

**letterhead of Commissioner for Census and Statistics
Hong Kong Special Administrative Region**

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The Hon Christine LOH Kung-wai
Legislative Councillor
Rm 429 Central Government Offices
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Dear Ms Loh,

Human Development Index (HDI) and Gender Statistics

Thank you for your letter dated 22.12.98 on the captioned subject. (UNDP produces the Human Development Index (HDI) and Gender-related Development Index (GDI). It sometimes uses the term Human Development Indicators, apparently to cover HDI, GDI and other social indicators.)

2. Since we last corresponded in 1995, we have certainly not put aside the subject. In fact we have been trying to get more information and to discuss with the UNDP Team on the subject but progress has not been satisfactory as they do not respond actively to our enquiries.

3. Regarding the methodology underlying the HDI, I have previously mentioned that it does not have general international recognition and acceptance. This remains the case. In recent international conferences and over contacts with many expert members of the statistical community, I have come to notice the general dissatisfaction with the methodology. In fact, the United Nations Secretariat (in particular the Statistics Division) also seriously questions the methods used.

4. The very first reason for this is that only 3 variables are selected to reflect the development of a complex community. Some parties might argue that having one indicator is better than none. However, many more parties would argue that an invalid indicator would be misleading. They think that an alternative method should be adopted -- i.e. to study the development of a community by referring concurrently to a much larger set of indicators/statistics. The HDI exercise highly over-simplifies things and forces a 'single-file' ranking of almost two hundred economies (in fact, for many of these economies, the quality of data is very doubtful). This last remark about data quality may appear contradictory - on the one hand we say that 3 variables are too few and on the other hand we say that even with data on these 3 variables, quality is already a problem. This is not really so. Our view (and that of many in the statistical community as well) is that the exercise as it is performed does not provide reliable information. If one wants to track development of an economy and plan policies accordingly, it would be necessary to study a relatively large number of social aspects concurrently (for the less statistically developed economies, obviously the studies would be constrained by data availability -- and that is why development agencies do advocate more resources to be put into data infrastructure building in the development process).

5. As the HDI is already plagued with problems, the Gender-related Development Index (i.e. GDI) is even more so. We have not yet been able to track down how the figure '55' (para. 3 of your letter refers) is deduced. From the Human Development Reports, we have only figures on the HDI and GDI (Annex 1). In any case that figure must be taken very cautiously in view of the reservations about HDI and GDI methodology generally and some data problems (see para. 7 below in particular). In para. 4 of your letter you have mentioned

UNDP's figure of 62.8% for Hong Kong women's educational attainment against men's. This appears to be a kind of weighted average of an "adult literacy index" and a "gross enrolment index". The averaging process is very questionable, even if one does not query the methods underlying the two respective sub-indices.

[Two notes here for information :

- (1) We still have not been able to find out what figure has been used for the "gross enrolment ratio" -- on our enquiry UNDP does not provide us the figure, simply saying that they have got data from UNESCO. We are going to write again;
- (2) Hong Kong's "adult literacy rate" for women is much affected by the relatively large number of elderly women who are illiterate -- see Annex 2 for some figures.]

6. In para. 4 of your letter, you mention that the Hong Kong Annual Digest of Statistics does not provide educational levels of those who are not formally enrolled in school. On this, one can use data from the Population Censuses/By-censuses or the General Household Survey for educational attainment in general. In para. 5, you mention also that the tables on enrolment do not always use gender as a variable (enrolment in full-time courses up to Secondary 7, by gender, is nevertheless published). On this, we like to mention that the data there are not compiled by C&SD but are supplied by other relevant authorities. We shall draw their attention to this, thus hopefully the situation will improve in due course. Yet, it has to be understood that on some occasions people in charge of institutions/curricula may have difficulty in submitting the detailed information.

7. In your para. 6 you mention UNDP's figure of wage differentials between Hong Kong men and women being 39.9% for income of women over that of men. According to our understanding, the UNDP has made use of (1) the proportion of women in the labour force and (2) the wage rates of male and female "craftsmen and operatives in the manufacturing sector" in computing the figure. We have written to the UNDP expressing our concern on the

inappropriate indicators being used for calculation (i.e. that one should not take this category of workers only for comparison). If one compares, for example, data in Table A in Annex 3 (which shows the average daily wages of craftsmen and operatives in the manufacturing sector) and those in Table B in the same annex (which shows salaries for a number of other major occupations than “craftsmen and operatives in the manufacturing sector”), one would see the differences in salaries/wages between men and women much reduced. Apparently, however, UNDP does not seem to be taking heed of our comments in their updating exercises.

8. Now on to the points you raise about the General Household Survey (GHS) and the related Special Topics Enquiry (STE). The gender variable is included in the GHS but owing to limited space in the survey reports, not all available findings are included. However, we shall be glad to provide further breakdowns of statistics by gender for specified tables. (Please also note that an article “A Profile of the Females in Hong Kong, 1996” has been published in the July 1998 issue of the Hong Kong Monthly Digest of Statistics.)

9. On the subject of time-use, dedicated surveys have been attempted by statistical agencies elsewhere. They have not been wide-spread owing to the difficulty in recording and reporting the required data correctly by householders. Moreover, it would be very difficult to attach monetary values to the economic contribution of homemakers. Nevertheless, we will bear in mind your views on this matter.

10. Regarding your interest on childcare needs and facilities in Hong Kong, an STE on “Utilization of service provided by childminders for care of children aged below six” was conducted in July to September 1996. The results are published in the Special Topics Report No. 16. As for the other proposed topics such as the assessment of possible differences between kids raised by domestic helpers as against those who have been sent to childcare centres, such would require intensive social research/studies and are quite beyond the statistical ambit.

11. So far as retraining data are concerned, they are under the purview of the

Employees Retraining Board, which will be in a much better position to obtain further information on persons having attended the retraining courses.

12. On special studies on cultural and social perceptions, the existing mechanism is that such studies would have to be sponsored by the bureaux or departments responsible for such policy areas. We shall alert appropriate bureaux/departments with regard to those areas of interest to you. Meanwhile, if you wish to obtain further information on the female labour force, the GHS can certainly be able to provide useful data on the subject.

13. With regard to the issue on release of microdata, we have to strike a balance among conflicting interests. In general, owing to the limited sample size of individual surveys, very refined breakdowns should not be produced as they would not be reliable enough to support meaningful analysis. Moreover, we need to comply with statutory requirements and pledges to respondents to keep data on individual households/persons absolutely confidential. There is certainly no question of the Administration wishing to "monopolize and manipulate information".

14. As survey takers, we have to be very careful with all possible risks with the disclosure of data of individual respondents even though their identities are removed from the microdata files. First, there is a possibility that the right to privacy of the respondent may be infringed. Second, and maybe more importantly, the trust of respondents will be seriously eroded if confidentiality pledges are not fulfilled or perceived as not being fulfilled. Some people, such as elderly persons living alone, are particularly sensitive about being identified and would not wish to have themselves being exposed to likely hazards once such information is being made known to other parties. We have actual examples of cases where elderly persons explicitly tell us their worry in participating in surveys in this regard. The department's ability to produce timely, quality statistics will suffer if respondents become less co-operative to participate in statistical surveys or give less reliable information.

15. Considering the merits and demerits of releasing microdata and the practice and experience of various statistical authorities in the world on this issue,

it is the general departmental policy not to release microdata of statistical surveys.

16. However, the department is most prepared to produce further tabulations or computation outputs on request. We make every effort to facilitate the entertainment of such requests and charges made are certainly affordable.

17. In cases where the researchers want to apply customized computer programs to the microdata files directly, we also provide on-site processing options on condition that the users will sign an agreement not to attempt to breach the confidentiality of individual household/personal data and that the outputs derived from data processing meet certain quality requirements. We need to ensure that the survey data are put to proper application. It is no different from the safety and quality control measures being implemented by a producer of manufactured products.

18. In concluding your letter, you advocate more progressive reporting of social phenomena. We cannot agree more and are certainly working towards this direction. However, we have to note that some studies which appear feasible conceptually may not be so when an operational framework is to be formulated. There are sometimes difficulties in arriving at a set of acceptable definitions and classifications. We also rely heavily upon potential survey respondents' co-operation which often proves extremely hard to obtain. While appreciating the usefulness of the aggregated data, the respondents may be very sceptical in providing what they regard as "sensitive" information at the micro level. However, final outputs will have to be built up from individual data records! At a time when data protection and data privacy have become significant concerns of the population in general, we have found it increasingly difficult to collect information from the responding companies or individuals.

19. Finally, I would like to mention that since our subscription to the Special Data Dissemination Standard (SDDS) of the International Monetary Fund (IMF) in April 1997, we have firmly committed to adopting sound practices as specified by the Standard. These practices cover 4 dimensions : data dimension (coverage, periodicity and timeliness); access by the public; integrity of the

disseminated data; and quality of the disseminated data. Openness and transparency are the key features of the Standard.

20. I hope you find the above information useful. Please feel free to contact me again if you want to discuss any issues further.

Yours sincerely

Frederick W H HO
Commissioner for Census & Statistics

The HDI and GDI Ranks of Hong Kong

	Human Development Index (HDI)	Gender-related Development Index (GDI)
	_____	_____
<u>1996 Human Development Report</u> 1993 situation	Rank 22	Rank 25
<u>1997 Human Development Report</u> 1994 situation	Rank 22	Rank 28
<u>1998 Human Development Report</u> 1995 situation	Rank 25	Rank 33

Annex 2

**Population by age group, sex and educational attainment
1996**

Age group	Male			Female			Overall		
	No schooling/ kindergarten	Primary and above	Total	No schooling/ kindergarten	Primary and above	Total	No schooling/ kindergarten	Primary and above	Total
15 - 59	39 557 (1.9%)	2 054 014 (98.1%)	2 093 571 (100.0%)	93 099 (4.5%)	1 989 998 (95.5%)	2 083 097 (100.0%)	132 656 (3.2%)	4 044 012 (96.8%)	4 176 668 (100.0%)
60*	88 838 (21.2%)	329 445 (78.8%)	418 283 (100.0%)	259 358 (55.0%)	212 209 (45.0%)	471 567 (100.0%)	348 196 (39.1%)	541 654 (60.9%)	889 850 (100.0%)
15*	128 395 (5.1%)	2 383 459 (94.9%)	2 511 854 (100.0%)	352 457 (13.8%)	2 202 207 (86.2%)	2 554 664 (100.0%)	480 852 (9.5%)	4 585 666 (90.5%)	5 066 518 (100.0%)

Remark : Taking 'No schooling/kindergarten' as being a proxy for 'illiterate', adult literacy rate is 94.9% for male and 86.2% for female. Excluding the elderly group, the rate is 98.1% for male and 95.5% for female; that is, a much closer gap.

Figures in brackets denote percentage share of their respective totals.
Source : 1996 Population By-census

(Table A)

表 7 按行業及職業劃分的技工及操作工職級的平均每日工資、正常工作時數與標準工作日數
 Table 7 Average Daily Wages, Normal Hours of Work and Standard Working Days of Craftsmen and Operatives Analysed by Industry by Occupation

行業/職業	Industry/Occupation	每日平均工資(元) Average daily wages(\$)			每日正常 工作時數 Number of normal hours of work per day	每月標準 工作日數 Number of standard working days per month
		男 Male	女 Female	合計 Overall		
製造業	<i>Manufacturing</i>					
技工	<i>Craftsmen</i>	473	396	464	8	25
操作工	<i>Operatives</i>	377	251	279	8	25
技工及操作工	<i>Craftsmen and operatives</i>	436	259	333	8	25

資料來源：工資統計半年度報告（一九九八年三月）（表 7 第 33 頁）

Source : Half-yearly Report of Wage Statistics (March 1998) (Table 7 p.33)

(Table B)

表 8 按行業及職業劃分的督導級、技術員級、文員級及其他非生產級工人職級的平均每月薪金、正常工作時數與標準工作日數

Table 8 Average Monthly Salaries, Normal Hours of Work and Standard Working Days of Supervisory, Technical, Clerical and Miscellaneous Non-Production Workers Analysed by Industry by Occupation

行業/職業	Industry/Occupation	每月平均薪金(元) Average monthly salaries(\$)			每日正常 工作時數 Number of normal hours of work per day	每月標準 工作日數 Number of standard working days per month
		男 Male	女 Female	合計 Overall		
所有選定行業 [@]	All selected industries					
督導級及技術員級人員	Supervisory and technical workers	16,452	15,580	16,125	8	24
文員級及秘書級人員	Clerical and secretarial workers	10,965	11,383	11,288	8	24
服務人員	Service workers	9,817	7,897	9,194	9	26
其他非生產級工人	Miscellaneous non-production workers	8,600	6,762	7,920	9	25
督導級、技術員級、 文員級及其他 非生產級工人	Supervisory, technical, clerical and miscellaneous non-production workers	11,879	11,019	11,472	8	25

註釋：
Notes: [@] 指統計調查涵蓋的所有行業，包括電力及燃氣業。
Refers to all industries covered by the Survey, including the electricity and gas sector.

資料來源：工資統計半年度報告（一九九八年三月）（表 8 第 57 頁）
Source: Half-yearly Report of Wage Statistics (March 1998) (Table 8 p.57)