



Poverty Situation of Ethnic Minorities in Hong Kong

Economic Analysis Division
Economic Analysis and Business
Facilitation Unit
Financial Secretary's Office

Census and
Statistics
Department

March 2016



Outline

- I. Objectives, Analytical Framework and Major Sources of Data**
- II. Estimation of the Poverty Situation of Ethnic Minorities (EMs) in Hong Kong (HK)**
- III. Focusing on the Poverty Situation of South Asian (SA) Households with Children**
 - (a) “Survey on Households with School Children of South Asian Ethnicities”
 - (b) Poverty Situation of SA Households with Children and Effectiveness of Poverty Alleviation
- IV. Six Observations**
- V. Five Policy Implications**

Objectives, Analytical Framework and Major Sources of Data

Objectives : Analyse the characteristics of EMs and understand their poverty situation and forms of poverty in order to identify the more disadvantaged groups, thereby providing policy implications

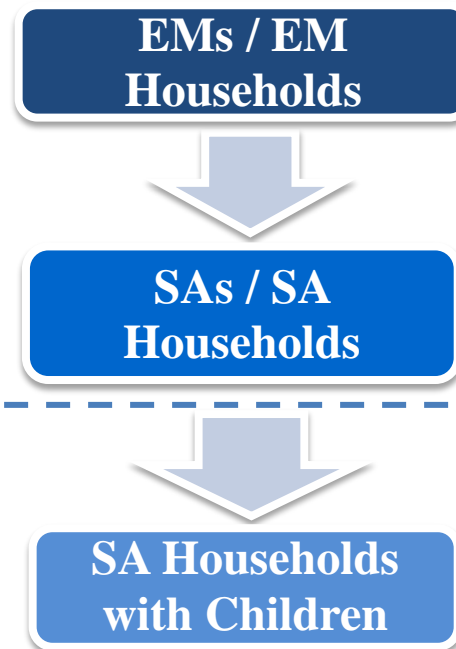
Analytical framework and major sources of data:

Overview of EMs in HK:

- “2011 Population Census”
- Analyse and identify the more disadvantaged groups within *EMs*
- Crudely estimate the poverty rate of various ethnic groups and investigate their forms of poverty
- Analyse and identify the household type with the highest poverty risk

Poverty Situation of SA Households with Children:

- 2014 “Survey on Households with School Children of South Asian Ethnicities”
- Focus on *SA households with children* to provide *analyses on latest data*
- Quantify the poverty situation according to the poverty line framework and review policy effectiveness



EMs

Non-Chinese

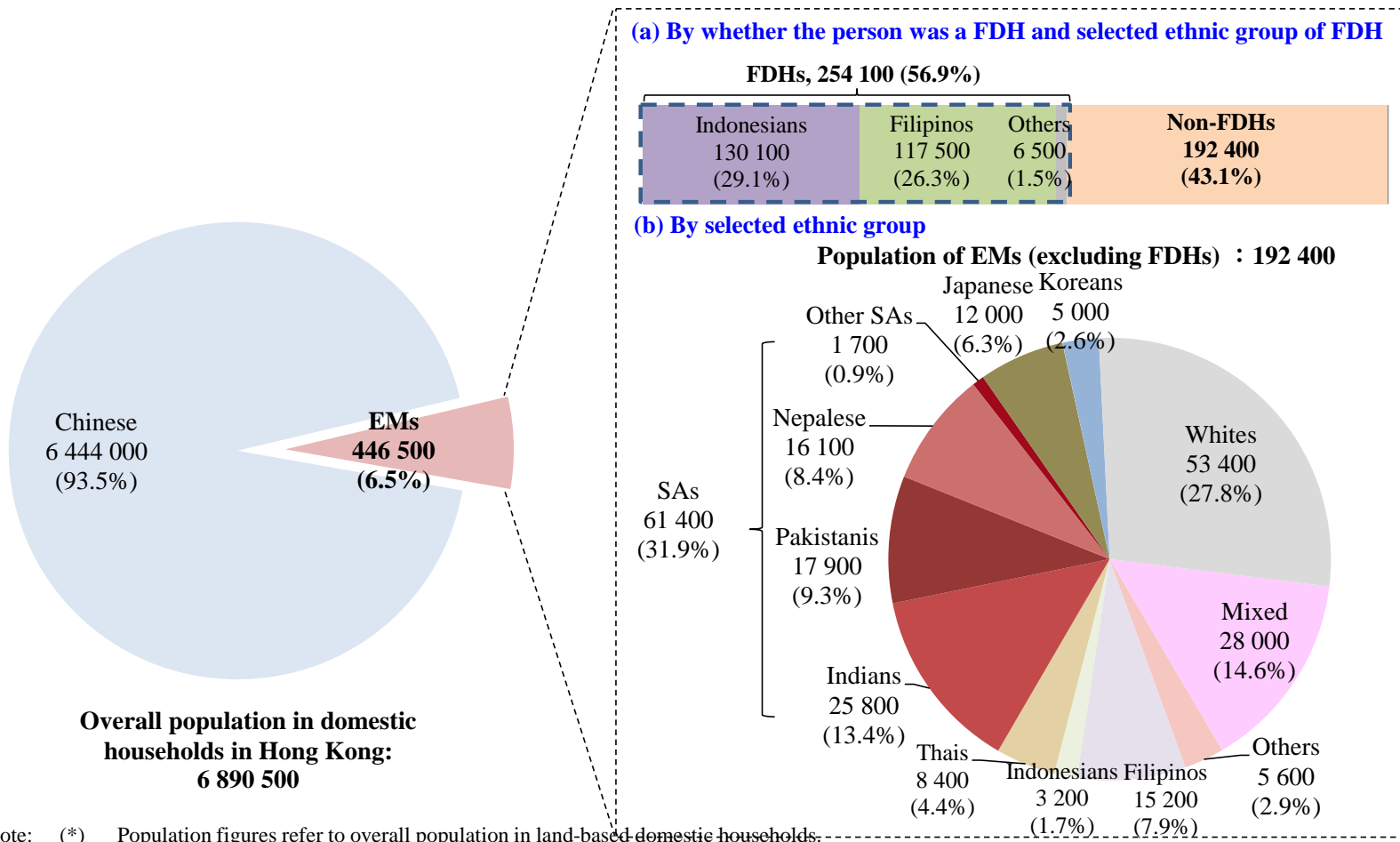
EM households

Domestic households with at least one non-foreign domestic helper (FDH) EM member

- Having specific residential status and socio-economic characteristics, FDHs are excluded from the statistics in this analysis unless otherwise stated

In 2011, there were some 450 000 EMs in HK, with more than a half (57%) being FDHs; Excluding FDHs, there were 190 000 EMs, accounting for 2.9% of the whole population in HK (excluding FDHs); SAs, with around 60 000 persons, constituted the largest ethnic group, followed by Whites

Hong Kong's population* structure by selected ethnic group, 2011



Note: (*) Population figures refer to overall population in land-based domestic households.

Source: 2011 Population Census, Census and Statistics Department.

- Having specific residential status and socio-economic characteristics, FDHs are excluded from the statistics in this analysis unless otherwise stated

Major characteristics of EMs

- **Population growth:** mainly driven by the growth of SAs (followed by Whites)
 - **10-year average annual growth rate:** SAs: 4.1% ; Whites: 1.6% ; whole population: 0.4%
- **Demographic structure:** younger with no prominent signs of population ageing. Many were married, and early marriage was common
 - **26% were children** (SAs: 31% ; whole population: 16%)
 - **For persons aged 25-34, 56% men and 72% women were married** (SAs: 73%/91%; whole population: 33%/44%)
- **Educational attainment:** notable variations among ethnic groups
 - Fewer Pakistanis and Nepalese attained post-secondary education. The lacklustre proportions of their youths' attending post-secondary programmes warrant concern over the difficulties they faced (such as learning Chinese) in accessing higher education
- **Geographical distribution:** apparently concentrated in certain neighbourhoods
- **Household size:** SA households were apparently larger in size (with 3.3 persons on average)
 - More than half of SA households had children, especially Pakistani households (72% had children, while 35% had 3 or more children)
- **Degree of labour force participation:** The labour force participation rate (LFPR) of males was higher than the overall male average (even more for older persons)
 - Pakistanis (especially females) exhibited lower LFPR;
 - Nepalese's LFPR was higher, with many youths even leaving school earlier to join the labour force

II. Estimation of the Poverty Situation of EMs in HK

Estimating the poverty situation of EMs and its major limitations

- Under the poverty line framework endorsed by the Commission on Poverty (CoP), the poverty line is set at 50% of the pre-policy intervention median monthly household income as estimated under the General Household Survey
- A crude estimation of major poverty statistics for EMs by applying the 2011 poverty lines to the 2011 Population Census data:
 - **Over-estimation of the poverty situation** – the household income data of the 2011 Population Census only covered the major policy intervention items (i.e. social security payments)
 - **Only reflecting the situation in 2011** – between 2011 and 2014, the overall poor population and poverty rate after recurrent cash intervention declined from 1.01 million and 15.2% to 0.96 million and 14.3% respectively

Poverty line thresholds by household size, 2011 and 2014

(\$, per month)	Poverty line	
	2011	2014
1-person	3,400	3,500
2-person	7,500	8,500
3-person	10,500	13,000
4-person	13,000	16,400
5-person	13,500	17,000
6-person+	14,500	18,800

Estimates of poor EM households, poor EM population and poverty rates in 2011

2011	Pre-intervention	Post-intervention*	Poverty alleviation impact (reduction)
EMs:			
Poor households	11 200	9 800	1 400
Poor population	30 400	26 800	3 600
Poverty rate	15.8%	13.9%	1.9% points
<i>Compared with: overall poverty rate</i>	<i>19.6%</i>	<i>15.2%</i>	<i>4.4% points</i>

Note: Overall poverty rate refers to the poverty rate in 2011 after recurrent cash intervention estimated under the poverty line framework.

Sources: 2011 Population Census, Census and Statistics Department; Hong Kong Poverty Situation Report.

(*) Policy intervention:

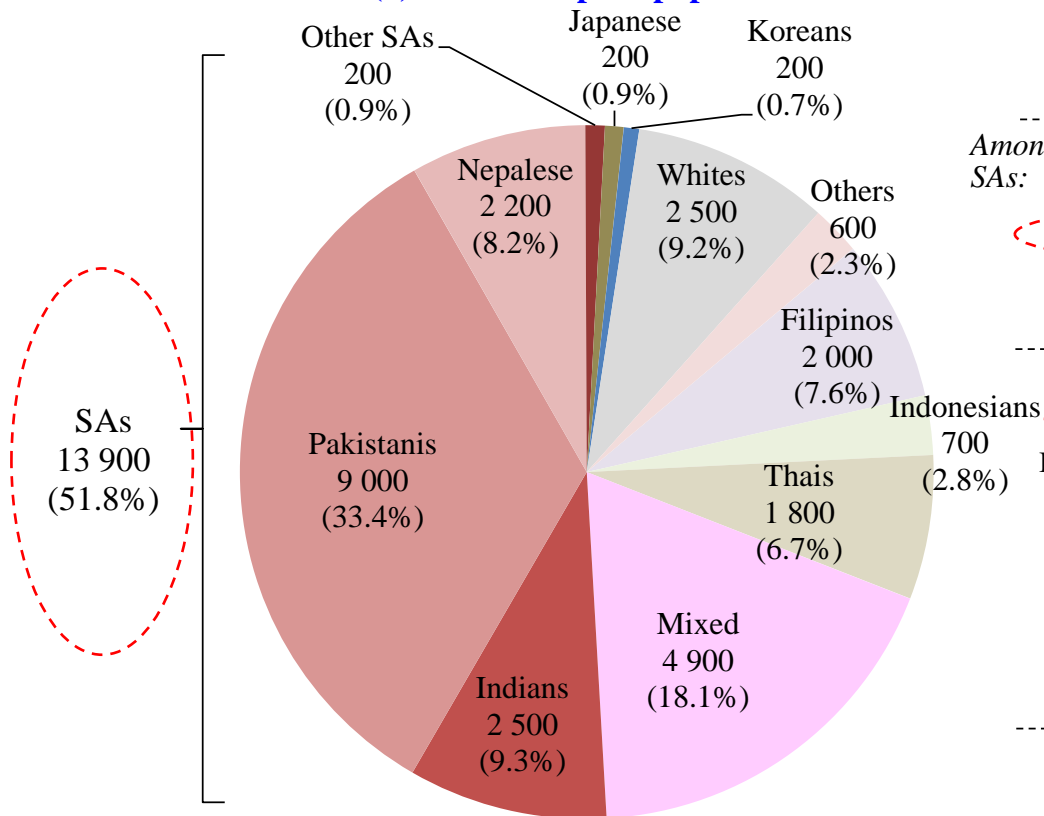
Covering only the major recurrent cash policy intervention items (i.e. social security payments including Comprehensive Social Security Assistance (CSSA), Old Age Allowance (OAA) and Disability Allowance (DA) but not education cash allowance and other social benefits in cash

Poverty situation differed notably across ethnic groups, while the SAs' poverty situation warrants concern

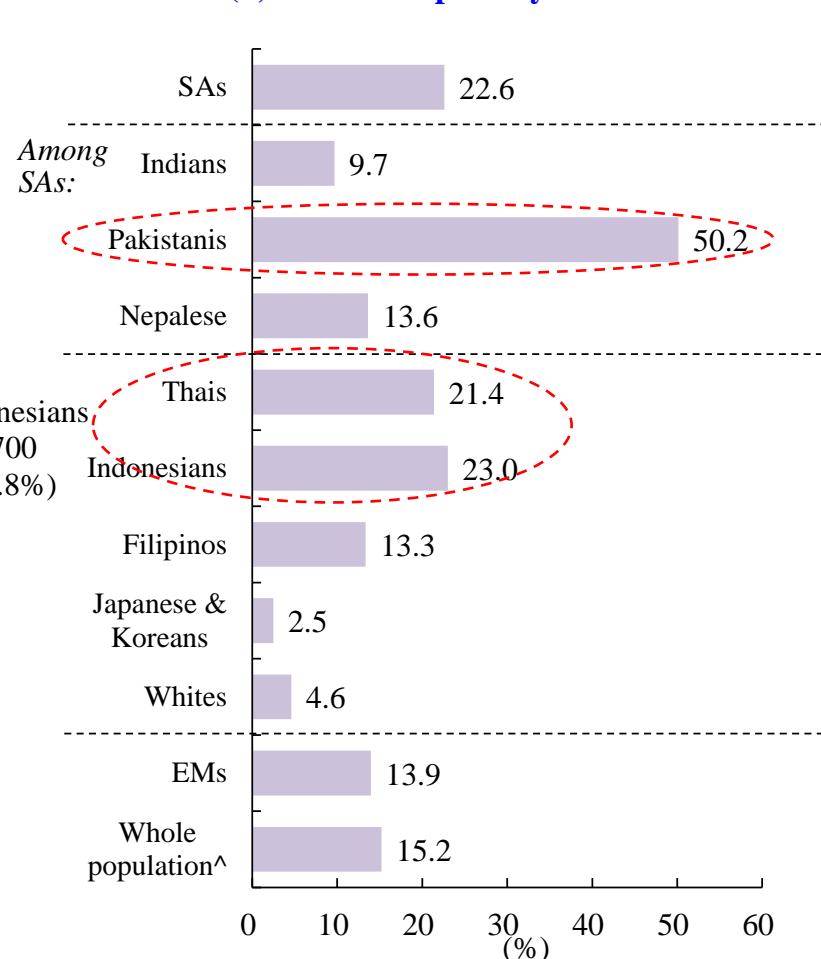
- Among the 27 000 poor EMs, more than half were SAs, and about one-third were Pakistanis
- Poverty rates for Pakistanis, Indonesians and Thais were visibly higher

Estimated poor EM population and poverty rates by selected ethnic group, 2011

(a) Estimated poor population



(b) Estimated poverty rates



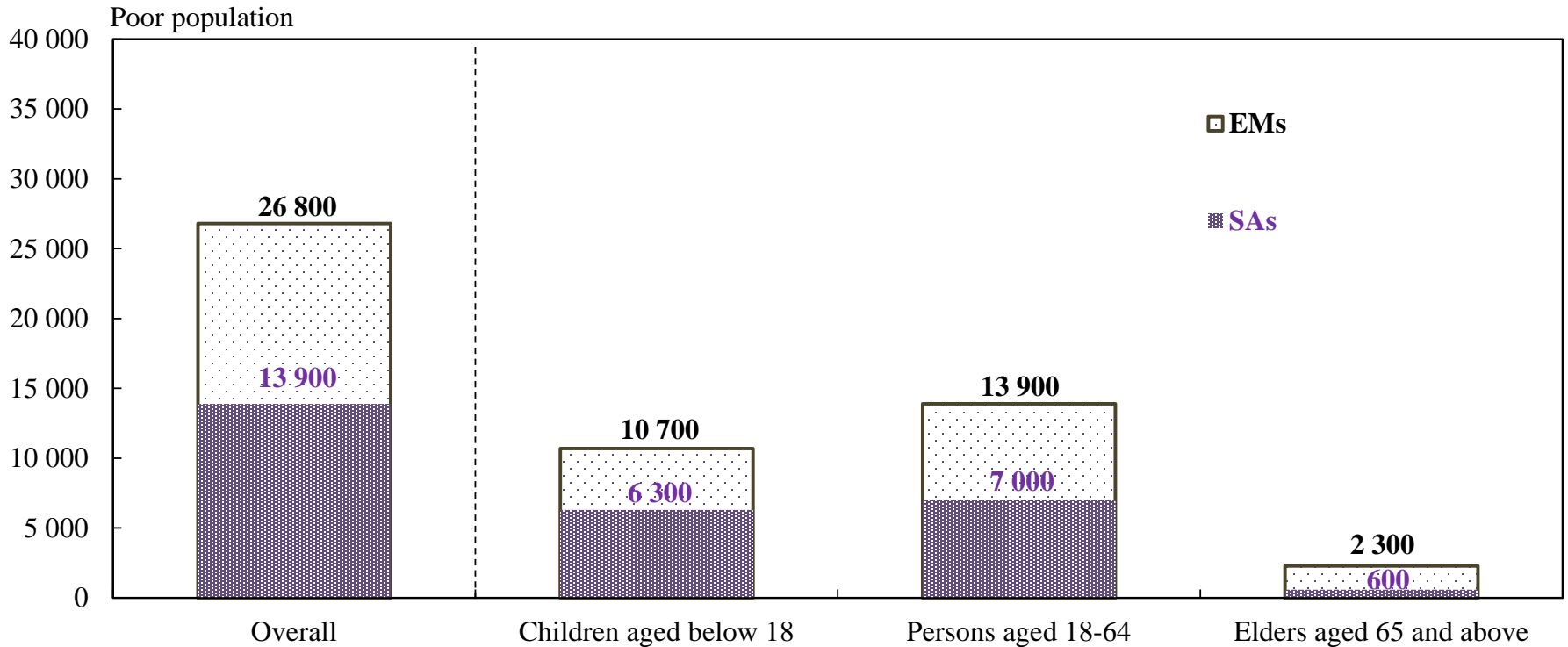
Estimated poor EM population: 26 800

Note: (^) Poverty rate of the whole population refers to the poverty rate after recurrent cash intervention estimated under the poverty line framework.
Sources: 2011 Population Census, Census and Statistics Department; Hong Kong Poverty Situation Report.

By selected group: poor population were relatively young...

- Post-intervention poor population comprised mainly children and younger adults, while the number of poor elders was relatively small
- Nearly half (45.5%) of the SA poor persons were children

Estimated poor population and poverty rates after policy intervention* by age, 2011



Poverty rate (%)				
EMs	13.9	21.2	10.4	26.1
SAs	22.6	33.6	17.5	22.2

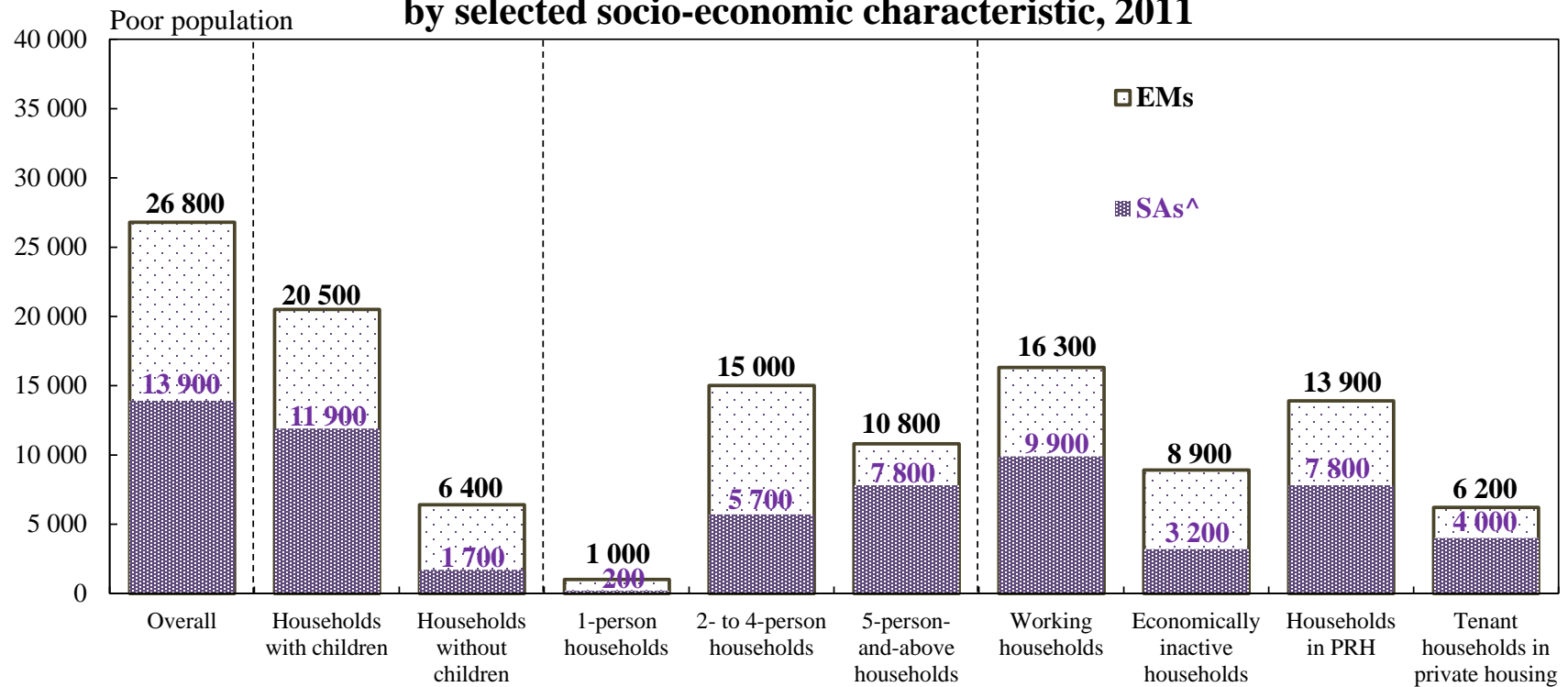
Note: (*) Covering only major policy intervention items (i.e. social security payments including CSSA, OAA and DA).

Source: 2011 Population Census, Census and Statistics Department.

...poor population were mainly from households with children as well as large households

- Also commonly found in working households; as well as public rental housing (PRH) households
- Poverty rate of households with children notably higher than households without children, and increasing with household size

Estimates of poor population, poor households and poverty rates after policy intervention* by selected socio-economic characteristic, 2011



Poor households										
EMs	9 800	5 700	4 000	1 000	6 600	2 200	4 800	4 400	4 500	1 900
SAs^	3 300	2 600	700	200	1 800	1 400	2 100	1 000	1 600	1 100
Poverty rate (%)										
EMs	13.9	18.5	7.8	4.8	11.7	25.1	9.4	52.8	41.5	6.5
SAs^	22.6	29.0	9.5	5.2	17.2	34.2	18.8	65.3	49.1	13.3

Notes: (*) Covering only major policy intervention items (i.e. social security payments including CSSA, OAA and DA).
 (^) Poor SA households refer to poor SA households of a single ethnicity, in which a majority of poor SAs reside. Nevertheless, there were still few poor SAs living in households of multiple ethnicities.

Source: 2011 Population Census, Census and Statistics Department.

SAs faced higher poverty risk among the EMs, and poverty risk for households with children was even more visible

- **SA population** were the largest and fastest-growing ethnic group; many were settled in HK and even born and raised locally
- Much larger household size, with particularly heavy burden of child dependency
- Poverty situation varied a lot among ethnic groups:
 - **Indians:** more educated, mainly engaged in higher-skilled jobs with higher salaries
 - **Pakistanis:** larger in family size and number of children; relatively low educational attainment and LFPR; working population mostly engaged in lower-skilled jobs with less promising earnings; subject to the most severe poverty risk
 - **Nepalese:** though mostly engaged in lower-skilled jobs, their household incomes were higher as a result of a high LFPR, with 2.1 working members per working household on average
- **Southeast Asians** were much smaller in population size. However, Thais and Indonesians were at higher poverty risk due to their lower educational attainment and lacklustre salaries
- **East Asians and Whites** were subject to less prominent poverty risk

III. Focusing on the Poverty Situation of SA Households with Children

**(a) “Survey on Households with School
Children of South Asian Ethnicities”**

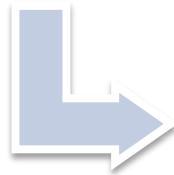


“Survey on Households with School Children of South Asian Ethnicities” provides latest data, help quantify the poverty situation under the poverty line framework and evaluate the effectiveness of poverty alleviation

2011 estimates

EMs / EM Households

- Poor households: **9 800**
- Poor population of EMs: **26 800**
- Poverty rate of EMs: **13.9%**



SAs / SA Households

- Poor households: **3 300**
- Poor population of SAs: **13 900**
- Poverty rate of SAs: **22.6%**



SA Households with Children

- Poor households: **2 600**
- Poor population of SAs: **11 900**
- Poverty rate of SAs: **29.0%**

“Survey on Households with School Children of South Asian Ethnicities”



Survey targets	SA households with children attending public or Direct Subsidy Scheme (DSS) primary and secondary schools
Survey period	May 2014 to June 2015
Sampling frame	Student information of the Education Bureau (EDB)



Major limitations	<ul style="list-style-type: none"> ➤ Not all SA households with children were covered ➤ As some SA households with lower poverty risk were not included, the overall poverty situation may be over-estimated
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• The overall situation of SA households with children are analysed in detail in Chapter 3 of the *Hong Kong Poverty Situation Report on Ethnic Minorities 2014*

**(b) Poverty Situation of SA Households
with Children and Effectiveness of
Poverty Alleviation**

After policy intervention, there were 7 400 poor persons in SA households with children, down 4 200 from the pre-intervention figure. The poverty rate was 30.8%, down 17.3% points from the pre-intervention figure, but still markedly higher than that of the overall households with children in HK (16.2%)

2014	Pre-intervention	Post-intervention*	Poverty alleviation impact (reduction)
Poor households	2 200	1 500	700
Poor population	11 600	7 400	4 200
Poverty rate	48.1%	30.8%	17.3% points
Average poverty gap (\$, per month)	9,200	4,000	5,200
<i>Compared with: overall households with children</i>			
<i>Poverty rate</i>	<i>21.2%</i>	<i>16.2%</i>	<i>5.0% points</i>
<i>Average poverty gap (\$, per month)</i>	<i>5,900</i>	<i>3,600</i>	<i>2,300</i>

Note: (*) Poverty figures after recurrent cash intervention.

Sources: General Household Survey; and Survey on Households with School Children of South Asian Ethnicities, Census and Statistics Department.

Poor SA households with children were notably larger in size and were mostly working households. Many were receiving CSSA

- With lower share of working members shouldering heavier family burdens, the poverty rate of SA households with children was higher than that of the overall households with children in HK

2014	Poor households		Poor population	
	SA households with children	Overall households with children	SA households with children	Overall households with children
No. of households / persons	1 500	121 400	7 400	438 100
Proportion of households / population by selected socio-economic group (%)				
5-person-and-above households	58.1	15.4	68.9	22.8
CSSA households	43.7	24.7	43.9	22.2
Working	62.4	67.8	13.8	22.1
Economically inactive	28.9	28.3	83.4	75.1

Note: Poverty figures after recurrent cash intervention.

Sources: Survey on Households with School Children of South Asian Ethnicities, Census and Statistics Department; and Hong Kong Poverty Situation Report.

The labour-related characteristics also showed that the population in poor SA households with children had higher unemployment rate, lower educational attainment and skill level among employed persons, and limited earnings despite relatively low proportion of part-timers

2014	SA households with children				Poor population of overall households with children
	Poor population	Of which:			
		Indians	Pakistanis	Nepalese	
Selected statistics					
LFPR (%)	30.5	35.0	27.6	36.9	36.9
Unemployment rate (%)	16.6	11.7	17.4	21.2	11.1
Characteristics of employed persons					
<i>Educational attainment at lower secondary or below (%)</i>	45.2	28.9	52.7	40.9	49.2
<i>Lower-skilled (%)</i>	93.4	89.1	94.6	94.2	90.2
<i>Part-time (%)</i>	18.9	17.5	17.6	21.1	23.6
<i>Median monthly employment earnings (\$)</i>	11,000	9,700	10,600	12,000	10,000

Note: Poverty figures after recurrent cash intervention.

Sources: General Household Survey; and Survey on Households with School Children of South Asian Ethnicities, Census and Statistics Department.

The poverty indicators of SA households with children further improved after policy intervention with non-recurrent cash and in-kind (mainly PRH) items

2014	Pre-intervention	Post-intervention		
		Recurrent cash	Recurrent + Non-recurrent cash	Recurrent cash + in-kind
Poor households	2 200	1 500	1 400	900
Poor population	11 600	7 400	6 600	4 100
Poverty rate	48.1%	30.8%	27.6%	17.2%
Effectiveness in poverty alleviation (as compared with pre-intervention statistics)				
Poor households		-700	-900	-1 400
Poor population		-4 200	-4 900	-7 400
Poverty rate		-17.3% point	-20.5% point	-30.9% point

In general, poor persons fared better in English than in Chinese; ability in listening / speaking better than reading / writing; and children were more adept at English / Chinese than adults

Share of poor persons aged 6 or above in SA households with children by language proficiency, 2014

Area	Proficiency	Language (%)					
		Aged 6-17			Aged 18 or above		
		Chinese	English	Mother tongue	Chinese	English	Mother tongue
Listening	Fully comprehend	46.1	65.7	87.3	17.4	48.2	97.5
	Comprehend	31.3	26.9	10.1	20.0	26.4	2.0
	Can partially listen	19.8	6.9	2.4	40.6	16.7	§
	Cannot listen	2.8	§	§	22.0	8.8	§
Speaking	Fluent	45.4	65.7	86.6	16.8	48.0	97.3
	Conversational	32.0	27.1	10.4	20.1	26.1	1.9
	Simple words only	19.7	6.6	2.4	40.3	16.9	§
	Cannot speak	2.9	0.6	0.6	22.8	9.1	§
Reading	Fully comprehend	33.1	61.9	24.5	4.7	43.6	81.7
	Comprehend	25.8	26.6	6.0	3.8	22.3	3.1
	Can partially read	31.7	10.5	9.7	10.2	16.9	3.7
	Cannot read	9.3	0.9	59.9	81.3	17.2	11.5
Writing	Fluent	32.9	62.0	23.6	4.4	43.5	81.0
	Write conventional letters	25.9	26.9	5.9	3.6	22.0	3.3
	Simple words only	31.5	9.9	9.6	9.3	16.9	3.7
	Cannot write	9.7	1.1	60.9	82.6	17.7	12.1

Notes: Based on poverty statistics after recurrent cash intervention.

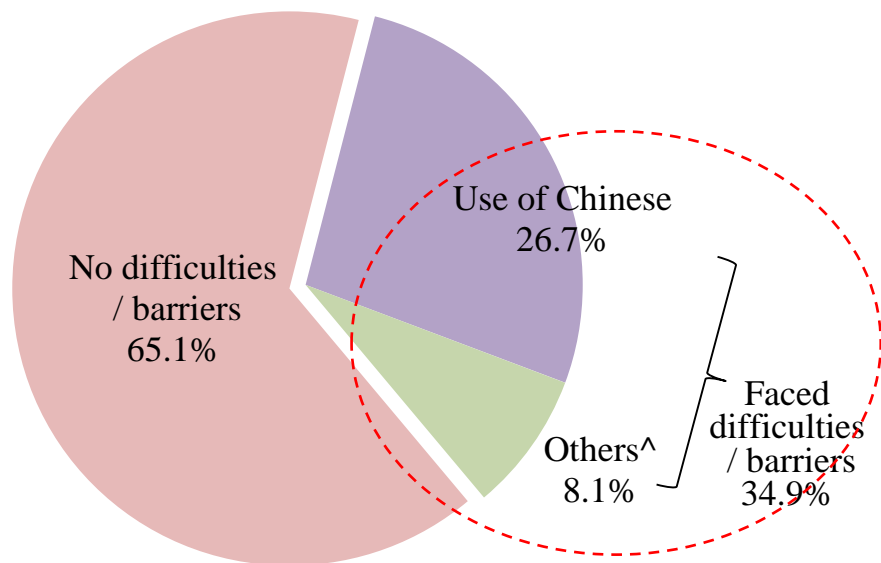
(§) Not released due to large sampling errors.

Source: Survey on Households with Children of South Asian Ethnicities, Census and Statistics Department.

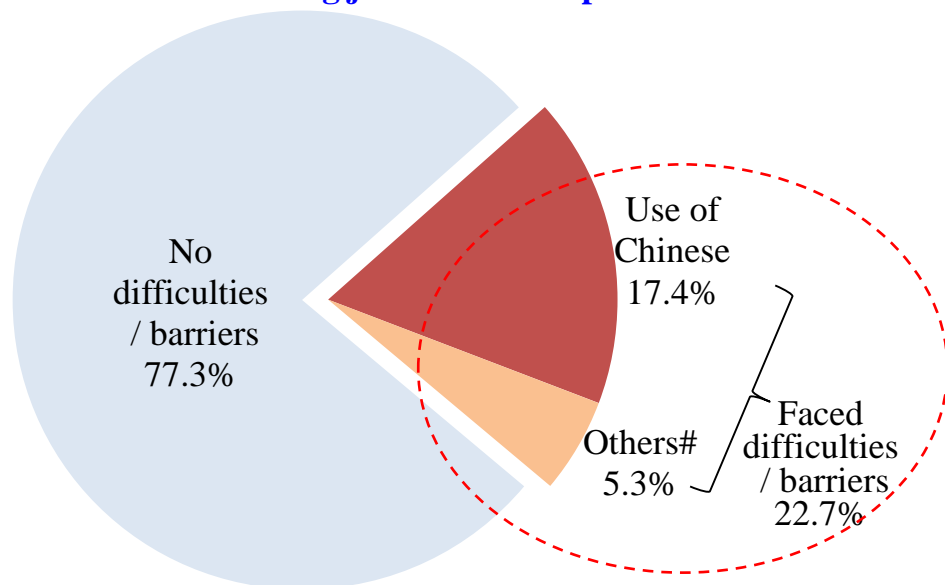
Chinese language ability remained the biggest obstacle to poor persons who were studying / working

Difficulties faced by poor persons who were studying or working in SA households with children, 2014

(a) Persons aged 12 or above who were currently studying, by whether the person faced any difficulties in study



(b) Persons who were economically active, by whether the person faced any difficulties in finding jobs or at workplace



Notes: Based on poverty statistics after recurrent cash intervention.

(^) Including lack of tutoring at home, insufficient tutoring support at school, no access to the internet at home, accommodating problems (cultural practice, living habits, etc.), and others.

(#) Including accommodating problems (cultural practice, living habits, etc.), qualification not recognised, lack of required skills / knowledge / educational attainment, religion, etc.

Source: Survey on Households with School Children of South Asian Ethnicities, Census and Statistics Department.

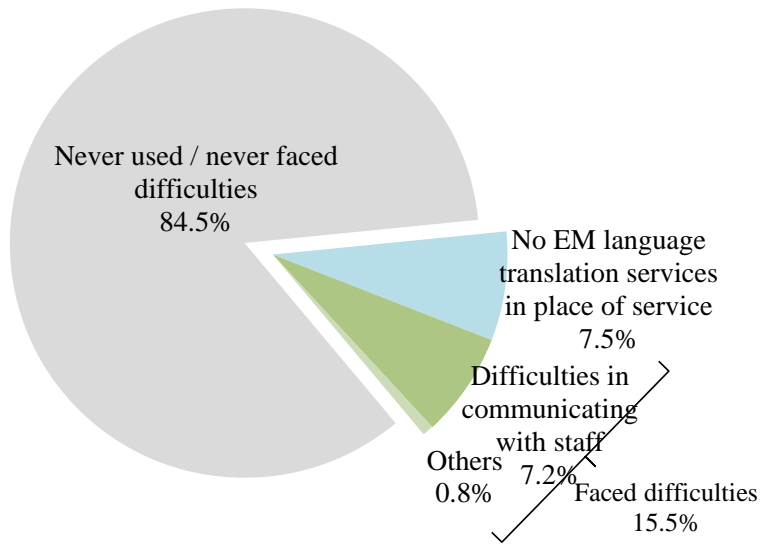


Language and communication were also the main obstacles while using public services; some expressed that they were not aware of some services dedicated to EMs

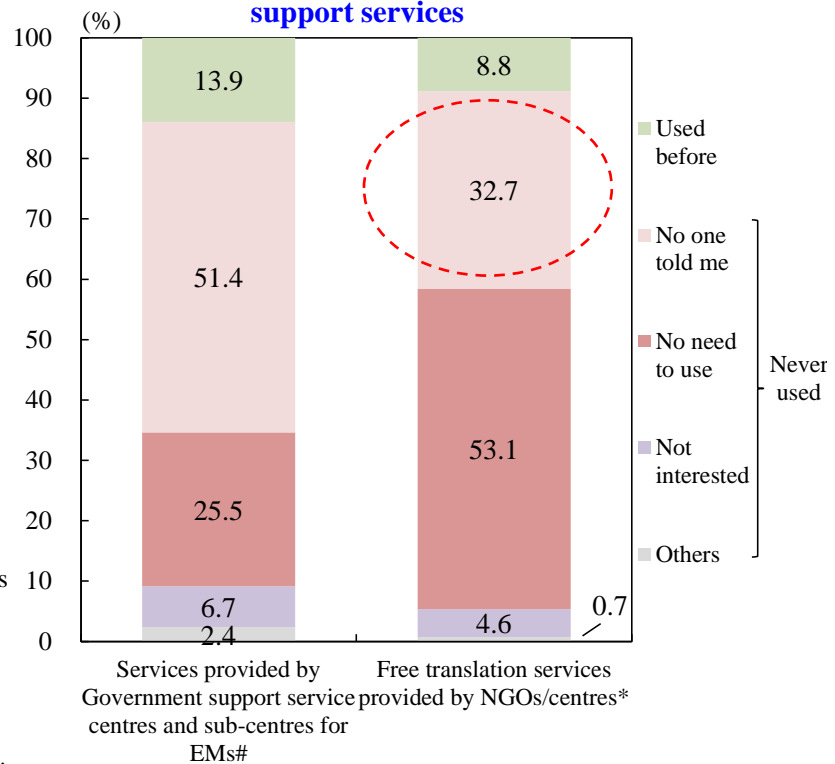
- Though the selected support services did not represent all public services, it also indirectly reflected that language issues might have affected their awareness towards certain existing support services

Situation of usage of public services and selected support services among poor population aged 12 or above in SA households with children, 2014

(a) Situation of using various Government services



(b) Situation of using selected support services



Notes: Based on poverty statistics after recurrent cash intervention.
 (#) Support service centres and sub-centres for EMs provide language classes and various activities promoting racial harmony to assist EMs in integrating into the society.
 (*) Each Government department must ensure equal opportunity for EMs to use public services. As to the method or the choice of translation service provider to help the EM service users, relevant departments will make decisions in view of the actual situation.
 Source: Survey on Households with School Children of South Asian Ethnicities, Census and Statistics Department.

IV. Six Observations



Six Observations

- I.** Poverty risk faced by EM groups varied distinctly, with SAs (especially those in households with children) at more severe risk
- II.** SAs were mostly young with large household size in terms of demographic profile
- III.** Employment remains the best avenue to stay out of poverty, but a high dependency ratio makes it more difficult for working households to get out of poverty
- IV.** While the poverty rates of SAs were significantly lowered upon the Government's policy intervention, it remained difficult for some SA large households to get out of poverty
- V.** SAs had lower educational attainment, and language proficiency was their major barrier to integration with the local community
- VI.** The degree of community involvement and usage of support services or financial assistance among SAs were relatively low, possibly due to language barriers

V. Five Policy Implications



1. Employment and training support

- Poverty risk is closely linked to employment. Economic growth, job creation and skill upgrading are conducive to poverty alleviation at source
- The Government would continue to provide employment-related support and training to EMs to facilitate their skill enhancement and income growth
 - Provide skill training and employment support services
 - Promote the employment of EMs among employers
 - Facilitate EM job seekers in accessing job referral services and employment information
 - Continue to promote relevant support services among EMs
- **Examples of support services:** Since September 2014, a pilot “Employment Services Ambassador Programme for EMs” has been launched by the Labour Department (LD) under which young trainees of the Youth Employment and Training Programme who are proficient in EM languages are employed as employment services ambassadors to work in job centres and job fairs organised by LD. Besides, LD has organised more than 20 inclusive job fairs since the end of 2013 to assist EMs in finding employment, and has strengthened the communication and collaboration with non-governmental organisations (NGOs) that are serving EMs.



2. Education support

- Education is crucial to alleviation of inter-generational poverty while proficiency in the Chinese language is the key to EMs' integration into the community and admission to post-secondary programmes
- Given the relatively young EM population, more support should be provided to this new generation of HK for upgrading the quality of our overall future manpower
 - Closely monitor the effectiveness of Chinese language curriculum and remedial programmes / modes of intensive learning for non-Chinese speaking (NCS) students
 - Provide NCS students with additional channels to acquire recognised Chinese qualifications
 - Enhance support for schools and professional development for teachers
 - Facilitate NCS parents' / students' access to basic information of local education
 - Explore the feasibility of further relaxing the Chinese proficiency requirement in the Hong Kong Diploma of Secondary Education for admission to universities for NCS students, in addition to the acceptance of alternative Chinese qualifications
- **Examples of support services:** Starting from the 2014/15 school year, EDB has implemented the Chinese Language Curriculum Second Language Learning Framework in primary and secondary schools. Applied Learning Chinese (for NCS students) courses have also been introduced by phases



3. Welfare services

- The Labour and Welfare Bureau will step up its efforts to promote existing and upcoming policy support among EMs
- **Examples of support services:** the upcoming Low-income Working Family Allowance Scheme, to be launched in May 2016, would help encourage self-reliance and ease inter-generational poverty. Particularly taking care of families with children so as to promote upward mobility, it should be able to provide focused support to EM households in need
 - According to the estimation based on the data of the dedicated survey in 2014, the scheme is estimated to relieve the financial burden of 1 000 such households, benefitting 5 100 persons including 2 700 eligible children (aged below 15) and young people (aged 15-21 who are receiving full-time education other than post-secondary education)
 - It is also estimated that the number of poor persons and poverty rate of SA households with children would be reduced by 1 500 and 6.3 percentage points respectively



4. Community involvement and integration

- EMs settled in HK with many of them being locally born and raised. It is of utmost importance for them to integrate into the community and live and work happily
- The Government will continue to promote community cohesion among EMs and give them support while assisting them in using public services. Publicity to EMs (especially SAs) will be stepped up by the Home Affairs Bureau (HAB) for the implementation of more effective and fruitful support policies
- **Examples of support measures:** HAB facilitates the publicity of relevant departments' public services to EMs (especially SAs) through a series of support services, including the Centre for Harmony and Enhancement of EM Residents, the Community Support Team, the District-based Integration Programme, the Ambassador Scheme, radio programmes broadcast and service guides compiled in EM languages



5. Continuous monitoring

- Given a faster growth in the SA population and their higher poverty risk, the Government has to monitor their poverty situation on a regular basis, via, e.g. population censuses / by-censuses
- Findings of the 2016 Population By-census will be released in 2017

Concluding remarks

- Study findings have already been presented to the CoP and its Special Needs Groups Task Force on 18 December 2015 and 6 November 2015 respectively
- The Chief Secretary has steered the Task Force to follow up on the issues
- The full version of the ***Hong Kong Poverty Situation Report on Ethnic Minorities 2014*** is available at:

http://www.povertyrelief.gov.hk/eng/pdf/2014_EM_Report_Eng.pdf