

Commission on Poverty (CoP)

Tackling Intergenerational Poverty - Concept Paper

Purpose

At the request of Members at the meeting on 28 July, this paper sets out the framework in understanding and tackling intergenerational poverty in Hong Kong, including the policy framework, the approaches and strategies. Members may wish to consider the focus of work of the Task Force in such light.

What is intergenerational poverty?

2. Intergenerational poverty refers to the poverty induced by the socially/economically challenged background of a person's parents. It therefore follows that tackling intergenerational poverty would involve the provision of support and opportunities essential to a person's sound, balanced and sustainable development but which support and opportunities would, if not for the intervention, be beyond reach as a result of the socially/economically challenges his/her parents face. Since life cycle development is cumulative, the earlier the compensatory intervention takes place, the less will be the impact of deprivation on the development of a child/youth.

Current policy and approaches

Overview

3. Irrespective of their details, intervention measures share one common objective – to prevent the deprivation of assets (material, intellectual, etc.) of the older generation from becoming deprivation of the younger generation's access to opportunities. In fact, this philosophy has long underlined Government's social policy. Salient examples include the universality of basic education and health care, supplemented by measures benefiting only specific groups (e.g. the various means-tested services and assistance). Nevertheless, the 2005 Policy Address for the first time articulated it at the highest policy level in Hong Kong. The objective is to help focus community attention with a view to promoting policy coherence and cross-sectoral partnership given the critical importance of multi-dimensional intervention.

4. Worth noting is that almost HK\$60 billion (i.e. around 30% of Government's operating expenditure) was spent in 2004/05 on services and programmes for children and youth. Within this, a quarter (almost \$15 billion) was targeted specifically at disadvantaged children and youth (see Annex A). The importance Government places on sound development of children and youth cannot be over-emphasised.

5. There are many possible ways to categorise interventions seeking to reduce the risks of intergenerational poverty. Possibilities are by policy areas (ref. CoP Paper 2/2005), stages of life (ref. CoP Paper 12/2005 and CoP/TFCY Paper 1/2005) and institutions/programmes (ref. CoP Papers 15 and 17/2005). Another possibility is by targets – whether the intervention is administered directly onto specific developmental “deficit” of particular children/youth as individuals or through tackling the challenged background of his parents.

Tackling poverty of parents

6. Children growing up in low-income households tend to have a higher chance of being deprived of access to services and opportunities. While material well-being cannot guarantee soundness in development, the lack of it could be detrimental to a child/youth's wholesome development. Therefore, basic needs considered to be essential/important to a balanced development have been provided for through various policies. Salient examples include -

- (a) at the basic and universal level, a range of comprehensive and universal services covering healthcare, education, child care and other support services accessible to the younger generation, rich or poor;
- (b) at a more targeted level, financial assistance to help CSSA households and other low-income families to get access to basic and essential services; e.g. textbook and traveling subsidies to enable students from low-income families to benefit from school education;
- (c) supplementing item (b) above (which is more at the family/individual level) would be special efforts to tackle communities with a sizeable cluster of children/youth from needy background. These include targeted assistance to children from low-income families (e.g. School-based After-school Learning and Support Programme, small class teaching in primary schools with a high concentration of students with weak family support and receiving CSSA or full grant of the School

Textbook Assistance Scheme); and

- (d) through the wider poverty alleviation and preventing strategies in promoting economic growth, training/education and facilitating the unemployed to become self-reliant.

Members may note that the above measures comprise a combination of in-kind services as well as financial assistance. Details of the specific measures of (a) – (d) above are detailed in CoP Paper 12/2005. In connection with the study on employment assistance, the adequacy and scope for improvement of measures falling within (d) will be looked into.

Risk factors specific to individual children/youths

7. As detailed in CoP/TFCY Paper 1/2005, the risk factors leading to intergenerational poverty involve many environmental factors (income/socio-economic status being one of them) and subjective variables (such as special needs and motivation deficit of the children themselves). In fact, risk factors encountered by children and youth from different age groups differ. Some risk factors can also be both the causes, effects, symptoms and/or mediating variables. Their confounded nature makes identification of the causes, design of effective interventions and impact evaluation extremely complex and value-laden. As a result, policies and intervention must also by necessity be developmental and proactive, yet evidence-based, seeking to address issues as and when they arise. Policies introduced to address subjective variables unique to particular children/youths include -

- (a) putting in place screening mechanisms to identify the high risk factors (e.g. Comprehensive Child Development Service (CCDS), Understanding Adolescent Project (UAP), Positive Adolescent Training through Holistic Social Programme (P.A.T.H.S.)); and
- (b) ensuring there are effective interventions, including universal or special services (e.g. those provided by the Integrated Family Service Centres (IFSCs), Integrated Children and Youth Services Centres (ICYSCs), school social work, other outreaching services to non-engaged youths and youth at risk).

Policy reflections

Tackling poverty of parents: Monetary versus non-monetary variables

8. While material poverty is relatively easy to measure and compensated for, whether and to what extent material compensation can efficaciously prevent and alleviate intergenerational poverty is far less certain. Case studies and research studies have long established that while there are positive correlations between socio-economic background and child development outcomes, there are not insignificant exceptions illustrating that material well-being is but one of the many variables, and not necessarily the most important one.

9. In fact, the influence of non-monetary deficits far exceeds that of material deprivation. Very often, the variables that make the developmental outcomes of children from similar background very different are the attitudes of the people that the children interact with on a daily basis. These include parenting quality, availability of role models and value education which give the children a sense of self-control and a belief that hard work will pay off. Such attitudinal impact is class- and income-neutral. Irrespective of the socio-economic background of the parents, children and youth growing up in an environment with a heavy dependency culture will probably have a harder time developing a sense of self-responsibility and self-efficacy necessary to provide the motivation and resilience to capitalize on the opportunities that education and training can provide. Conversely, there are many living examples of people climbing up the socio-economic ladder through hard work and perseverance. Therefore, it can be argued that both socio-economic background and personal efforts are very important and complementary to each other.

10. As a corollary, intervention measures, while seeking to compensate for disadvantages induced by poverty of the parents, must strike a balance between empathy and support on the one hand, and demand of self-responsibility on the other. Appropriate expectations must be set to help motivate them to take ownership of, and work hard for, their future. This applies not only to the design of the policies and measures but also to their implementation through various intermediaries, Government, schools, NGOs included.

11. Apart from an attitude that emphasises personal efforts, another non-material variable important to tackling intergenerational poverty is social capital. Seldom would a development process be smooth and uneventful.

Social capital, translated in practice, means the provision of care, support and opportunity for the younger generation to develop. A caring and supportive society requires collective and sustained effort by the entire community, underpinned by a widely shared neighbourhood spirit.

Tackling risk factors specific to individuals

12. Programmes and measures set out in paragraph 7 above aim to identify the risks factors specific to individual children and youths and thus enable early intervention to help prevent children and youths from falling into poverty. The risks identified may or may not be induced by poverty. In fact, some of the risks (e.g. specific developmental needs identified through the CCDS) may well occur in children/youths from well-to-do background. Irrespective, these nonetheless deserve attention, as early intervention would cost the society and the individuals less. However, insofar as the CoP is concerned, given the universality of most of the services in paragraph 7 and the minimal value of duplicating what other bureaux are already doing, the focus should not be on how the programmes are run but rather to fill the gaps and address interface problems, if any, as well as to ensure that high-risk children and youths identified should not be denied treatment because of the poverty of their parents.

Focus of the Task Force's Work

13. The thinking in the preceding paragraphs underline the focus of work discussed and agreed at the meeting on 28 July. To recapitulate,

(I) Examining existing Government policies and strategies

14. The Task Force agreed that the study of the existing Government policies, strategies and measures should focus on aspects relevant to the reduction of the risk of intergenerational poverty. Members noted that strategies tackling the poverty of parents would be dealt with by the Commission, taking into account the developmental interests of children and youth. Views on service/policy gaps not directly related to intergenerational poverty (e.g. population policy) that have been identified should be referred to the relevant forum for follow up. Similarly, to maximise the impact of the Task Force and minimise duplication of work with other bureaux/committees, the Task Force agreed to focus on policy interface. Comments on policies and measures relevant to intergenerational poverty but falling squarely within the purview of

others will be passed to the responsible bureaux/committees for follow up. With this in mind, arrangement will be made for the Task Force to be briefed and to consider an existing policy/measure at each of its meeting.

15. The rising number and increased mean duration of youth on CSSA has drawn attention on the apparent absence of programmes targeted at the less motivated youths. With a view to redoubling motivation inducement among those on whom the current programmes seem to have little effect, the Task Force will be invited to consider the details of a MY STEP pilot. (Please refer to CoP/TFCY 3/2005). The pilot would be so designed to underline the need for individuals to take responsibility (re. paragraph 9 above).

(II) Improve interface of existing programmes

16. The Task Force would examine the interface of the screening mechanisms and intervention measures in place during the life cycle of a child, and to explore ways to enhance the coordination, effectiveness and sustainability of the measures, e.g. through facilitating the sharing of information among different programmes and agencies on the development needs and problems of children and youth.

(III) Promoting social capital

17. As stated in paragraphs 8-11 above, solutions to reduce the risk of intergenerational poverty go beyond the provision of more financial/material resources, and require joint community effort and building of social capital to provide support to children and youth from disadvantaged background. Nurturing social capital takes time and the related value inculcation is best done when young. The Task Force would consider how to mobilize community resources in building social capital among the younger generation. The Task Force can consider launching pilot projects which (i) could build up the community support for such efforts; (ii) represent a new mode of delivery of service so as to avoid duplicating the existing efforts of the voluntary sector; (iii) are sustainable.

(IV) Compiling indicators

18. Notwithstanding the conceptual and practical complexities outlined in paragraphs 8-12 above, the CoP recognises the need to monitor indicators which

may help reflect, albeit probably partially, the situation of intergenerational poverty in Hong Kong. Follow up agreed are -

- (a) to develop key poverty indicators, including a few relating to risks of intergenerational poverty;
- (b) the key poverty indicators would be complemented by district-based indicators to facilitate district-based response, and by programme-based evaluation and analysis; and
- (c) to conduct a study on earnings mobility which may shed light on the situation relating to intergenerational poverty in Hong Kong.

The study on (c) is underway with preliminary results likely to be available by mid-2006.

Way Forward

19. Members are invited to note –
- (a) the policy and approaches and a reflection thereof (paragraphs 3 – 12);
 - (b) the focus of the Task Force's work (paragraphs 13-17); and
 - (c) the approach in monitoring the effectiveness of measures in alleviating intergenerational poverty (paragraphs 18).

Commission Secretariat
September 2005

Resources invested on children and youth by the Government (2004)

The following table sets out the resources spent by the Government on programmes and services specifically for children and youth in 2004. Costs for services to the general public, such as hospital service, culture, recreational and leisure facilities are not included.

Nature of Services (U) = Universal services
(S) = Specific services/assistance for children and youth from disadvantaged families or with special developmental needs

Programmes/Services	Nature	Number of children/young people benefited (Note 1)	Total cost (HK\$m)
Education			
• Pre-school Education			
- Kindergarten Subsidy Scheme	U	58 200 ^(Note 2)	138
- Kindergarten Fee Remission Scheme	S	55 100 ^(Note 2)	489
- Child Care Centres, including day nurseries and day creches (aided)	U	24 464 ^(Note 3)	90
- Child Care Centres Fee Assistance Scheme	S	17 341 ^(Note 4)	356
• Formal School Education ^(Note 5)			
- Primary ^(Note 6)	U	408 800	10,588
- Secondary ^(Note 6)	U	462 400	16,174
- Higher Education ^(Note 7)	U	69 300	13,073
- School Textbook Assistance Scheme	S	362 600	485
- Student Travel Subsidy Scheme (school sector)	S	240 800	289
- Special Schools ^(Note 6)	S	8 400	1,278
- Grants for Higher Education (excluding vocational education at equivalent level)	S		
• Financial Assistance Scheme for Post-secondary Students (FASP)		3 600	131
• Student Travel Subsidy Scheme (STS)		28 400	69
• Local Student Finance Scheme (LSFS)		25 800	780
- Loans for Higher Education (excluding vocational education at equivalent level)	S		
• FASP		3 600	80
• LSFS		17 300	406
• Non-means Tested Loan Scheme /Non-means Tested Loan Scheme for Post-secondary Students	U	26 600	926
Education (Total)		N/A	45,352

Programmes/Services	Nature	Number of children/young people benefited (Note 1)	Total cost (HK\$m)
Health Care			
<ul style="list-style-type: none"> • Pre-school Children <ul style="list-style-type: none"> - Comprehensive Child Development Service ^(Note 8) - Services by MHCs - Child assessment services for children aged 0-12 with developmental problems • Primary and Secondary Students (P.1 – S.7) <ul style="list-style-type: none"> - Student Health Service <ol style="list-style-type: none"> 1. Student Health Service Centres 2. Adolescent Health Programme - School dental care service for primary school students 	<ul style="list-style-type: none"> U U U U U U 	<ul style="list-style-type: none"> N/A 320 000 ^(Note 9) 15 512 765 890 ^(Note 10) 136 092 ^(Note 11) 414 374 ^(Note 12) 	<ul style="list-style-type: none"> N/A 224.60 76.10 147.30 ^(Note 10) 98.10 ^(Note 11) 173.30
Health Care (Total)		N/A	719.40
Social Welfare			
<ul style="list-style-type: none"> • Comprehensive Social Security Assistance (CSSA) <ul style="list-style-type: none"> - CSSA expenditure on recipients aged 0-24 (including standard rates, supplements and special grants) - CSSA expenditure on special grants granted to cases with at least a recipient aged below 18 - CSSA expenditure on supplements granted to cases with at least a recipient aged below 18 • Centre Services <ul style="list-style-type: none"> - Children and Youth Centres (6-24 years old) - Services provided by Integrated Children and Youth Services Centres • Family Support Service related to Families with Children <ul style="list-style-type: none"> - Subsidized After School Care Programme - Support services including services of Integrated Family Service Centres, Family Life Education Unit, Family Aide and Family Crisis Support Centre - Family and Child Protective Services - Residential child care services for young people under the age of 21 	<ul style="list-style-type: none"> S U U S S S S 	<ul style="list-style-type: none"> 178 900 ^(Note 13) 86 800 ^(Note 13) 39 600 ^(Note 13) 44 671 ^(Note 15) 230 759 ^(Note 15) 1 186 ^(Note 17) N/A ^(Note 18) N/A ^(Note 18) 3 314 ^(Note 19) 	<ul style="list-style-type: none"> 5,296 ^(Note 14) 3,003 ^(Note 14) 143 ^(Note 14) 60.13 ^(Note 16) 528.78 ^(Note 16) 9.76 ^(Note 16) 612.50 116.40 387.20

Programmes/Services	Nature	Number of children/young people benefited (Note 1)	Total cost (HK\$m)
<ul style="list-style-type: none"> • Other Youth-related Service <ul style="list-style-type: none"> - School Social Work Service - Services for Youth-at-Risk <ol style="list-style-type: none"> 1. District Youth Outreaching Social Work Service; 2. Overnight outreaching services for Young Night Drifters 3. Community Support Services Scheme 4. Crisis Residential Service for Youth-at-risk 5. All-night drop-in centre service operated by Youth Outreach financed by Lotteries Fund 	<ul style="list-style-type: none"> U S S S S U 	<ul style="list-style-type: none"> 24 921 ^(Note 20) 13 891 ^(Note 20) 11 031 ^(Note 20) 3 486 ^(Note 20) 353 ^(Note 22) 76 872 ^(Note 23) 	<ul style="list-style-type: none"> 192.77 ^(Note 21) 70.88 ^(Note 21) 21.33 ^(Note 21) 8.86 ^(Note 21) 4.71 4.44 ^(Note 24)
<ul style="list-style-type: none"> • Services for Young Offenders <ul style="list-style-type: none"> • Services for juveniles <ul style="list-style-type: none"> - Legal Representation Scheme for Children/ Juvenile Involved in Care or Protection Proceedings • Probation Service (Social Enquiry Reports) <ul style="list-style-type: none"> - Probation Service (Supervision Cases) - Community Service Orders Scheme (Social Enquiry Reports) - Community Service Orders Scheme (Supervision Cases) - Community Support Service Scheme - Probation Homes - Reformatory School - Remand Home / Place of Refuge - Residential Service for Young Male Probationers 	<ul style="list-style-type: none"> S S S S S S S S S S S S 	<ul style="list-style-type: none"> 387 cases 3 657 31 406 450 5 780 8 883 1 047 349 1 053 360 	<ul style="list-style-type: none"> 2.94 12.83 38.63 1.06 7.56 5.09 34.27 16.74 54.52 0.94 ^(Note 25)
Social Welfare (Total)		N/A	10,634.34
Vocational Education, Employment Training and Personal Development <ul style="list-style-type: none"> • Personal Development <ul style="list-style-type: none"> - Understanding the Adolescent Project for primary students (UAP) - UAP for secondary students - P.A.T.H.S. to Adulthood (Tier I) ^(Note 27) - P.A.T.H.S. to Adulthood (Tier II) ^(Note 28) - Youth Sustainable and Development Fund - School-based After-school Learning and Support Programmes to be implemented from 2005/06 school year. 	<ul style="list-style-type: none"> S S U S S S 	<ul style="list-style-type: none"> 5 340 8 501 ^(Note 26) N/A N/A 4250 N/A 	<ul style="list-style-type: none"> 10 39.91 ^(Note 26) N/A N/A 4 N/A

Programmes/Services	Nature	Number of children/young people benefited (Note 1)	Total cost (HK\$m)
- Activities and sponsorship undertaken by Commission on Youth	U	37 554	8.38
- Subvention to Uniform Groups (UGs)	U	137 588	40.92
Personal Development (Total)		N/A	103.21
<ul style="list-style-type: none"> • Vocational Education and Employment Training <ul style="list-style-type: none"> - Vocational Training Council pre-employment programme (Note 29) (Note 30) - Project Yi Jin (Note 32) - Courses under Construction Industry Training Authority (Note 33) - Courses under Clothing Industry Training Authority (Note 33) - Grants for vocational education <ul style="list-style-type: none"> • Student Travel Subsidy Scheme (STS) • Local Student Finance Scheme (LSFS) - Loans for vocational education <ul style="list-style-type: none"> • LSFS • Non-means Tested Loan Scheme /Non-means Tested Loan Scheme for Post-secondary Students - Loan for Project Yi Jin (Non-means Tested Loan Scheme) - Youth Pre-employment Training Programme (YPTP) (Note 34) - Youth Work Experience and Training Scheme (YWETS) (Note 34) - Youth Self-employment Support Scheme (YSSS) 			
Vocational Education and Employment Training (Total)		N/A	2,253
Sub-total (Resources spent on children and youth from disadvantaged families or with special needs)		N/A	14,747.13
Total (all services and programmes)		N/A	59,061.95

* For illustration purpose, on the basis of the total number of children and youth from 0-24 years old (1886 600 in 2004), the average resources invested on each child and youth in Hong Kong was around HK\$31,000.

Compiled by Commission Secretariat
(with inputs from Education and Manpower Bureau, Home Affairs Bureau, Health, Welfare and Food Bureau and Labour Department)

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Explanatory Notes

- (1) Unless specified, figures are for the financial year 2004-05.
- (2) Figures as at 2004/05 school year and are rounded to the nearest hundred. They represent the number of students under respective school sector or the number of students receiving/accepting grants, loans or reimbursement. Figures may be subject to revision.
- (3) Enrolment figure as at end-March 2005.
- (4) Including all successful CCCFAS applications/re-applications in the financial year.
- (5) Figures as at 2004/05 school year and are rounded to the nearest hundred. They represent the number of students under respective school sector or the number of students receiving/accepting grants, loans or reimbursement. Figures may be subject to revision.
- (6) The expenditure on education comprises recurrent expenditure and capital expenditure in General Revenue Account under relevant Heads. The expenditure on related teacher training is separately classified and hence excluded from respective items.
- (7) The figure represents the subvention expenditure from the government to UGC-funded institutions and related student financial assistance.
- (8) The pilot CCDS programme has been/will be launched in MCHCs in 4 local communities in phases starting from 2005/06.
- (9) Total number of registered client aged 0-5 in 2004.
- (10) Figures as at 2003/04 school year from 1.9.2003 to 31.8.2004.
- (11) Figures as at 2003/04 school year from 1.8.2003 to 31.7.2004.
- (12) Figures as at 2004/05 school year and are rounded to the nearest hundred from November 2004 to October 2005.
- (13) Average number of recipients / cases benefited.
- (14) Estimated expenditure in 2004-2005.
- (15) Figure as at end-December 2004 representing membership for 9 months.
- (16) Figures as at end December 2004, the total cost is based on the recurrent subventions under relevant subheads paid to NGOs in 2004-05 and does not represent the full costs, such as administration cost, of the services concerned.
- (17) It refers to the number of man times and includes all full-fee and half-fee waiving places.
- (18) No breakdown by number of children and young people available.
- (19) It refers to the overall provision of places.
- (20) It refers to the total number of cases.
- (21) The total cost is based on the recurrent subventions under relevant subheads paid to NGOs in 2004-05 and does not represent the full costs, such as administration cost, of the services concerned.
- (22) It refers to the total number of man times
- (23) It refers to the number of man times. The same person dropping in within a 24-hour period is counted as one drop-in.
- (24) Capital cost for setting up the centre such as cost of fitting out, furniture and equipment etc. is not included.
- (25) HK\$0.94m, being a 9-month allocation for 2004-05, was allocated as annual recurrent subvention on a lump sum basis to an NGO, which is providing non-subsented residential services for young males with behavioral / emotional problems, as additional resources to support its running cost for the residential services and employment package to meet the needs and demands of young male probationers in need of residential training after closure of the SWD's Kwun Tong Hostel in June 2004.
- (26) As the UAP is implemented according to school year (i.e., from September to August the following year), the figure for 2004-05 will not be available until after September 2005. The current figures are between September 2003 to August 2004. This programme will be phased out and replaced by P.A.T.H.S. from the school year 2005/06.
- (27) The Experimental Implementation Phase of the project will be launched in September 2005 with the Tier I Programme commencing in January 2006. Given such, the required figure is not yet available.
- (28) The Experimental Implementation Phase of the project will be launched in September 2005 with the Tier II Programme commencing in January 2006. Given such, the required figure is not yet available.
- (29) The expenditure on education comprises recurrent expenditure and capital expenditure in General Revenue Account under relevant Heads. The expenditure on related teacher training is separately classified and hence excluded from respective items.
- (30) It refers to the pre-employment courses offered by the Vocational Training Council through its Hong Kong Institute of Vocational Education, School of Business and Information System, and Training and Development Centres.
- (31) Figures as at 2004/05 school year and are rounded to the nearest hundred. They represent the number of students under respective school sector or the number of applicants receiving/accepting grants, loans or reimbursement. Figures may be subject to revision.
- (32) Project Yi Jin courses are run by member institutions of the Federation for Continuing Education in Tertiary Institutions on a self-financing basis.
- (33) Both Construction Industry Training Authority and Clothing Industry Training Authority are financed by the levy income obtained from the construction and clothing industries. The Government does not provide any funding to their programmes.
- (34) The figures for these programmes are figures for the 2003-04 programme year.

Indicators Relating to Risk of Intergenerational Poverty

Background

At the meeting on 28 July 2005, Members requested further information on indicators which facilitate understanding and monitoring the situation of intergenerational poverty in Hong Kong. This paper sets out the key poverty indicators relating to risks of intergenerational poverty being developed, as well as district-based indicators for two of the three pilot districts which rank intergenerational poverty as the priority concern of the districts.

Poverty Indicators for Children and Youth

2. At the meeting of the Commission on Poverty held on 11 April 2005, the Government Economist presented a set of proposed indicators to facilitating understand about poverty in Hong Kong (CoP Paper 10/2005), including a few key indicators relating to the risk of intergenerational poverty.

3. It should be noted that risk factors leading to intergenerational poverty involve many environmental factors and variables, and the indicators concerned may not have a direct relationship with poverty, and are by no means limited to children and youth of poor families. Yet these indicators are related to the notion of prevention or risk of becoming “non-engaged” in the future and thus, falling into poverty. In addition, in social sciences and education research, socio-economic status is commonly accepted as a strong, though not decisive, predictor of learning problems.

4. The indicators which are considered relevant to the healthy and balanced development of children and youth include earnings/income support, health and academic attainment etc.

Earnings/income support

5. Concerning the income-related indicators, the concern is whether the income as generated by parents would enable the children to grow up without deprivation in regard to health, education, housing, and participation in social activities.

Health and physical development

6. While health is an important aspect of well-being of children, no specific indicator has been proposed to reflect the risk of intergenerational poverty in Hong Kong. The available health indices related to children compare favourably with those of most developed countries. The infant mortality rate has shown a general declining trend over the past two decades and reached as low as 2.5 per thousand registered live births in 2004. The immunization coverage rate in Hong Kong, which is about 99%, is also on par with the average coverage rate of 94% in industrialized countries. The performance of Hong Kong children in various developmental aspects is comparable to their peers in western countries. In some areas concerning the acquisition of numeracy skills and pre-writing and literacy skills, Hong Kong children are even more advanced.

Academic attainment

7. Education is a key to breaking the cycle of intergenerational poverty. Hong Kong has one of the lowest school dropout rates in the world for the compulsory education sector, being 0.18% of the student population. (Comparable figure in the United Kingdom is 7 %). Articulation to further studies in Hong Kong is not bad either, with less than 0.5% not pursuing either mainstream or vocational education.

8. It should be noted that there are many factors other than poverty that could lead to sub-standard educational attainment or school drop-outs. In fact, results of a study conducted by the OECD also illustrates that when compared to other places, Hong Kong's social services, in particular basic education, is effective in moderating the impact of poverty. A presentation would be made at the Task Force meeting on 7 October on the correlation between socio-economic status and academic performance of students.

Situation of intergenerational poverty in the pilot districts

9. Besides the general poverty indicators, in implementing the district-based approach, districts which have placed priority in tackling intergenerational poverty, i.e. Tin Shui Wai and Shum Shui Po among the three pilot districts, have collated district-based indicators to facilitate designing response to local needs.

Tin Shui Wai

10. The population in Tin Shui Wai below the age of 24 constitutes 38% of the total population (23% for age below 15 and 15% for age 15-24). Many of the young people come from families with less privileged background (low-income/CSSA recipients, single parenthood, new immigrants etc.). CSSA recipients are also relatively young in TSW with 36.6% and 29% of them aged below 10 and 10-19 respectively.

11. 37.3% of CCSA recipients were New Arrivals. The percentage was very much higher than the 21.5% for the CSSA recipients in the whole territories. Among them, 8.2% were single parents. The percentage was similar to the 7.9% for the whole territory. The average number of dependent children under 23 years old per single parent was 2.0 in the area, as compared to 1.7 for the whole territory.

12. The youth problem can be reflected by the youth crime rate. As revealed by the Statistics Office, Crime Wing of Hong Kong Police Force, the number of young offenders at the age group of 10 – 15 and 16 – 20 in Yuen Long district ranked 2nd (534 in number) and 3rd (518 in number) among 23 police districts respectively in 2004. As regards reported individuals of age under 21 at Central Registry of Drug Abuse 2003, Yuen Long ranks 3rd (162 in number) among 18 District Council constituencies.

13. The living condition of households in Tin Shui Wai is however on average better than their counterparts in the whole territory. The people in Tin Shui Wai were living in unites which were on average more spacious than those living in the new towns and the whole territory. In 2001, 72.9% of the households were living in Public Rental Housing and subsidized sale flats by Housing Authority and Housing Society. The proportions were much higher than that in the new towns and the whole territory. There is however heavy demand for

social, recreational facilities in the district.

14. The educational attainment of the youth of age 15-19 in Tin Shui Wai was relatively lower than their counterparts in the new towns and the whole territory. Only 73.8% had attained upper secondary/ matriculation education while 22.2% had attained lower secondary education, as compared to 77.0% and 17.7% respectively for the new towns and 75.3% and 18.6% respectively for the whole territory.

Sham Shui Po

15. In 2004, there were 60,600 children and youth below 18 in Sham Shui Po, many of whom come from low-income families. In the 2004/05, school year, about 3,000 students in kindergartens in Sham Shui Po benefit from the Kindergarten Fee Remission Scheme. There are about 11,200 children and youth in CSSA households; 6,060 Sham Shui Po students received full grants under the School Textbook Assistance Scheme from Students Financial Assistance Agency in the 2004/05 school year.

16. The 2004 Population and Household Survey indicate that 9.1% of the Sham Shui Po households lived in poor quality accommodation including rooms, cubicles and cocklofts. The figure is much higher than the territorial average of 2.5%.

17. Despite the above, it is noteworthy that academic results of students in Sham Shui Po are at least on par with those from other districts. In a study of the overall basic competency of Primary 3 students in 2004, in the three core subjects of English, Chinese, Mathematics, the majority of primary schools in Sham Shui Po attained a higher passing percentage in these three subjects than the territory-wide average.

Way Forward

18. Members are invited to note the above indicators reflecting the situation of intergenerational poverty at the macro and district level, and suggest other relevant indicators which may help monitor the risk of intergenerational poverty in Hong Kong.