student/parent wanted was an appointment for a one-on-one meeting, could be regarded as excessive and unnecessary. These requests could put compliance of the Data Collection Principle into question. The collection of the student/parent's HKID card number at this stage might be considered a breach the Code.

Summary

As observed from the mystery shopping exercise and other research undertaken by the Council, most of the consultants provided “free” services to the consumers. In these circumstances, without any consideration and on occasions, even a lack of intention to create legal relationship, any protection which usually flows from a contract may therefore not be available to the consumer. It was also found in the mystery shopping exercise that there was a tendency on the part of the consultants not to transparently disclose the basis of their compensation nor would they disclose the relationship they had with the recommended education institutions until they were directly asked for the information.

It was observed that on occasions, the commercial motivation arising out of the basis of compensation would induce some education consultants to become biased in favour of their partner education institution and overlook or diminish a student/parent's preference, in favour of their own, with the result that the needs or the best interests of the student/parent were not always given priority.

If important relevant information on overseas education institutions and the courses on offer were not fully disclosed, students/parents would not have all the information to be able make an informed decision as to what constitutes a good post-secondary education option for them. Dubious selling and unprofessional advice further added to the confusion of the student/parent.

While there may be courses of actions available to aggrieved students when things go wrong and the consultants have not provided good service, litigation takes time, effort and involves legal costs which the students/parents may not be able to afford or are not willing to pay. In addition, there are also risks involved in litigation and at the end of the day, there is no guarantee that a favourable court ruling would be obtained. For all these reasons, seeking redress through litigation would not be the preferred avenue of redress to be undertaken. In any event, regardless of the outcome, the opportunity lost and/or the cost of making a wrong choice could hardly be compensated for by damages alone.

Leaving aside possible redress through civil action and criminal prosecutions with their respective challenges, as matters currently stand, the quality of consultancy services is highly subject to the integrity and the professionalism of the individual consultant. Given the commercial reality borne out of fierce competition and the basis of remuneration of most of these consultants, reliance on these two values alone to afford protection to consumers is far from adequate.

Also from the observation of the mystery shoppers, on a number of occasions, the consultants and their staff appeared to have fallen short of their obligations in upholding the PDPO Principle. In order to protect consumers, steps should be taken to ensure that the consultants are knowledgeable about their duties and obligations under the PDPO so that there is compliance on this front.

Chapter 5 Consumer Experiences with Consultants

Although the mystery shopping exercise in the previous chapter gave insight into the pre-consumption experiences of the students/parents, the actual consumption experience had yet to be gauged due to the limitation of the mystery shopping exercise. To further validate the observations found in the mystery shopping exercise and the trade survey, and to complete the picture of the customer journey, the Council therefore set up 4 focus group meetings with different groups of consumers to collect information on their actual experiences and their evaluation on the service of overseas education consultants.

5.1 Focus Group Sessions

With support from an independent research company, 4 focus group discussions were arranged:

- Sessions 1 and 2 (student sessions): A total of 20 students shared their experiences with the consultancy services in 2 focus group meetings and 5 Skype interview sessions. Skype interviews had to be conducted as some of the students were abroad at their overseas campuses and could not physically attend the focus group meetings. The same questionnaire was used during the meetings and the Skype interviews. The destinations of study of the participants included Australia, Canada, Japan, Switzerland, Taiwan, the U.K. and the U.S.A.. All had used the services of overseas education consultants in Hong Kong.
- Session 3 (parent session): In total, 10 parents were interviewed for this session. 5 parents who sent their children to study abroad by using overseas education consultancies attended the focus group meeting to share their user experience, and another 5 shared their experience through Skype or personal interviews. The study destinations of the participants' children included Australia, Canada, New Zealand, Taiwan, the U.K. and the U.S.A.. The parent participants confirmed that they had no relations with the student participants in sessions 1 and 2.
- Session 4 (mystery shopper session organised by the Council): In this session, 9 mystery shoppers shared their shopping experience further.

Overall comments

In the focus group discussions, some participants shared the experience that their consultants were competent and professional, in particular to leverage their knowledge on the requirements of different courses of the relevant institutions to identify one that matched their public examination results. Some (mostly are parents) also commented that the information provided by consultants served as good guidance for their consideration. Several students found the consultant's facilitation in communicating with the overseas education institutions very useful. However, some feedback also raised concerns (see below) and warrant the industry and the Government to take improvement measures to better safeguard the students.

Choosing the consultant

The participants (excluding the mystery shoppers) were asked how they come into contact with/decide on using the service of their consultants. It was found that most of the respondents were referred by friends or relatives (11 participants, 36.7%), followed by seeing advertisements (TV, printed advertisement in MTR stations, advertisement on social media, etc., 6 participants, 20.0%), and research done by the participant himself/herself (5 participants, 16.7%).

Table 10: Which channel participants first encountered the overseas education consultants^[1]

Channels	No. of Participants Learned of Their Consultant via This Channel
Referred by friends/relatives	11 (36.7%)
Consultant's advertisement	6 (20.0%)
Search (through Internet/shop around)	5 (16.7%)
Expo	3 (10.0%)
Sole representative of the overseas education institution	3 (10.0%)
Acquaintance of the participant	2 (6.7%)

^[1] The total percentage may exceed 100 due to rounding off effect.

Price consideration

In comparing services of different consultants, consumers may focus on prices rather than the quality of services. In the parent focus group discussion, a parent found that one consultant charged for certain services, while another consultant would provide them for free. In the end, the parent opted for the consultant who did not charge him. This reflects that price is the major consideration for certain consumers and that in exchange, these concerns may be prepared to overlook the reasons behind such "free" services being provided.

5.2 Observations on Trade Practices and Quality of Services

Aggressive/misleading selling

It was a generally accepted view by the participants of the focus group discussions that a student's preference or interest may not be the first consideration of the consultants when they advised on the selection of courses. However, some students recalled that there were instances of hard-selling or intensive persuasion, which led them to further question the impartiality of their consultants.

One student participant recalled her consultant telling her that she would have a greater chance to be admitted to a overseas education institution if she applied through the consultant and would have no chance if she were to apply herself as that education institution would only pay attention to applications submitted by her consultant. The consultant went through the courses of several overseas education institutions with the student, but only gave her details of the consultant's recommended school instead of her

shortlisted courses. In another case, the student was offered information of one school only notwithstanding wanting options and she suspected it was a partner institution of her consultant.

There was one case where a student participant from an American international school wished to pursue a study in a U.K. boarding school and was considering taking the GCE A-Level Examination as his route to entering a U.K. university. However, the consultant strongly persuaded him to apply for a foundation course (a post-secondary education) instead of taking the examination - a recommendation which the student believed was made out of consideration of a higher commission for the consultant rather than in his best interest.

Some of the student participants who were persuaded into taking foundation/bridging courses subsequently found out that taking the foundation courses in itself was not a pre-requisite of the degree courses they intended to study as the foundation courses were not organised by the target education institution. It further transpired that there was no guarantee of a place on the degree course even if the student passed the foundation course.

In other cases, participants were advised to take a foundation or language course without prior relevant assessment e.g. language proficiency testing or due diligence into subject qualifications. The additional courses, felt as unnecessary by some students, resulted in extra charges incurred by the students which meant more commission income for the consultants.

There was another case where a student participant took a foundation course as advised by his consultant and subsequently found out in his sophomore year that some freshmen of his university did not need to attain the minimum requirement of their courses as suggested. In fact, there was no requirement for the completion of a foundation course at all.

A question of the consultant's impartiality

Most of the participants, students and parents alike, confirmed that they were not charged for the consultation services they received, except for those who applied for schools which were not partner institutions of the consultants. Some of the participants were told later by the consultant engaged that consultation fees for their application were covered by the schools. In these cases, to comfort the participants, the consultants emphasised that their services were professional and that they would act impartially.

However one student participant who intended to pursue a culinary course in France was unable to obtain a student visa to France, even though the consultant had promised her a guaranteed success. She found that the culinary school she applied for did not partner with that consultant and her consultant refused to offer assistance for subsequent services such as obtaining a student visa. On the other hand, instead of searching for another culinary programme to suit her interest, the consultant persuaded her to take up a 2-year language course in the U.S.A., which was organised by the consultant which ran a language school and assured her that this could fulfil the language requirement of her student visa to France.

Bundling of services

One participant said that after he received an offer from a Japanese university, the consultant required him to take a Japanese language course provided by the consultant which was also a Japanese language school, otherwise the offer from the university would be withdrawn.

Service quality of the consultants

Some participants considered that the service quality did not meet the standards they expected. For example:

Safety concerns: Two students' feedback related to their safety concerns while studying abroad. One of the student participant was recommended to study in the U.S.A. by the agent who did not mention that there were safety issues surrounding the hostel of the institution. The institution was actually located some distance away from the town. After settling in, the student found that there was an absence of security in and around her student hostel and the neighborhood was considered unsafe with frequent reports of armed robbery and gun firing incidents.

It is common knowledge that the level of safety can vary greatly among different cities and towns in different countries. Take for example in 2017, crime rates in university cities and towns in the England and Wales region can vary from 17.1 to 82.2 incidents of robbery, burglary, violence and sexual offences per 1,000 residents⁵⁹ while in the U.S.A. there could be 0 crime recorded to 211 incidents of various forms of offences on campus for the same year.⁶⁰ In the U.S.A. by the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act and the Higher Education Opportunity Act of 2008,⁶¹ mandatorily require the disclosure of campus security statistics from all post-secondary institutions that participate in federal student aid programmes. While these statistics provide a good reference to parents and students on the safety level of the campuses, a professional and responsible consultant should alert students/parents to any security issues associated with the campus and surrounding environments when recommending courses in these high risk areas.

Insufficient professional knowledge: In one case, the student participant found that the consultant could not provide him with answers to the ranking, transportation, facilities, and accommodation arrangements of his favourite school, thus he had to search for the information via the Internet himself. In another case, information relating to the programme which the student participant had already applied for disappeared from the school's website and he could not find the information on the modules and related tuition fees in his programme. The student sought help from his consultant, but the reply he received was unhelpful and irrelevant, so he had to contact the education institution directly to address the problem.

⁵⁹ Complete University Guide, *Crime rates in university cities and towns – Crime statistics – England and Wales 2017*, updated November 2017, <https://www.thecompleteuniversityguide.co.uk/crime-rates-in-university-cities-and-towns/>.

⁶⁰ Crime rate per 1,000 residents was not calculated as some of the campuses had only around a dozen of students. Data downloaded from website of the U.S. Department of Education, *The tools you need for Campus Safety and Security analysis*. <https://ope.ed.gov/campussafety/#/>.

⁶¹ *Ibid.*

Poor follow-up service: Students expected that they could rely on the consultants to act as a bridge when communicating between them and the overseas education institutions during the period after offers were made and before arrival at the institution. However, in some cases, unsatisfactory services were experienced. For example, one student was left with no contact point at the consultant when the initial officer who assisted him left and the consultant failed to appoint another one to follow up his case.

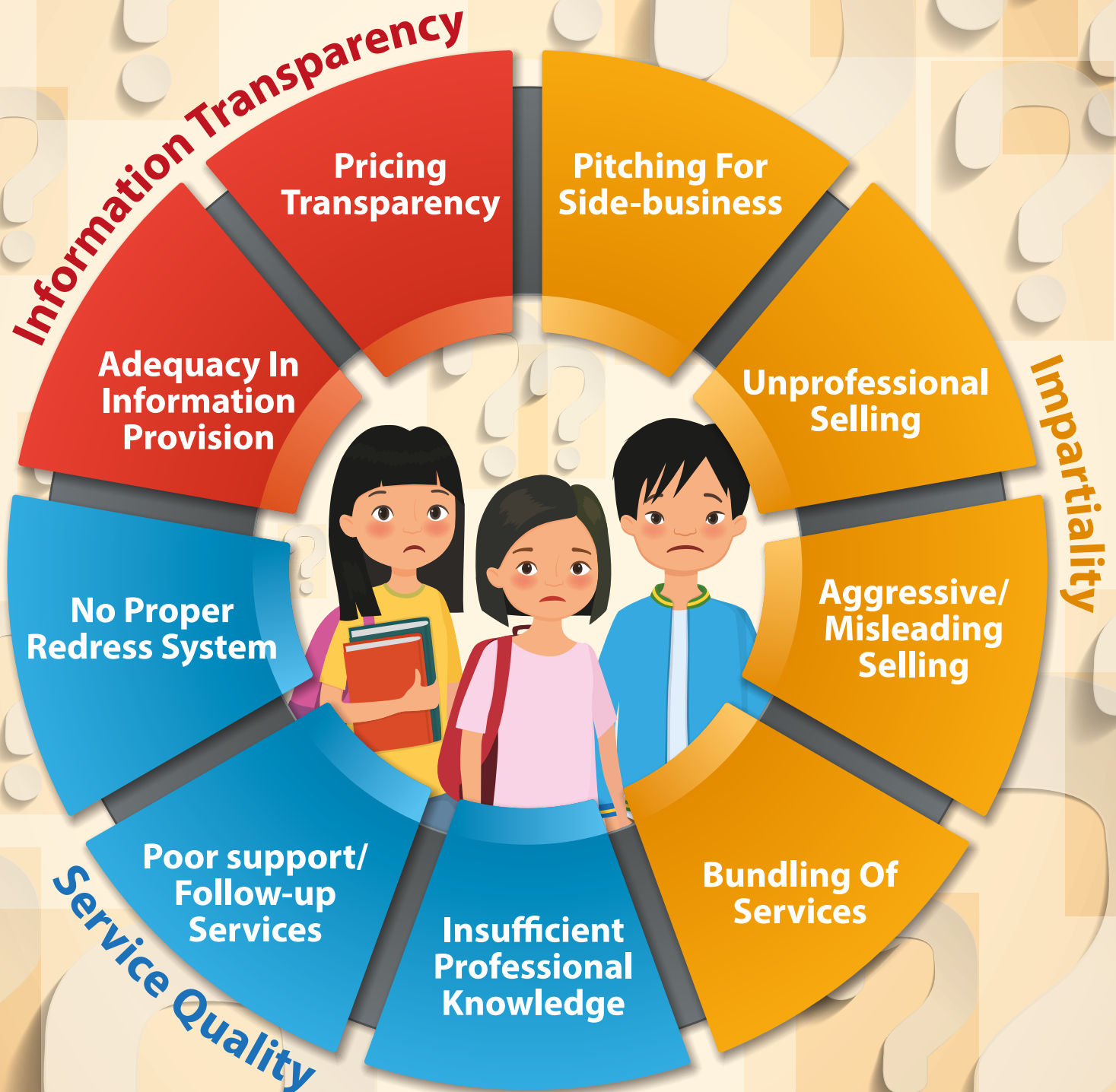
Accessing support service: In any event, the participants remarked that consultants usually do not offer any support after they left Hong Kong. The student participants fully understood that they had to manage their own study but in the event that they encountered problems or difficulties in coping with the new environment, especially in the first year of their overseas study, the consultant should offer due care and advice to ensure the students felt comfortable with the new environment. On occasions, the participants contacted the consultant to sound out their concern but they were told to contact their schools or guardians instead (if they employed one) for assistance.

Lack of channel to make complaints: Although dissatisfaction was observed among the participants of the focus groups, no complaints were lodged by the participants with the Council or to the agents they had dealt with. In addition, most students/parents felt that the student's interest would not be the consultant's main concern as there was no clear obligation by the consultants to provide redress. Besides, students also thought that monetary compensation could not make up for the loss as the damage had already been done due to the "inappropriate" advice.

Summary

The experiences of the users of the advisory services confirmed that some of the consultants who provided the so called "free" advisory services to the students marketed the products with a bias which was in favour of their partner education institutions that granted the consultants a reward resulting in the impartiality of the consultants is being under question in those circumstances. As a result, the recommendations made by them are likely to be skewed and the interest of the consumer could be relegated to second place. As evidenced by the Council's mystery shopping exercise and the actual experience shared by students and parents, practices of aggressive selling, bundled selling and poor quality of services were observed in this industry. In view of the fact that the overseas education advisory service is also available in other jurisdictions, reference shall be made to understand how other markets regulate this industry to safeguard their consumers.

Observations From Mystery Shopping And Consumer Focus Group Discussions



Chapter 6 Safeguards for Consumers

Overseas education is a commodity and when a consumer enrolls in and is admitted onto a course with an overseas education institution, both are parties to that contract. The situation is different and becomes more complex when a consultant is involved and represents the overseas education institution in providing information upon which reliance is made, resulting in the consumers buying its various services.

Results from the Council's surveys, focus group discussions and mystery shopping visits revealed that in this scenario, generally there is no contract signed with the student or his/her parent and consequently in the absence of any mandatory measures, there is no contractual obligation on the consultant to act professionally. As a result, information to which a consumer is generally entitled, for example: the capacity in which the consultant acts; the pricing of the services; may not be disclosed in a timely manner, and protection consumers usually enjoy may not be available. This absence of safeguards to protect consumer interests raises concerns and remedial action is needed. The Council's research shows that different jurisdictions use different mixes of legislation, codes of conduct, certification schemes, registration systems and training systems to regulate the provision of overseas education advice by consultants in order to address these various concerns in the market.

6.1 Asymmetry of Information in the Service Market

The "marketisation" of higher education in the global market has generated a competitive climate where education institution management is now tasked with a new set of incentives to shape and guide their decisions on institution management. In the face of declining numbers of local students of many advanced economies due to declining birth rate, global education institutions need to attract sufficient numbers of overseas students (and the funding that accompanies them) to survive and succeed. The higher tuition fees receivable from international students (as compared to that from the local students) may also be an incentive for the education institutions to put more effort into attracting international students.

The economic logic underpinning competition predicts that international higher education institutions on the supply side will seek to satisfy consumer demand by providing better products or services. Education service providers compete for overseas students on the basis of previous student achievements, campus facilities, and greater responsiveness to families. Education service is a very personal consumption. Although marketing is becoming one of the most prominent features of competition oriented at overseas students, it is difficult and costly for institutions to offer specific advice on the actual issues, information about the quality of education, and matters of education choices on one-on-one basis.

To gain market advantage and to attract customers, suppliers of higher education tout the quality of their service by showing accreditations they have acquired which helps confirm the quality of education they provide and obtain high ranking in peer evaluation. One study found that large universities with a high percentage of quality faculties, good campus

facilities and with programmes of graduate degrees are more likely to be accredited. These accreditations are costly to acquire but are effective tools and can partly resolve the information problem in the market.⁶²

Similar to many consumer services, the actual quality of education to be purchased is often unknown to the consumers prior to consumption. Moreover, it is costly for consumers to make pre-purchase evaluation of quality such as by obtaining experience of the prospective service or attending a summer school by the institution where the potential student can experience campus life of higher education.

This information problem can also be mitigated by repeat purchases. However, as students seldom repeat the same level of education there is usually just one engagement experience for overseas higher education. As the cost of a service increases, on the flip side, so does the cost of making a disappointing purchase. Besides, it is difficult for a student as a primary consumer to choose education service for himself or herself independently. Students' expectations and perceptions of service quality could change over the years not only during their study time, but also before enrolment and at the point of arrival. To avoid such disappointment, students' parents are increasingly willing to pay to acquire pre-purchase information with the expectation that they would benefit from it. As birth rate is declining in many developed countries and families become more affluent, it could be anticipated that the parents are even more willing to pay for the services provided by an overseas education consultant, in the hope of guaranteed success for their children's academic results and better career prospects.

6.2 High Cost of Quality Education

In a perfect market, the solution to limited information or lack of previous purchase experience would be to consult an independent and knowledgeable adviser or consultant. Getting specialised professional advice should, in theory, yield significant benefits for consumers. Advisers can realise economies of scale by providing the information they have acquired to many clients, to enable consumers to make more desirable choices and avoid making mistakes. In return, the advisers are compensated for their efforts through fees or other rewards.

Findings from the mystery shopping exercise and focus group discussions show that certain malpractices exist. In general, these included the practice where consultants recommended institutions/countries and courses/institutions they preferred without regard to students/parents interest or preference.

Information asymmetry between students and overseas education institutions in the market also enables consultants to offer biased advice on the quality of the overseas education institutions to capture information rent from their education institutions, i.e., to capture extra compensation caused by information asymmetry. In fact, higher education institutions offering consultants a commission on student enrolment can build a strong business relationship through repeat student referrals. This relationship may result in consumers being led to choose less favourable services instead of more favourable options due to information asymmetry. In such a market, the low quality overseas education institutions with insufficient resources to organise marketing activities, gain accreditation

⁶² Melton MR and LJ Trevino, "Quality signals and experience goods: Higher education", *Atlantic Economic Journal*, 2015.

or obtain high peer-to-peer ranking will rely on local consultants to recruit students for them. As they possibly offer a higher commission, which acts as an incentive to drive the consultants to recruit and attract more overseas students on their behalf, the consultants are more likely to be biased when providing education advice, leading to a risk of misrepresentation.

Those who can afford to pay for higher tuition fees and to search for good quality education would probably also be prepared to pay the commensurate higher costs for independent advisory services. These independent advisers tend to be impartial and there is a lesser chance of misrepresentation and the information asymmetry mentioned above should not arise. However, for the consumers who cannot afford the high advisory fee, which carries the assurance of being impartial, they will have to rely on those whose business model is based on commission generated through successful enrolment.

Our study revealed the deficiencies to which reliance on consultants can give rise. Conflicts of interest or misrepresentation can arise if the objectives of the consultants and the consumers are not aligned. These problems are exacerbated if the consumer is not aware of the existence of such potential conflicts of interest and is not able to judge the quality of the advice received. Consumer concerns stem from information asymmetry between the consumer and the information provider, the vagaries of the contractual arrangements used by the consultant; and the high cost of quality education.

Consultants can, via advertising, disseminate relevant information to assist consumers in their decision making process. Unless there are rules governing such advertising activities, the information provided by the consultants is, typically, not entirely sufficient for consumers to make an informed decision on their purchases. In the absence of a professional self-regulatory mechanism or even mandatory regulations if necessary, consumers are left with few, and generally ineffective, safeguards against misconduct by unscrupulous consultants.

The ensuing adverse selection negatively affects the relationship between consumers and consultants, creating the need for regulatory intervention. In many jurisdictions, self-regulatory rules and mandatory rules have been developed to address the information and representation problems in the education advisory service market which could be used as a good reference for Hong Kong.

6.3 Mandatory Regulations

Australia, Canada and the U.S.A. are markets which have legislations to mandatorily regulate the behaviour of the education institutions, with support of a strong code of conduct for them to follow to ensure that there is proper information disclosure in their business activities.

Australia

The Education Services for Overseas Student Act 2000 (ESOS Act) governs the registration process and obligations of registered international education providers in Australia. Under the ESOS Act, the National Code of Practice for Providers of Education and Training to Overseas Students 2018 (National Code 2018) sets nationally consistent standards and procedures for registered providers and for persons who deliver education services on behalf of registered providers. This in turn prescribes that the registered providers require

their agents to act ethically, honestly and in the best interests of students.⁶³ It also prescribes that every Australian education institution that uses the services of an education agent needs to have an appointment contract. Every Australian education institution has to list on its website the education agents it has appointed to represent them in each country. Prospective students can ask the agents to show their letters of appointment from the institutions.⁶⁴

The Australian National Code 2018 requires education institutions to ensure that their education agents have an appropriate understanding of the Australian International Education and Training Agent Code of Ethics⁶⁵ which is built on the London Statement's⁶⁶ ethical framework and provides a set of Australian specific "Standards" for Australia's education agents.

These Australia "Standards" specify that education agents and consultants must comply with the Australian Agent Quality Framework and the Agent Code of Ethics, to demonstrate robust organisational effectiveness, strong business ethics, quality and effective recruitment practices and standards which support staff capability development and ongoing education.

To alleviate concerns on students' safety in relation to race discrimination, the Australian Race Discrimination Commission released the "Principles to promote and protect the human rights of international students"⁶⁷ which encourage a collaborative approach among all stakeholders in receiving international students in Australia to better promote and protect the rights, including personal safety, of international students.

Canada

There is no federal ministry of education or unitary, centralised education system in Canada. Rather, within the Canadian Confederation, the provision of education is a provincial and territorial responsibility.

The Council of Ministers of Education, Canada (CMEC)⁶⁸ is an interstate-government body founded in 1967 by ministers of education in the provincial governments. CMEC provides leadership in education at the pan-Canadian and international levels and contributes to the exercise of the exclusive jurisdiction of provinces and territories over education. All 13 provinces and territories are members.

Regulations at provincial/territorial levels require educational institutions to obtain government approval in order to recruit and to enrol international students. The Canadian province of Manitoba was the first jurisdiction in Canada to have introduced regulations

⁶³ Federal Register of Legislation of Australia, *National Code of Practice for Providers of Education and Training to Overseas Students 2018*, Standard 4.3.3, 4 September 2017, <https://www.legislation.gov.au/Series/F2017L01182>.

⁶⁴ Australian Government, *Find a Local Education*. <https://www.studyinaustralia.gov.au/english/apply-to-study/education-agents>.

⁶⁵ Australian Government, *Australian International Education and Training*, 1 November 2016,

<https://internationaleducation.gov.au/News/Latest-News/Documents/Australian%20International%20Education%20and%20Training%20-%20Agent%20Code%20of%20Ethics.pdf>.

⁶⁶ "The London Statement, as a joint international code of ethics for international education agents was initiated at a Roundtable organised by the British Council on the Integrity of International Education in 2010". New Zealand Education, *Statement of Principles for the Ethical Recruitment of International Students by Education Agents and Consultants*, 19 March 2012, <https://enz.govt.nz/assets/Uploads/ENZ-Agents-London-Statement.pdf>.

⁶⁷ Australian Human Rights Commission, *Principles to promote and protect the human rights of international students*, October 2012, https://www.humanrights.gov.au/sites/default/files/document/publication/international_students_principles.pdf.

⁶⁸ <https://www.cmec.ca>.

requiring education institutions to make public which agents represent them and obliging agents to abide by a code of conduct and practice.⁶⁹

In Canada, it is common for education institutions to be responsible for overseeing the education agents they employ. Many make use of best practices and codes of conduct developed by educational organisations like the British Council and the Canadian Bureau for International Education (CBIE).⁷⁰ The CBIE's Code of Ethical Practice requires its education institution members to exercise "due diligence" when working with agents to recruit international students, and endeavouring to ensure that these agents have the appropriate knowledge to advise students regarding their academic options.⁷¹

United States of America

According to the Higher Education Act of 1965, it is illegal for schools accepting federal assistance and schools which accept students on federal grants to offer enrolment incentives to advisers and consultants.⁷² Although the law does not apply to international students, the regulatory restriction on financial incentives may implicitly affect those schools' practices in recruiting international students, for example, when dealing with the agents/consultants providing admission assistance services to Hong Kong students who desire to study in the U.S.A..

Students are advised by United States Education Department to seek assistance from advisers staffed in the EducationUSA advising centres, who are trained on the higher education system in the U.S.A..⁷³ They have to adhere to the EducationUSA ethical standards and abide by its policy to refrain from working with commission-based recruitment agents.⁷⁴

6.4 Self-regulatory Arrangements

Despite the fact that not all markets impose mandatory regulations to govern overseas education advisory services, some form of voluntary arrangements are found in markets such as the Mainland, New Zealand, Taiwan and the U.K., which are popular destinations for Hong Kong students when considering where to study abroad. These markets also offer a list of service providers for public references.

In terms of guiding the industry's professionalism, both the U.K. and New Zealand follow the London Statement, i.e. a joint international code of ethics founded in 2010 for international education agencies to set out professional ethics service providers should follow, while in the Mainland, service providers are required to comply with certain national standards. In view of the fact that the Higher Education Act only protects local students in the U.S.A., self-regulatory measures were found to govern the business conduct in recruiting overseas students.

⁶⁹ <http://monitor.icef.com/2014/06/study-provides-new-insights-on-the-role-of-agents-in-canadian-education/>.

⁷⁰ <https://cbie.ca/>.

⁷¹ Canadian Bureau for International Education, *Code of Ethical Practice*, 8 February 2013, <http://cbie.ca/our-network/become-a-member/code-of-ethical-practice/>.

⁷² World Education News + Reviews, *The Use of Recruiting Agents in the United States*, 1 March 2010, <https://wenr.wes.org/2010/03/wenr-march-2010-feature>.

⁷³ EducationUSA, *EducationUSA Advisers*. <https://educationusa.state.gov/foreign-institutions-and-governments/educationusa-network/educationusa-advisers>.

⁷⁴ EducationUSA, *EducationUSA Policies*. <https://educationusa.state.gov/educationusa-policies-0>.

The Mainland

In 1999, the Ministry of Education issued a regulation on self-financed overseas study agents⁷⁵ which stipulated that the industry as a franchised industry and its agents were required to register with provincial education authorities. However, this regulation was abolished in January 2017 to “vitalise” the market.⁷⁶ The direction of the policies turned to industry self-regulation. However, two national standards enforced by the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China were still applicable, namely the GB/T 32932-2016: Specification for Overseas Education Agency Service and GB/T 32933-2016: Overseas Education Service Terminology. GB/T 32932-2016 specifies the requirements to the consultants on the outcomes of their service, their workflow, training, treatment of unexpected events, and evaluation standards on the service quality; while GB/T 32933-2016 defines the terminologies used in the industry.

The industry started promoting self-regulation in 2017. An industry self-discipline convention drafted by the Committee on Self-funded Study Abroad Service under the China Education Association for International Exchange has subsequently been promulgated.⁷⁷ Service quality standards are also enforced. An industry white list,⁷⁸ a guide to students who wish to study abroad, and official contract templates,⁷⁹ has been published for consumers’ reference.⁸⁰

New Zealand

There is no specific legislation governing education agencies in New Zealand. However, the New Zealand government has developed the Education (Pastoral Care of International Students) Code of Practice in 2016 which specifies the required outcomes that education service providers and their agents need to deliver to their international students.⁸¹

The Code of Practice requires the education institution signatories to effectively manage and monitor their agents in providing international students with reliable information and advice, and to act with integrity and professionalism towards prospective international students. Although the Code of Practice itself is voluntary in nature, education providers must be signatories to the Code of Practice in order to enrol international students.⁸²

In addition, New Zealand’s government agency responsible for building its international education industry - Education New Zealand (ENZ) maintains a list of recognised agents.⁸³ Those on the list are required to abide by its Code of Conduct and the London Statement.

⁷⁵ The Central People’s Government of the People’s Republic of China (2012) *Administrative Provisions on Intermediary Service for Self-supported Study Abroad*, 15 November 2012, http://big5.gov.cn/gate/big5/www.gov.cn/fwxx/content_2267055.htm.

⁷⁶ The Central People’s Government of the People’s Republic of China, *Decision of the State Council on Canceling the Third Batch of Administrative Licensing Items Designated by the Central Government for Implementation by Local Governments*, 21 January 2017, http://www.gov.cn/zhengce/content/2017-01/21/content_5161879.htm.

⁷⁷ Committee on Self-funded Study Abroad Service, China Education Association for International Exchange, *Convention of Self-Discipline by Integrity*, http://www.ceaie.edu.cn/uploads_ceaie/soft/140526/26_1657357801.pdf.

⁷⁸ http://cosa.ceaie.edu.cn/xhjs/201801/t20180118_1581342.shtml.

⁷⁹ <http://www.ytaic.gov.cn/n8951/n10305/n11300/n16759825/16823994.html>.

⁸⁰ Kknews, Oversea study agency license evaluation suspended, trade association promulgate industry self-regulation, 13 March 2017, <https://kknews.cc/zh-hk/education/x5pzgro.html>.

⁸¹ New Zealand Qualifications Authority, *Frequently asked questions about the 2016 Code of Practice*, 10 March 2016, <http://www.nzqa.govt.nz/providers-partners/education-code-of-practice/faqs-2016-code-of-practice/>.

⁸² New Zealand Qualifications Authority, *The Education (Pastoral Care of International Students) Code of Practice 2016*, March 2016, <http://www.nzqa.govt.nz/providers-partners/education-code-of-practice/>.

⁸³ New Zealand Education, *How to become an ENZ Recognised Agent*, <https://enz.govt.nz/support/agent-support/enz-recognised-agent/>.

Recognised agencies/official partners may be subject to disciplinary action if they are complained of, or are acting inconsistently with the Code of Conduct and standards expected by ENZ.⁸⁴

Taiwan

There is currently no specific legislation in Taiwan governing education agents, but there are regulations on travel agents, tuition schools, foundation courses, and public or private schools which are applicable to the provision of overseas education service. The Taiwanese Ministry of Education maintains a list for the public to check whether an agency is registered as an overseas study agency under the law and consumers may check whether the contracts provided by their agents contain the legitimate content⁸⁵ using the template specified by the authority.

United Kingdom

There is no specific legislation for this industry in the U.K.. The key related legislations are the Data Protection and Bribery Acts⁸⁶ which deal with the protection of personal data.

The British Council also issued a "Guide to good practice for education agents"⁸⁷ which encompasses all aspects of agents' activities and is a standard of conduct setting out best practice for both ethical behaviour and standards of professionalism for agents. The guide sets out the importance of offering full, honest and accurate information to consumers, on the basis that "an omission might be construed as being misleading". The guide notes that accidental production or dissemination of incorrect or incomplete information is likely to be viewed in itself as evidence of a failure to adhere to professional standards, except where there is compelling evidence to suggest otherwise.⁸⁸ It also reminds agents to act in the best interests of their (U.K.) partner institutions as well as their clients.

The Council for International Student Affairs promulgates a Code of Ethics for international student adviser⁸⁹ and the certificate was developed in line with the seven principles of the London Statement, with emphases on ethical and professional behaviours.⁹⁰ The London Statement, as a joint international code of ethics for international education agents was initiated at a Roundtable organised by the British Council⁹¹ on the Integrity of International Education in 2010. It was then developed into a Statement of Principles for the Ethical Recruitment of International Students by Education Agents and Consultants (The Statement) and was agreed by Australia, Ireland, New Zealand and the U.K. in March 2010. The Statement is a unifying set of understandings for the recruitment of and related services provided to students in international education which serve to promote best practice

⁸⁴ New Zealand Education, *Code of conduct – Recognised Agency/Official Partner*, <https://enz.govt.nz/assets/Uploads/Education-New-Zealand-Code-of-Conduct-and-Complaints-Process.pdf>.

⁸⁵ Ministry of Education of Taiwan, *Study Abroad Information*, <http://studyabroadinfo.moe.gov.tw/main/showAnn.aspx?id=0e3b8fc5-98a0-41d3-9671-29d21580b112>.

⁸⁶ Vincenzo Raimo, Iona Yuelu Huang, Christine Humfrey, *Managing International Student Recruitment Agents*, October 2014, https://www.britishcouncil.org/sites/default/files/managing_education_agents_report_for_bc_2.pdf.

⁸⁷ British Council, *Guide to good practice for education agents*. <https://www.britishcouncil.org/sites/default/files/guide-to-good-practice-for-education-agents.pdf>.

⁸⁸ Paragraph 3 of the Code.

⁸⁹ Association For International Student Advisers, *The UKCISA/AISA Code of Ethics*, June 2011, <http://www.aisa.org.uk/resourcesaisa/49/The-UKCISA/AISA-Code-of-Ethics>.

⁹⁰ Vincenzo Raimo, Iona Yuelu Huang, Christine Humfrey, *Managing International Student Recruitment Agents*, October 2014, pages 16-17, https://www.britishcouncil.org/sites/default/files/managing_education_agents_report_for_bc_2.pdf.

⁹¹ British Council, *Landmark 'International Code of Ethics' for education agents*, 26 April 2012, <https://www.britishcouncil.org/organisation/press/landmark-international-code-ethics>.

among education agents and consultants. It serves to promulgate the seven aspects of an ethical framework for education agents and consultants, namely integrity, objectivity, professional competence and due care, transparency, confidentiality, professional behaviour, professionalism and purpose.

United States of America

There is self-regulation in the university sector in the U.S.A. For example, the American Association of Collegiate Registrars and Admissions Officers (AACRAO) general statement of ethics addresses the use of third-party agents by stating that special populations (which would include international students) should not be recruited to campus unless adequate resources are available to meet their needs; and institutions should not engage in practices of recruitment abroad that would not be considered legal or ethical at home.⁹²

The university community based American International Recruitment Council (AIRC) provides a set of best practice standards⁹³ for recruiting foreign students. AIRC also certifies agents who pass their review process.⁹⁴

The Statement of Principles and Good Practice of the National Association for College Admission Counselling (NACAC) prohibits member institutions from using commissioned agents to recruit U.S. citizens or U.S. permanent residents since commissions, bonuses, or other incentive payments provided on a per capita basis can lead to biased and self-serving college counselling. However, NACAC's Code of Ethics and Professional Practices makes a limited exception when students are neither U.S. citizens nor U.S. permanent residents.⁹⁵

The Independent Educational Consultants Association (IECA) is quite clear in its Principles of Good Practice that the acceptance of commissions from schools for the placement of students runs contrary to the organisation's ethical standards. This states "Members neither solicit nor accept compensation from Schools/Programs for placing or attempting to place students with them. They scrupulously avoid behaviour that might be construed as soliciting or accepting compensation."⁹⁶

Hong Kong

There is currently no specific legislation aimed at governing overseas education agents/consultancies. In their dealings with consumers, the industry operators are regulated by the same legislation which applies to all other service providers,⁹⁷ namely the TDO (if charges are involved), MO and PDPO. As the EDB considers education agents/consultancies as commercial entities, currently the Government has no intention to regulate the sector.⁹⁸

⁹² American Association of Collegiate Registrars and Admissions Officers, *Ethics and Practices*, 23 April 2010, <https://www.aacrao.org/who-we-are/mission-vision-values/ethics-practice>.

⁹³ American International Recruitment Council, *Certification Standards*, 2015, <https://www.airc-education.org/files/AIRC%20Standards%202015.pdf>.

⁹⁴ American International Recruitment Council, *AIRC Membership for Agencies*, 2015, <https://www.airc-education.org/airc-certification-apply>.

⁹⁵ National Association for College Admission Counselling, *Statement of Principles of Good Practice: NACAC's Code of Ethics and Professional Practices*, 2017, https://www.nacacnet.org/globalassets/documents/advocacy-and-ethics/statement-of-principles-of-good-practice/spgpfinal_approvedsept2017.pdf.

⁹⁶ World Education News + Reviews, *The Use of Recruiting Agents in the United States*, 1 March 2010, <https://wenr.wes.org/2010/03/wenr-march-2010-feature>.

⁹⁷ Hong Kong Exchanges and Clearing Limited, listing document of initial public offering of Dadi Overseas Studies Service Centre, January 2017, pages 56-58, http://www.hkexnews.hk/listedco/listconews/GEM/2017/0126/GLN20170126008_C.pdf.

⁹⁸ HKSAR Government, *LCQ10: Overseas Study Services*, 14 January 2004, <http://www.info.gov.hk/gia/general/200401/14/0114185.htm>.

The Hong Kong International Education Consultants' Association (HKIECA), an association formed by overseas education consultants operating in Hong Kong, has a code of conduct⁹⁹ (the Code) for its members. The Code requires its members to (i) to provide accurate information to parents and students and (ii) recommend suitable programmes as appropriate to a student's academic standard and English proficiency. It is stated that members should not knowingly misrepresent the nature and resources of overseas education institutions to consumers, both during consultation as well as when engaging in advertising and promotional activities. It also prescribes that aftersales services are to be provided by way of pre-departure support, such as ensuring accommodation, visas, air tickets, etc. are arranged for the student, and to maintain contacts with overseas education providers, students and parents throughout the student's study abroad. Furthermore, members are also mandated by the Code that they shall not knowingly be part of an attempt by students or their parents to deceive any visa-issuing authority.

HKIECA is self-regulated and administers professional development of the sector, and provides change and improvements in its system through engagement with its members, international education organisations and other entities such as the British Council and local consulate representatives.

Self-regulation through professional or trade associations is common in Hong Kong. However, depending on the profession and the trade concerned, the modes of regulation and monitoring differ widely and cover a broad spectrum of activities. For example, at one end of the spectrum providing a high level of oversight are professional bodies with the authority for registration and issue of licences to practice, with established codes of conduct and formal procedures for disciplining errant members. At the other end of the spectrum, with lower levels of oversight are non-compulsory associations of members subscribing to a set of agreed guidelines on practices.

The HKIECA is an association with a role in self-regulation of their members providing education consultancy services in Hong Kong. The HKIECA did not seek assistance from the Government in drafting the Code as HKIECA is viewed as a trade association in the market.

6.5 Training Systems for the Consultants

A well-designed training course can provide basic understanding of the ethical requirements and the academic structures of the destination countries, and may also help the consultants to keep abreast of the latest developments of the education systems and information on living and studying in the designated jurisdiction, eventually to help build their competency as a quality consultant.

International education service qualified education agents

The International Education Services (IES) and Professional International Education Resources (PIER) (a subsidiary of IES) have developed a free online agent-training course.¹⁰⁰ There are 4 types of courses, one is a general course for agents anywhere in the world providing the agents with an understanding of the overall international education market, the skills needed in analysing destination countries and their education products, and the functional dynamics of dealing with students, education institutions and governments. The other 3 were co-developed with Australian, Canadian and the U.S.A. governments with

⁹⁹ Hong Kong International Education Consultants' Association, *Guiding Principles of Code of Conduct*, <http://www.hkieca.com/intro.php?p=3&l=en>.

¹⁰⁰ Website of International Education Services Ltd., *Qualified Education Agents*, <http://qualified-education-agents.com/>.

emphases on their particular higher education systems, and study and living environments. Agents who complete the course can pay to take an assessment test which is also offered on-line but only at specific testing centres worldwide. Upon passing, the agents will receive a Certificate of Completion, attain the rank of “Qualified Education Agent Counsellor” and can be listed in the Qualified Education Agent Counsellor Database (QEACD), a searchable on-line database.¹⁰¹

British Council Education Certificate for Agents

The British Council, being the U.K.’s international organisation for cultural relations and educational opportunities, offers training and certification to agents working with British education institutions and maintains a searchable list of such agents.¹⁰² The agents must accept the code of conduct upon their registration to the training, and provide references from two institutions on the Highly Trusted Sponsor (HTS) register. Successful completion of the training leads to the award of the Education UK Certificate for Agents. Two years after successfully gaining the Education UK Certificate agents must apply for recertification to maintain their British Council trained agent status.

Education New Zealand Training Programme for Education Agents

Education New Zealand also offers a free online training programme for education agents¹⁰³ that covers general understanding and knowledge of New Zealand, information on the education choices and pathways, and information about visa requirements and processes.

The DFATD Training Programme for Canadian Agents

The Department of Foreign Affairs, Trade, and Development (DFATD) developed an on-line agent-training course in collaboration with PIER,¹⁰⁴ ICEF, and the Canadian Consortium for International Education Marketing (CCIEM). It provides agents with an introduction to Canada as a destination country for educational opportunities. Topics include a survey of Canada’s education systems; information on scholarships, study permits, student work permits, and post-graduation work permits, and how best to prepare students for life and study in Canada. Agents who complete the course can choose to take an examination. If they pass, they are eligible to be included in an on-line directory of “Canada Course Graduates” on the ICEF web site.¹⁰⁵

Summary

Table 11 provides a snapshot on how other jurisdictions regulate their own education advisory service markets. No matter whether it is through mandatory or voluntary means, the Council’s research shows that there are far more safeguards to mitigate the risks of bias and to tackle the issue of the lack of transparency in the provision of education advisory services in overseas jurisdictions. In order for Hong Kong consumers to enjoy the same level of professional services and be able to seek proper redress when problems arise, the industry in Hong Kong needs to learn from other jurisdictions and adopt more measures to strengthen the professionalism of the industry. The Government also has a role to play to facilitate the development of a better marketplace for the students.

¹⁰¹ Website of International Education Services, *Qualified Education Agent Counsellors*, http://www.eatc.com/qualified_agents/.

¹⁰² British Council, *Education agents*, <https://www.britishcouncil.org/education/education-agents>.

¹⁰³ New Zealand Education, *Training Programme for Education Agents*, <https://enz.govt.nz/support/agent-support/enz-agent-training/>.

¹⁰⁴ PIER is International Education Services’ (IES) digital brand. <http://pieronline.org/>.

¹⁰⁵ Council of Ministers of Education of Canada, *The Role of Education Agents in Canada’s Education Systems*, December 2013, <https://www.cmec.ca/Publications/Lists/Publications/Attachments/326/The-Role-of-Education-Agents-EN.pdf>.

Table 11: Summary of specific legislations, codes of conduct, public searchable lists and training systems in selected jurisdictions concerning education agents

	Hong Kong	The Mainland	Taiwan	U.K.	Australia	New Zealand	U.S.A.	Canada
Specific Legislation	Nil	Nil. An official contract template for consumers to validate their contract content is legitimate	Nil. The Ministry of Education developed a contract template for consumers to validate their contract content is legitimate	Nil	The Education Services for Overseas Student Act 2000 (ESOS Act)	Nil	Higher Education Act	No relevant law at federal level but the Canadian province of Manitoba has introduced regulations requiring education institutions make public which agents represent them.

Code of Conduct / Ethics / Practice	Hong Kong	The Mainland	Taiwan	U.K.	Australia	New Zealand	U.S.A.	Canada
Compulsory	Nil	<i>National:</i> - GB/T 32932-2016: Specification for Overseas Education Agency Service; - GB/T 32933-2016: Overseas Education Service Terminology	Nil	Nil	<i>National:</i> - National Code of Practice for Providers of Education and Training to Overseas Students 2018; - Australian International Education and Training Agent Code of Ethics	<i>National:</i> - Education (Pastoral Care of International Students) Code of Practice 2016	Nil	Nil
Voluntary	<i>Industry:</i> - Hong Kong International Education Consultants' Association's Code of Conduct	Nil	Nil	<i>National:</i> - The London Statement; - British Council Guide to Good Practice for Education Agents	<i>National:</i> - The London Statement	<i>National:</i> - ENZ's Code of Conduct - The London Statement	<i>National:</i> - American International Recruitment Council Certification; - The National Association for College Admission Counseling's Statement of Principles and Good Practice; - The Independent Educational Consultants Association's Principle of Good Practice	<i>National:</i> - Canadian Bureau for International Education Code of Ethical Practice

	Hong Kong	The Mainland	Taiwan	U.K.	Australia	New Zealand	U.S.A.	Canada
Relevant Quasi-government Bodies Located in Hong Kong for International Students	Nil	Beijing-Hong Kong Academic Exchange Centre	Highwise Service Foundation	British Council	Australian Trade and Investment Commission	Education New Zealand (ENZ)	EducationUSA Advising Centre	Nil
Public Searchable Agent list	Nil	Overseas Study Services Industry Whitelist (Trial)	The Ministry of Education Overseas Study Agent List	British Council Trained Agent List	Education institutions need to list out their representing agents on their websites	ENZ Recognised Agency Programme	AIRC Certified Agencies	The Canada Course Graduates list on the ICEF website
Training Systems for Overseas Education Advisory Service Providers	International Consultants for Education and Fairs (ICEF) Agent Training Course / British Council Foundation Certificate for Agents							
	Nil	Nil	Nil	British Council Foundation Certificate for Agents	The Education Agent Training Course	Education New Zealand Training Programme for Education Agents	International Education Services U.S. Agent Training Course	DFATD On-line Agent-training Course in Collaboration with PIER, ICEF, and the CCIEM

Chapter 7 Recommendations

As discussed in previous Chapters, due to commercial considerations, the interests of the overseas education consultants would not necessarily be aligned with that of the consumers in the course of their delivery of advisory service. In a competitive market targeting a well-defined group of customers, i.e. yearly student graduates who aspire or have the need to study abroad, many consultants who in fact function more as agents would offer their advice in accordance with their business focus on destinations, programmes and partnering education institutions, putting their claim of “free” and “impartial” advice into question.

One would expect that for rational consumers, they would discount the dubious value of “free advice”, particularly if they are aware that there are most likely to be undisclosed commission payments to the consultants. However, for those with no or limited experience in overseas education advisory service, they may not be aware of this potential bias and how it affects their choices. Information asymmetry in this market also puts the consumers at a disadvantage when validating the information provided. Fortunately, requiring the disclosure of rewards, or imposing fines for misrepresentation on the part of a consultant offering “free” advice is unlikely to lead to a decrease of commission levels as this is primarily a function of the competition between education institutions, rather than that between the consultants. Therefore, to safeguard consumer welfare when using this type of service, measures to increase requirements on disclosure would be necessary but with little effect on consultants, so that consumers’ acceptance of recommendations can and will be made on a clearly informed basis through a good understanding of who the consultants represent, the fee of consumers (if it exists), and the terms and conditions involved.

The Council’s mystery shopping visits and the focus group discussions affirmed the overseas education advisory service providers’ value in helping consumers identify a suitable overseas education programme and in supporting consumers in their enrolment in a range of activities. However, findings also clearly show that the quality of services fluctuated and differed widely amongst the market players. Overseas education is costly and if a wrong choice is made, its impact on the individual student, his/her family and the society as a whole could be significant. However, as analysed in Chapter 4, for consumers to seek redress through litigation, the time, effort and legal costs involved would not be an easy or preferred avenue to be undertaken, not to mention the fact that under certain circumstances, no contract was formed between the two parties in the first place. Therefore to support Hong Kong to develop quality talent for our next generation, the most pragmatic and fundamental solution is to strengthen professional ethics and standards, and the service quality of this industry.

There is currently neither specific legislation governing the provision of advice on overseas education nor the conduct of these consultants. As mentioned in Chapter 4, the industry is regulated under the same legislation as for other service providers in their dealings with consumers. As the EDB considers the business of education agents/ consultancies to be commercial activities rather than educational activities, the Government has, at present, no intention of regulating this sector.¹⁰⁶

¹⁰⁶ HKSAR Government, *LCQ10: Overseas Study Services*, 14 January 2004, <http://www.info.gov.hk/gia/general/200401/14/0114185.htm>.

Currently the HKIECA has a Code of Conduct¹⁰⁷ for its members and administers professional development through its self-regulated system. Another important party in the provision of overseas education advisory services is the Hong Kong Association of Careers Masters and Guidance Masters (HKACMGM). It is a body providing professional support for all front-line guidance and careers guidance teachers in Hong Kong secondary schools. The association organises activities, such as seminars and talks, and courses for guidance teachers with all levels of experience.

Capitalising on the self-regulatory platform of HKIECA by introducing a broad range of measures, the industry's professional governance and development can be improved. Through the increased activities of the HKACMGM, parents and students could make use of the information about education programmes of the overseas education institutions and be better equipped to select the appropriate education path to suit their aspirations and needs rather than merely relying on the consultant's recommendations. With professional services in place and consumers who are better informed, the ultimate objective of delivering quality overseas education advisory services with stronger safeguard to consumers can be achieved. The Government can also play an important role in this process by rendering stronger support and guidance to the industry to address the identified lack of transparency and the service quality issues of the industry.

At this stage, the Council is not in favor of pursuing a legislative approach to govern the industry as the long lead-time and public resources required may not be the most effective means of addressing the problems. Referencing overseas experience, the legislative approach is more commonly adopted by markets with sizeable number of overseas education institutions and students, with which Hong Kong could hardly compare. As demonstrated by other jurisdictions, improvement in self-regulation would probably be more cost-effective in bringing direct and obvious results to Hong Kong students.

This chapter highlights the key measures that the Council recommends, with specific focuses on addressing the issues of impartiality, information disclosure and liability of parties, and service quality of the overseas education advisory services in Hong Kong.

7.1 Recommendations to the Industry

As mentioned in Chapter 6, under the current self-regulatory regime of Hong Kong, the HKIECA has a Code of Conduct for its members to follow. The HKIECA Code, in gist, requires its member to provide accurate information to parents and students and make suitable recommendation on programmes, and should not knowingly misrepresent the consumers in any form. The HKIECA also manages and administers the professional development for its members. To improve the transparency and information disclosure of the industry, the Council believes the HKIECA Code should be strengthened to cover the following areas.

¹⁰⁷ Website of the Hong Kong International Education Consultants' Association, *Guiding Principles of Code of Conduct*. <http://www.hkieca.com/intro.php?p=3&l=en>.

Ethical standards and good industry practices

Except Taiwan, all markets to which the Council made reference issued clear and detailed guidelines under their relevant Codes of Conduct to regulate the ethical standards and professional behaviours of the industry practitioners in overseas education advisory services. The Council encourages the HKIECA to review the HKIECA Code regularly to ensure that its guidelines follow the standards and momentum of the international markets.

Guidelines to cover relevant regulations for consumer protection

Like other service industries, the provision of overseas education advisory services is regulated by the TDO (if charges are made), the MO, the Supply of Service (Implied Terms) Ordinance and the PDPO. To ensure that industry practitioners understand and comply with the spirit and requirements of these regulations in their day-to-day business conduct, the HKIECA Code should be expanded to include specific guidelines on these important regulations.

Disclosure of representation and the rewards for making referral

Findings from this study clearly indicate that to enable the consumers to assess the impartiality of the overseas education advisers before deciding who to engage, these service providers should be obliged to disclose or display in an easily accessible manner, their representation and the existence of any commission or business incentives from the overseas education institutions in selling the programmes to consumers. In the event that fees are to be charged in the provision of certain services such as tutorial, language courses or supplementary services to facilitate the students settling in with the overseas education institutions, a price list should be properly displayed and made available to the consumers at the early stage of engagement.

Qualifications of consultants

Another commonly found feature in overseas' industry codes is the requirement on the disclosure of the consultant's qualifications to ensure that the claim is a true description. Under the TDO, a trade description includes anything that tell of the services or any part of them in whatever forms and communicated through whatever means, and a false trade description is a trade description which is false to a material degree or one though not false, is misleading. Therefore, in circumstances where there is disclosure of such information, traders who make false or misleading claims could fall foul of the TDO. This being the case, the HKIECA is encouraged to set out in its Code specific guidelines for the industry practitioners on the types of qualifications which could be presented and the form of display. The HKIECA should also offer consumers an easily accessible avenue to understand the requirements of different types of qualifications so that they can make their direct assessment on the legitimacy of the consultant's claims.

Professional training requirements

In overseas jurisdictions, trade bodies or associations often have measures to raise the professional standards of their industry members by putting in place training requirements. For Hong Kong, the HKIECA should be the party championing and administering these training programmes. The findings of Council's study show that there is a need to strengthen the professional knowledge of some of the consultants. The Council therefore

recommends that the industry should have a quality assurance mechanism of qualifications for member consultants with regard to a standard number of training hours they have to attend to learn HKIECA Code of Conduct to ensure that they are aware of the professional standards required in the industry. Furthermore, regular training on the related regulations such as the TDO, the MO and the PDPO should be organised as a constant reminder to the traders.

Advice on safety of the proposed destination

In the course of dealing with partner education institutions, consultants should seek facts and figures from the institutions on student safety on and near the campuses, and in turn incorporate such information in the advice given to the consumers. Given the concerns that have been expressed regarding student safety, the Council recommends that consultants provide as much information as possible on safety issues in their marketing materials or at the early stage of engagement as this would be immensely helpful to students to enable them to make better choices. Moreover, clear points of contact for students when seeking assistance from the overseas education institutions on campus/hostel or the local authorities would also be useful to the students. Consultants are recommended to consider providing such information as a default part of their service.

Apart from strengthening the HKIECA Code, as good business practice, the industry should advocate the use of service contracts to ensure that both the consumers and the consultants understand their terms of engagement clearly and fairly. Furthermore, the availability of a public list on the service providers available in Hong Kong and a proper and transparent redress mechanism should put in place to handle dispute when it arises.

Promoting the use of service contracts

The Council is of the view that even if “free consultancy services” are provided, a service agreement with explicit terms and conditions should still be signed so that both parties, (i.e. parents and students, and the consultant) understand their obligations and responsibilities clearly. If a reward is to be received on any successful referral of the student by the consultant, this should be clearly stated in the agreement. Consultants should also be asked to explain at the beginning of any advisory sessions their fee structure, service terms and conditions, and the scope of service etc.

A list of service providers for public reference

To facilitate the consumers to search for services from overseas education advisers and to enable them to validate the service providers’ professional identities from a credible source, the HKIECA is recommended to release a list of service providers based on its verification of individual membership profile.

A redress mechanism for dispute resolution

It is also recommended that through the HKIECA self-regulating platform to put in place a redress mechanism with an independent complaint review committee composed of:

- (i) representatives of the trade;
- (ii) career masters; and
- (iii) other stakeholders, such as school management committees, and parent representatives;

The committee will handle unresolved complaints by aggrieved students and parents against consultants. This will help the industry and its members improve its services and strengthen the credibility of its self-regulatory system. Addressing the concerns of consumers through professionally handling complaints will help service providers and the industry in general to better address possible concerns from the students and parents. With both a complaint review mechanism and a Code of Conduct in place, the industry should have the means to govern the practice of education consultants and raise the quality and professionalism of its practitioners.

7.2 Recommendations to the Government

To strengthen the self-regulatory regime of the industry, the Government plays a critical role in facilitating the industry to equip its members with the right level of knowledge and expertise to deliver quality service. The general public, on the other hand, when facing the challenges of having limited exposure in engaging these services and information asymmetry, require support from the Government on the provision of the right tools in determining their needs, and a proper and impartial guide to engaging overseas education advisory services. The Council believes that with effective support and guidance, the industry would be steered on the right track and improve its transparency and quality of services in the long-run. The public, in particular potential users of this service, should better educate themselves for self-empowerment so that they can make the right choices for their needs. Benefiting from such an improvement, the Government can save on the potential burden of imposing mandatory legislation to govern the behaviour of this industry, which provides very specific overseas education advisory services to the market.

Decision-making tools

It is important that consumers (students) have some basic understanding of what they are interested in before making decisions on which career/education path to follow. The Council recommends that the Government should consider increasing the subsidies provided through the existing subsidy schemes, through the Home Affairs Bureau, namely the Funding Scheme for Youth Life Planning Activities and the Career and Life Planning Grant provided to public sector schools and Direct Subsidy Scheme schools with senior secondary level classes administered by the EDB. Increased funding in this area could serve to strengthen the ability and resources of career masters in secondary schools to more effectively consult with students on their life planning as well as on the provision of information on further studies that are available, such as academic structures and further education options available in overseas and Mainland destinations. Administering aptitude tests which measure candidates' suitability for a particular career, or conducting profiling evaluation for secondary school students (such as those developed by the HKACMGM) may be helpful and could provide valuable insights and guidance for students in their search for higher education options. Ongoing assistance in developing these tools for career masters will help students/consumers match their aspirations, capabilities and personalities with a suitable choice of higher education.

Provide a signpost for consumers

To raise the knowledge level of consumers (i.e., student/parents) so that they are aware of what they should do when engaging the services of overseas education advisers, consumer information guides containing vital tips and links to key professional bodies on qualification conversion and recognition in Hong Kong will be practical tools and these will inform and facilitate the search process of the consumers. The Council recommends that the Government takes the lead, with support from professional bodies, the industry as well as the Council, to develop such guides for the public.

Funding support to the industry

The Council considers that sole reliance on the industry or associations to raise their own funds to pursue the proposed measures would make slow progress. Some form of support for the industry from the Government, no matter whether it is in the form of a one-off seed capital or facilitation in funding applications, would likely accelerate the development so that the issues and concerns could be addressed earlier, and bring direct benefits to the students.

Develop guidelines on promotional materials

Part 6 of the HKIECA Code provides that all advertising or other publicity initiated by its member on behalf of an overseas education institution should be in a form and manner agreed to by the overseas education institutions and should not intentionally mislead members of the public (Clause 22 and 23).¹⁰⁸ However, there are no clear or specific guidelines on what constitutes appropriate advertising or marketing activities of its members so that potentially misleading advertisements would be identified as unacceptable and discouraged. For example, in the brochures collected during the study, terms such as “99% enter top U.S. university”, “your route to a top university”, “100% progression to university” were used and these terms could be misleading. With no guidelines against the use of misleading descriptions whether during advertising or in the marketing materials distributed, advance in technology which enables photographs to be digitally altered and service providers sometimes being motivated by profitability which then affects their impartiality, the consumers’ interests are left unprotected in this regard. Although the TDO contains provisions against misleading and deceptive advertising, it is unclear as to the extent to which these provisions could offer protection to consumers, given the lack of contractual relations in most instances.

Referencing overseas experience, the British Council’s “Guide to good practice for education agents”,¹⁰⁹ states that education agents shall promote themselves and their partner (U.K.) institutions fairly. It also states that using verifiable data to show the standing of an education institution in relation to others is appropriate and the omission of salient information in an effort to secure the placement of a student is likely to be judged as a breach of the standard of the good practice.

¹⁰⁸ Hong Kong International Education Consultants’ Association, *Guiding Principles of Code of Conduct*, <http://www.hkieca.com/intro.php?p=3&l=en>.

¹⁰⁹ British Council, *Guide to good practice for education agents*. <https://www.britishcouncil.org/sites/default/files/guide-to-good-practice-for-education-agents.pdf>.

There are regulation and government guidelines on marketing materials given to students and parents when making choices in the local market.¹¹⁰ In order to enhance protection to students seeking overseas education advice, the Council urges the Government to seek cooperation of the industry to develop advertising guidelines similar to that applicable to the local market.

Educated young people are a valuable resource in an economy. The future of our society largely depends on the quality of Hong Kong people through obtaining reputable and quality higher education and qualifications. Apart from having high quality local post-secondary education programmes, the option of overseas higher education offers opportunity for individual students to improve their cross-culture understanding, skills and knowledge. This should enable students when they return to Hong Kong from studying or even working abroad, to continue their career with diverse international perspectives. On the other hand, with an increasing number of local secondary school graduates opting for overseas education, improper choices and decisions made in relation to their higher education could affect the overall human capital development of Hong Kong.

Despite the fact that this study focuses only on the overseas education advisory services for post-secondary education, noting that there is also a sizable group of secondary school students who leave Hong Kong to study abroad instead of taking public examinations locally, the Council believes that the spirit and principles presented in this recommendation chapter should also apply to those service providers serving the primary and secondary school market. Accordingly, the Council believes that the Government together with the industry, should take an active role in fostering a better and more transparent marketplace for the professional development of overseas education advisory services in Hong Kong and for the betterment of our next generation in the coming years.

¹¹⁰ Under the Education Ordinance (Cap 279) s86A and s86B, it is against the law to publish any advertisement that alleges that an institution, organisation or establishment is registered or provisionally registered as a school under the law when it was not, at the time of publication, so registered or provisionally registered. In addition, under the Non-local Higher and Professional Education (Regulation) Ordinance (Cap 493), it is an offence to publish any false or misleading materials in any advertisement on any regulated course or purely distance learning course.

Annex A: Capacities of the 20 local degree-awarding higher education institutions¹¹¹

University	Capacity
Caritas Institute of Higher Education	420
Centennial College	145
Chu Hai College of Higher Education	1,080
City University of Hong Kong	2,485
Gratia Christian College	100
Hang Seng Management College	1,280
Hong Kong College of Technology Institute of Higher Education	15
Hong Kong Academy for Performing Arts	697
Hong Kong Baptist University ¹¹²	1,291
Hong Kong Nang Yan College of Higher Education	80
Hong Kong Shue Yan University	950
Lingnan University	531
Technological and Higher Education Institute of Hong Kong, Vocational Training Council	1,050
The Chinese University of Hong Kong	3,297
The Education University of Hong Kong	875
The Hong Kong Polytechnic University	2,342
The Hong Kong University of Science and Technology	1,996
The Open University of Hong Kong ¹¹³	2,060
The University of Hong Kong ¹¹⁴	3,116
Tung Wah College	837
Total	24,647

¹¹¹ 2017/18 number of approved first-year-first-degree intake places figures from HKSAR Government, Legislative Council Special Meetings of the Financial Committee to examine the Estimates of Expenditure 2018-2019, 20 April 2018 meeting, Administration's replies to Members initial written questions presented by the Secretary for Education, Reply Serial No. EDB 246, annexes A2 and B1, numbers of First-year-first-degree places, https://www.legco.gov.hk/yr17-18/english/fc/fc/w_q/edb-e.pdf; 2016/17 student enrolment figure for Hong Kong Academy of Performing Arts is taken from the Academy's Annual Report 2016/17, <https://www.hkapa.edu/files/about/publications/annualreport1617.pdf>, which is the latest figure available, figure also included Study Subsidy Scheme for Designated Professions/Sectors, http://gia.info.gov.hk/general/201608/17/P2016081700462_240663_1_1471408757898.pdf.

¹¹² Hong Kong Baptist University and its School of Continuing Education/College of International Education.

¹¹³ The Open University of Hong Kong and its Li Ka Shing Institute of Professional and Continuing Education.

¹¹⁴ The University of Hong Kong and HKU School of Professional and Continuing Education/HKU SPACE Community College.

Annex B: Questionnaire used in the consumer surveys

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消費者委員會
海外升學服務研究問卷調查

問卷編號：_____ 訪問員編號：_____

訪問日期：_____ 開始時間：_____ 結束時間：_____

引言

早晨/午安、你好，我叫 _____，我哋正在為消費者委員會進行一項有關海外升學服務嘅研究。今次訪問嘅目的係希望瞭解同收集香港學生對海外升學服務嘅寶貴意見。請你放心，所有收集到嘅資料只會用作綜合分析用途，內容會絕對保密。

請問你願唔願意花15分鐘接受訪問？多謝你嘅幫忙。

篩選

Q1 記錄性別：
(單選)

男 1
女 2

Q2 請問你幾多歲？ _____ 歲
(記錄實際年齡)

Q3 請問你是否應屆香港中學文憑考試(HKDSE)考生？你(預期)達唔達到本地大學最低入學要求(最佳五科成績相等於或高於"33222")？
(單選)

是，達到 1
是，達不到 2
否，但我會報考下年 DSE 3
否，但我下年(2018) 會去 4
讀海外讀寄宿中學
否，以上皆不是 99 → 終止訪問

Q4 請問你是否計劃今年或明年到海外升學？
(單選)

是，我已經申請 1
是，我計劃申請今年入學 2
是，我計劃申請明年入學 3
不是，但有想過 4
沒有計劃 5 → 終止訪問

Q5 請問你有沒有應考了以下哪一項嘅公開考試？
(複選)

IB (International Baccalaureate) 1
IGCSE (International General Certificate of Secondary Education Examinations) 2
IELTS (International English Language Testing System) 3

(續 Q5)

TOEFL (Test of English as a Foreign Language) 4
SAT 5
HSC (Higher School Certificate) 6
AP (Advanced placement) 7
IAL (International Advanced Levels Examination) 8
BTEC (Business and Technology Education Council) 課程 9
其他，請註明：_____ 98
以上皆沒有 99

Q6 請問你計劃到海外修讀哪一個程度的課程？
(單選)

寄宿中學 1
大學基礎課程/銜接課程 2
副學位 (包括副學士學位、高級文憑、學院學位及專業資格) 3
第一個學士學位 4
其他，請註明：_____ 98

甲部：主問卷

以下部分，我們想了解你對於計劃在海外升學的期望或經驗。

A1 請問哪些是你計劃到香港以外地方就讀的原因？
(複選，最多選 3 項)

提高英語水平 1
學習獨立 2
香港以外地方的學習氣氛較好 3
在外地就讀有更好的就業機會 / 前途 4
不滿意香港的教育制度 5
學術上有更多的接觸 6
壓力較少 7
預期不獲香港的院校取錄 8
提高普通話水平 9
其他，請註明：_____ 98

A2 哪個/些因素影響你決定往海外升學？
(複選，最多選 3 項)

(預期)文憑試(HKDSE)成績 1
科目選擇 2
家庭經濟能力 3
個人能力 4
心儀的升學國家 5
心儀的升學院校 6
家人建議 7
曾經/現在有家庭成員到海外讀書 8
海外升學機構的建議 9
其他，請註明：_____ 98

填入數據後即成機密文件

A3 a) 你想到哪些國家/地區升學? (複選)

美國	1
英國	2
加拿大	3
澳洲	4
紐西蘭	5
日本	6
韓國	7
新加坡	8
中國內地	9
台灣	10
其他, 請註明: _____	98

b) 最想到哪一個國家/地區升學? (單選)

1
2
3
4
5
6
7
8
9
10
98

A4 你透過哪些渠道接觸海外升學的資訊? (複選)

家人	1
中學	2
朋友/ 同學	3
海外院校	4
海外升學機構	5
互聯網(不包括海外院校及海外升學機構網頁)	6
其他, 請註明 _____	98

A5 承上題, 你認為這些渠道所提供的資訊是否準確? (單選)
請用 1-5 分評分: 1 分代表“非常不準確”, 5 分代表“非常準確”

	非常不準確	不準確	一半半	準確	非常準確	不適用
家人	1	2	3	4	5	NA
中學	1	2	3	4	5	NA
朋友/ 同學	1	2	3	4	5	NA
海外院校	1	2	3	4	5	NA
海外升學機構	1	2	3	4	5	NA
其他, 請註明 _____	1	2	3	4	5	NA

A6 承接 A5 題, 你認為這些渠道所提供的資訊是否足夠? (單選)
請用 1-5 分評分: 1 分代表“非常不足夠”, 5 分代表“非常足夠”

	非常不足夠	不足夠	一半半	足夠	非常足夠	不適用
家人	1	2	3	4	5	NA
中學	1	2	3	4	5	NA
朋友/同學	1	2	3	4	5	NA
海外院校	1	2	3	4	5	NA
海外升學機構	1	2	3	4	5	NA
其他, 請註明 _____	1	2	3	4	5	NA

A7 你有沒有聯絡或打算聯絡海外升學機構查詢升學資訊? (單選)
有, 已經聯絡 1
沒有, 但將會/ 計劃聯絡 2
沒有, 沒有計劃聯絡 3 → Z 部分

A8 a) 請講出 3 間你聽過嘅海外升學機構名稱。 (填寫)

b) 你有沒有打算/已經選用哪一間海外升學機構?

A9 在以下的海外升學服務中, 你需要哪些服務項目? (單選)

	非常不需要	不需要	一半半	需要	非常需要	
I) 資訊服務						
A	提供海外大學的升學資訊 (如: 院校資訊、國家的教育體制、入讀條件)	1	2	3	4	5
B	提醒學生於海外學習期間的注意事項	1	2	3	4	5
II) 諮詢服務						
C	制定升學計劃	1	2	3	4	5
D	選擇保險	1	2	3	4	5

填入數據後即成機密文件

(續 A9)

		非常不需要	不需要	一半半	需要	非常需要
III) 代辦行政手續服務						
E	辦理簽證	1	2	3	4	5
F	訂購機票	1	2	3	4	5
G	安排宿舍	1	2	3	4	5
IV) 代辦升學及入學手續服務						
H	轉交入學申請文件予海外院校	1	2	3	4	5
I	與海外院校代表溝通	1	2	3	4	5
J	安排面試及入學試	1	2	3	4	5
V) 跟進服務						
K	安排公司代表，作為學生的合法監護人	1	2	3	4	5
L	抵埗接機	1	2	3	4	5
M	定期與正在海外升學的學生聯絡，並予以支援	1	2	3	4	5

A10 承題 A9，你所知或預期的海外升學服務機構收費是多少？

	已知收費 [請填寫]	預期收費 [請填入選項]†	不知道/ 不適用
I) 資訊服務			-
II) 諮詢服務			-
III) 代辦行政手續服務			-
IV) 代辦升學及入學手續服務			-
V) 跟進服務			-

†	免費	1
	1,000 元以下	2
	1,001 – 2,000 元以下	3
	2,001 – 3,000 元以下	4
	3,001 – 5,000 元以下	5
	5,001 元或以上	6

A11 承題 A10，你認為這些海外升學機構服務的收費資訊是否清楚？(資訊包括職員的講解、有關機構提供的宣傳單張、廣告或官方網站資料) 請用 1-5 分評分：1 分代表“非常不清楚”，5 分代表“非常清楚”

	非常不清楚	不清楚	一半半	清楚	非常清楚	不適用
資訊服務	1	2	3	4	5	99
諮詢服務	1	2	3	4	5	99
代辦行政手續服務	1	2	3	4	5	99
代辦升學及入學手續服務	1	2	3	4	5	99
跟進服務	1	2	3	4	5	99

A12 a) 你認為提供海外升學服務的機構應該根據哪些準則，為你制定合適的升學計劃？(複選，最多選 3 項)

b) 其中哪一項係最重要呢？(單選)

A	學業成績	1	1
B	心儀科目	2	2
C	經濟條件	3	3
D	就業取向	4	4
E	性格	5	5
F	語言能力	6	6
G	心儀的升學地點 (指定國家或城市)	7	7
H	其他，請註明_____	98	98

[問已經聯絡海外升學機構查詢升學資訊的人, A7 = 1]

A13 喺最近嘅十二個月內，你喺聯絡海外升學機構查詢或報名院校或各項服務時，有冇遇到以下呢啲情況呢？

升學機構/顧問不誠實	1
服務資訊不足	2
遭受升學機構威嚇	3
升學機構提供的服務突然中斷	4
服務質素欠佳或不合預期	5
價格爭議 (學費、簽證、考試費等等)	6
升學機構單方面終止合約/更改合約條款	7
受騙而遭受損失	8
以上均沒有	98

填入數據後即成機密文件

[只問 A13 曾在最近十二個月內遇到問題的受訪者]

A14 喺最近嘅十二個月內，當你喺聯絡海外升學機構查詢或報名院校嘅時候遇到頭先提及嘅問題，你曾經點做呢？

- 向升學機構作出查詢/投訴 1
- 不再光顧該升學機構 2
- 同親戚朋友傾訴 3
- 在網上討論區分享 4
- 向消費者委員會投訴 5
- 唔會特別做啲咩 6
- 其他，請註明: _____ 98

Z 部分: 人口統計

最後，我想問您一啲個人資料以作分析用途。

Z1 請問你就讀嘅學校係...?

- (單選) **本地**
- 官立 1
 - 資助 2
 - 按位津貼 3
 - 直接資助計劃 4
 - 私立 5
- 國際**
- 英基 6
 - 其他私立國際 (不包括英基) 7

Z2 請問你就讀嘅年級係...?

(填寫) _____

Z3 請問以下邊一項最適合用嚟形容你家庭每月平均總入息呢?

- (單選)
- 少於港幣 10,000 1
 - 港幣 10,000 – 19,999 2
 - 港幣 20,000 – 29,999 3
 - 港幣 30,000 – 39,999 4
 - 港幣 40,000 – 59,999 5
 - 港幣 60,000 或以上 6

Z4 請問你住喺邊一種房屋類型呢?

- (單選)
- 公營租住房屋 1
 - 資助出售單位# 2
 - 私人房屋* 3

[問在你有聯絡海外升學機構查詢升學資訊的人, A7 = 1]

Z5 你剛才提及過你有聯絡海外升學機構查詢升學資訊嘅經驗。

我地想了解更多啲你嗰次嘅經歷。請問你願唔願意參與我地將會舉辦嘅焦點小組，詳細分享你嗰次經歷呢？過程大約 1 個鐘，如果你願意，我地將在未來的三個月內再次聯絡你。	
願意 姓名: _____	1
電話號碼: _____	
唔願意	2

今次嘅訪問已經完成，多謝你嘅幫忙!

註解	
#	包括香港房屋委員會的居者有其屋計劃、中等入息家庭房屋計劃、私人機構參建居屋計劃、可租可買計劃及重建置業計劃下興建的屋宇單位，以及租者置其屋計劃下出售的屋宇單位。亦包括香港房屋協會的住宅發售計劃及夾心階層住屋計劃下興建的屋宇單位。可在公開市場買賣的屋宇單位不包括在內。
*	包括私人房屋、香港房屋協會的市區改善計劃下興建的屋宇單位、別墅 / 平房 / 新型村屋、簡單磚石蓋搭建築物、其他永久性房屋及臨時房屋。可在公開市場買賣的資助出售單位亦包括在內。

Annex C: Questionnaire used in the trade survey

消費者委員會 海外升學服務研究 資料搜集表

填妥後請掃描及電郵至

[@consumer.org.hk](mailto:_____@consumer.org.hk)

(如有需要，請致電下述收件人索取本表格的電子版本)

或傳真至：2102-

或寄回：北角 渣華道 191 號 嘉華國際中心 22 樓 消費者委員會

收件人： 小姐（聯絡電話：2856-_____）

公司名稱：(中文) _____

(英文) _____

聯絡地址：_____

請在適當空格上加上'√'，並在"_____"處填上答案，及附上 貴公司的服務條款或其他相關資料。

(A) 基本資料

A1. 提供服務的形式：

- 舉辦展覽，提供平台予院校與學生洽詢入讀課程事宜
- 作為中介人，轉介學生予合適院校
- 為學生提供個人升學配套服務 (例如代辦簽證、監護人、提供長期跟進服務等)
- 其他，請註明：_____

A2. 貴公司代辦升學的國家/地區：

- | | | |
|-----------------------------|---------------------------------------|-------------------------------|
| <input type="checkbox"/> 美國 | <input type="checkbox"/> 英國 | <input type="checkbox"/> 加拿大 |
| <input type="checkbox"/> 澳洲 | <input type="checkbox"/> 紐西蘭 | <input type="checkbox"/> 日本 |
| <input type="checkbox"/> 韓國 | <input type="checkbox"/> 新加坡 | <input type="checkbox"/> 中國內地 |
| <input type="checkbox"/> 台灣 | <input type="checkbox"/> 其他，請註明：_____ | |

A3. 提供課程/聯繫院校の種類：

- 寄宿中學
- 大學基礎課程/銜接課程
- 副學位 (包括副學士學位、高級文憑、學院學位及專業資格)
- 學士學位
- 其他，請註明：_____

(B) 服務對象

B1. 服務對象現時就讀的學校

- 香港官立/津貼小學 香港官立/津貼中學
 香港直資/私立小學 香港直資/私立中學
 香港國際學校(小學部) 香港國際學校(中學部)
 內地小學學生 內地中學學生
 其他，請註明：_____

B2. 學生往往會由家長陪同查詢升學資料，如兩者的升學意願不同（例如家長希望子女修讀工商管理課程，但子女卻只對藝術或設計科目感興趣），貴公司的升學顧問會如何作出建議？

- 按照家長的意願作出升學建議
 按照子女的意願作出升學建議
 以升學顧問自己的專業知識，作出建議
 其他，請註明：_____

B3. 如家長/學生已有其心儀國家/院校，而貴公司並無提供有關國家/院校的升學服務，貴公司會如何處理？

- 按照家長/學生的意願，聯絡其心儀國家/院校
 盡量向有關家長/學生推介貴公司服務範圍內的國家/院校
 轉介有關家長/學生至其他升學顧問公司
 其他，請註明：_____

B4. 貴公司有沒有海外伙伴合作學校/大學？

- 沒有（請跳至 B7 題）
 有（請續答 B5 題）

B5. 承上題，貴公司與上述伙伴學校/大學的合作形式為：

- 聯營公司
 代理人
 專屬代理人
 僱傭合約
 特別優惠條件合作合約

B6. 承上題，貴公司與上述伙伴學校/大學除升學合作外，有否其他特別服務？

- 優先安排學生宿位
 優先取錄貴公司轉介的學生
 向貴公司轉介的學生提供獎學金
 提供由貴公司轉介的學生在校內的學習資料，以便貴公司跟進
 其他，請註明：_____

B7. 貴公司有沒有本地伙伴合作中學？

沒有 (請跳至 C 部份)

有 (請續答 B8 題)

B8. 承上題，貴公司與上述伙伴學校的合作形式為：

為有關學校的學生及其家長提供海外升學資訊講座/面試會

為有關學校的輔導老師提供海外升學資訊

其他，請註明：_____

(C) 收費資料 [如有詳細費用資料表，亦請提供，以作參考]

	項目	貴公司收費 (不包括有關院校/機構收取的費用)
I) 資訊服務		
<input type="checkbox"/>	為學生提供海外大學的升學資訊 (如: 院校資訊、國家的教育體制、入讀條件)	
<input type="checkbox"/>	提醒學生於海外學習期間的注意事項	
<input type="checkbox"/>	為學校及團體開設升學講座	
II) 諮詢服務		
<input type="checkbox"/>	為學生制定升學計劃	
<input type="checkbox"/>	為學生選擇保險	
III) 代辦行政手續服務		
<input type="checkbox"/>	為學生辦理簽證	
<input type="checkbox"/>	為學生訂購機票	
<input type="checkbox"/>	為學生安排宿舍	
IV) 代辦考試/獎學金申請手續		
<input type="checkbox"/>	協助學生辦理 IELTS/TOFEL 考試報名手續	
<input type="checkbox"/>	協助學生辦理申請獎學金手續	
V) 代辦升學及入學手續服務		
<input type="checkbox"/>	為學生轉交入學申請文件予海外院校	
<input type="checkbox"/>	安排學生與海外院校代表溝通	
<input type="checkbox"/>	代寫/代改 personal statement	
<input type="checkbox"/>	代辦英國聯招(UCAS)申請及 clearing	
<input type="checkbox"/>	為學生安排面試及入學試	
VI) 支援及跟進服務		
<input type="checkbox"/>	為學生安排合法監護人	
<input type="checkbox"/>	抵埗接機	
<input type="checkbox"/>	定期與正在海外升學的學生聯絡，並予以支援	
<input type="checkbox"/>	匯款服務	
<input type="checkbox"/>	代購教科書/參考書	
VII) 其他 (如有，請註明項目)		
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

(D) 處理顧客意見的方法

D1. 如學生在抵埗後認為課程與其瞭解的內容不符，貴公司會如何協助有關學生？

D2. 如學生在抵埗後認為支援服務 (例如監護人沒有提供適時的協助)與其瞭解的內容不符，貴公司會如何協助有關學生？

(E) 關於 貴公司服務 / 收費的其他資料，或其他意見：

(F) 邀請進行面談訪問

如有需要，消費者委員會可能會邀請相關公司進行面談訪問，以加深對行業的認識。請問 貴公司是否願意接受面談訪問？

- 是，本公司願意接受面談訪問
 否，本公司不願意接受面談訪問

填表人姓名：_____ 職位：_____

聯絡電話：_____ 簽署/公司蓋印：_____

日期：_____

全卷完，請將此問卷連同 貴公司的服務條款或其他相關資料 一併交回，多謝合作。



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消費者委員會2018年6月出版 Published by Consumer Council, June 2018

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