

BPI Conference 2024 - Poverty and Social Justice in a Post-COVID World

Bristol Poverty Institute (BPI)
(5-6 June 2024)

Child poverty and well-being in Hong Kong and the effects of the pandemic

Maggie Lau
Research Associate Professor
School of Graduate Studies / Institute of Policy Studies
Lingnan University

e-mail: maggielau2@LN.edu.hk

Acknowledgements

- **The Poverty and Social Exclusion in Hong Kong (PSEHK) project** is funded by the Research Grants Council and the UK Economic and Social Research Council (ESRC / RGC Joint Research Scheme: RES-000-22-4400). We also acknowledge the support from the ESRC funded Poverty and Social Exclusion in the UK (PSEUK) project (ESRC Grant RES-060-25-000052).
- The **Strategic Public Policy Research Funding Scheme** is funded by the Policy Innovation and Co-ordination Office (formerly Central Policy Unit) of the Hong Kong Special Administrative Region Government and the Research Grants Council of the Hong Kong Special Administrative Region, China (Project 4003-SPPR-11). It draws on the work of a previous Poverty and Social Exclusion in Hong Kong (PSEHK) project funded by the Research Grants Council and the UK Economic and Social Research Council (ESRC/RGC Joint Research Scheme RES-000-22-4400).
- The research to collect the Hong Kong data for [the third wave of the international survey of children's well-being](#) was funded by a Lingnan University Faculty Research Grant, Children's Views on their Lives and Well-being in Hong Kong (Project Number: 102157).

Overview

- Review poverty studies in HK and discuss the significance of a child-derived and multidimensional approach to child poverty measures
- Discuss how the likely updates to the HK official poverty measures will have implications for poverty alleviation policies



Sustainable Development Goals: Targeting poverty

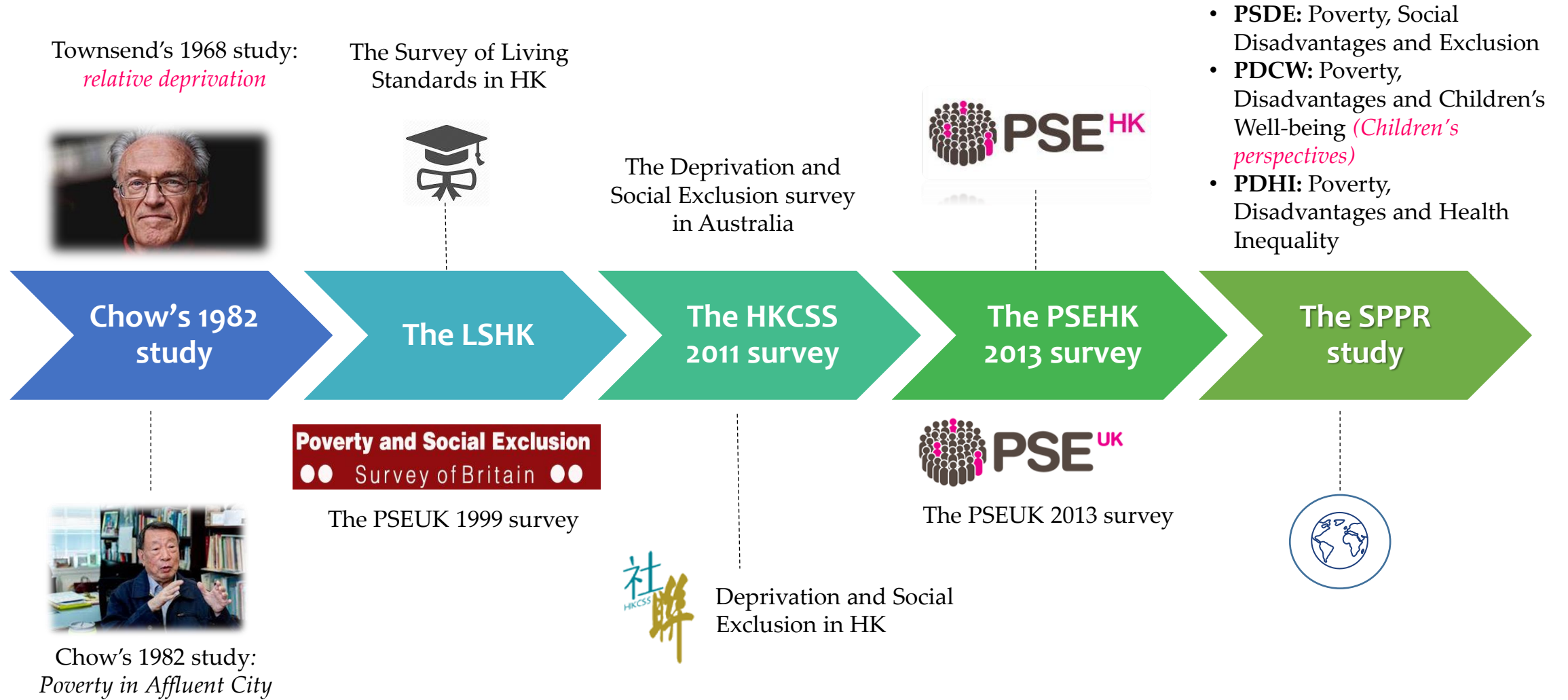
Target 1 is 'No poverty':

- 1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day
- 1.2: By 2030, reduce at least by half the proportion of men, women and *children of all ages* living in poverty in all its dimensions according to national definitions

Child poverty and well-being in Hong Kong

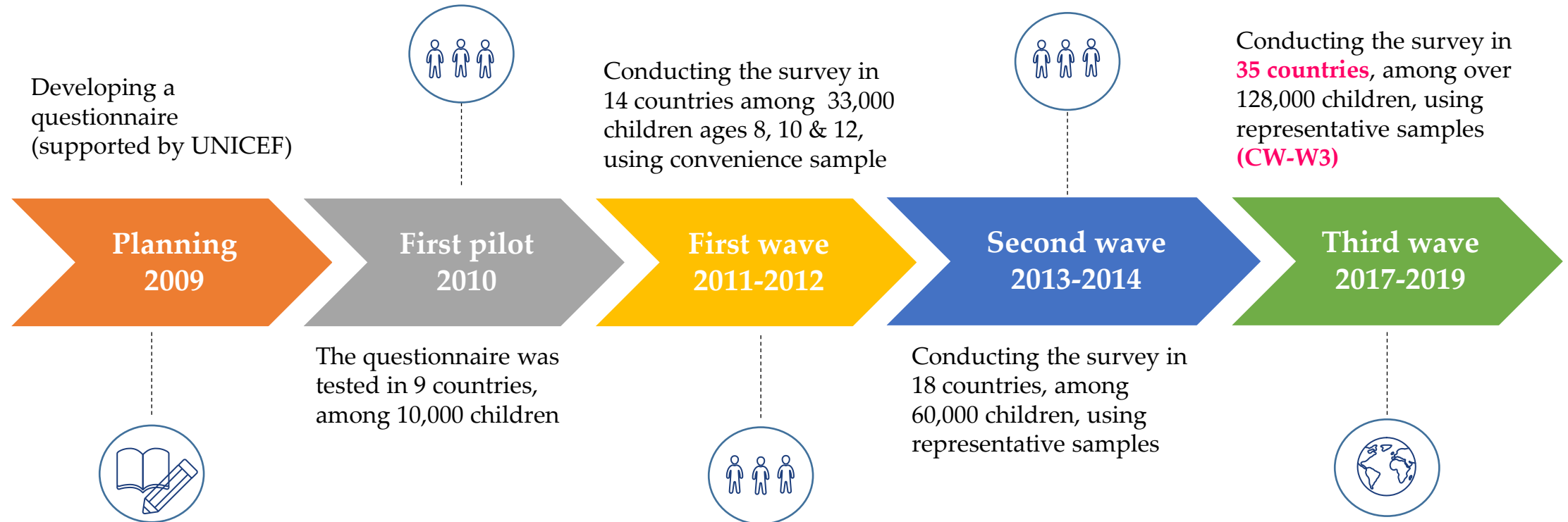
- **Poverty studies identifies three approaches to the inclusion of children in poverty definition and measurement** (*i.e., household-centric, child-centric and child-derived approaches*) (e.g., Lau & Bradshaw, 2018, Lau & Gordon, 2017; Main, 2019)
- ***The consensual deprivation approach captures gendered and/or intra-household inequalities***
 - incorporates *both household and individual level of analyses* (e.g., a combination of income poverty, deprivation and subjective poverty measures) (Bradshaw & Finch, 2003; Lau & Gordon, 2017; Main, 2019; Redmond et al., 2016)
 - acknowledges the *multidimensional* nature of child poverty and reflects direct children's living standards
- **A *child-focused* approach to poverty measures recognizes children as *active agents* in their own lives** (Lau & Bradshaw, 2010; Main, 2019; Redmond et al., 2016)
 - e.g., **Child- vs. adult-derived measures of child poverty** (Lau et al., 2019)
 - e.g., Children's Worlds - The International Survey of Children's Well-being – Wave 3 (HK) (Lau, & Kühner, 2020)

Hong Kong Poverty Research



The third wave of the International Survey of Children's Well-being (CW-W3) – HK

(Lau & Kühner, 2020)



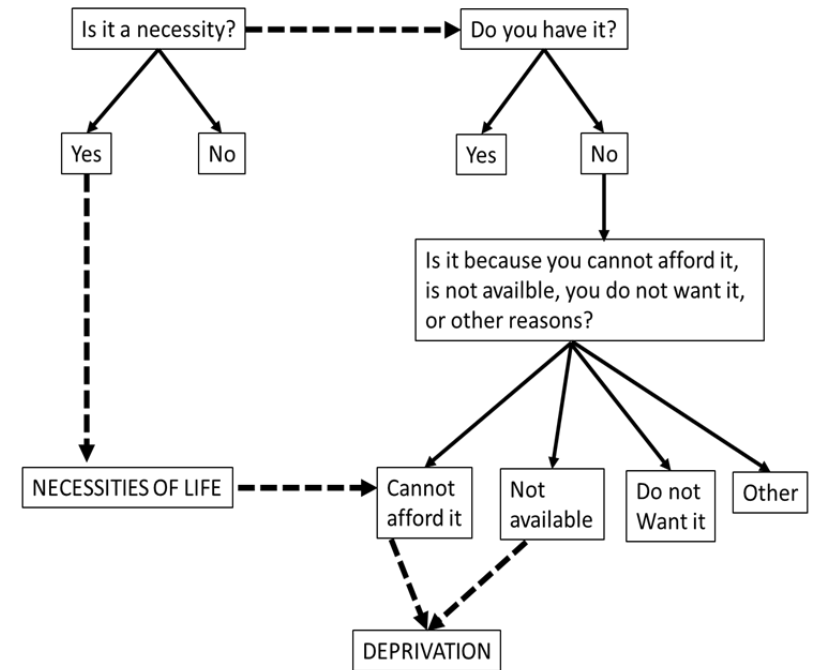
Poverty and Social Exclusion in Hong Kong (Lau & Gordon, 2017)



- **Relative deprivation approach to poverty analyses**

‘Individuals, families and groups in the population can be said to be in poverty when they **lack the resources** to obtain the types of diet, participate in the activities, and have the living conditions and amenities **which are customary**, or at least widely encouraged or approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, **excluded from ordinary patterns, customs and activities**’ (Townsend, 1979: 31)

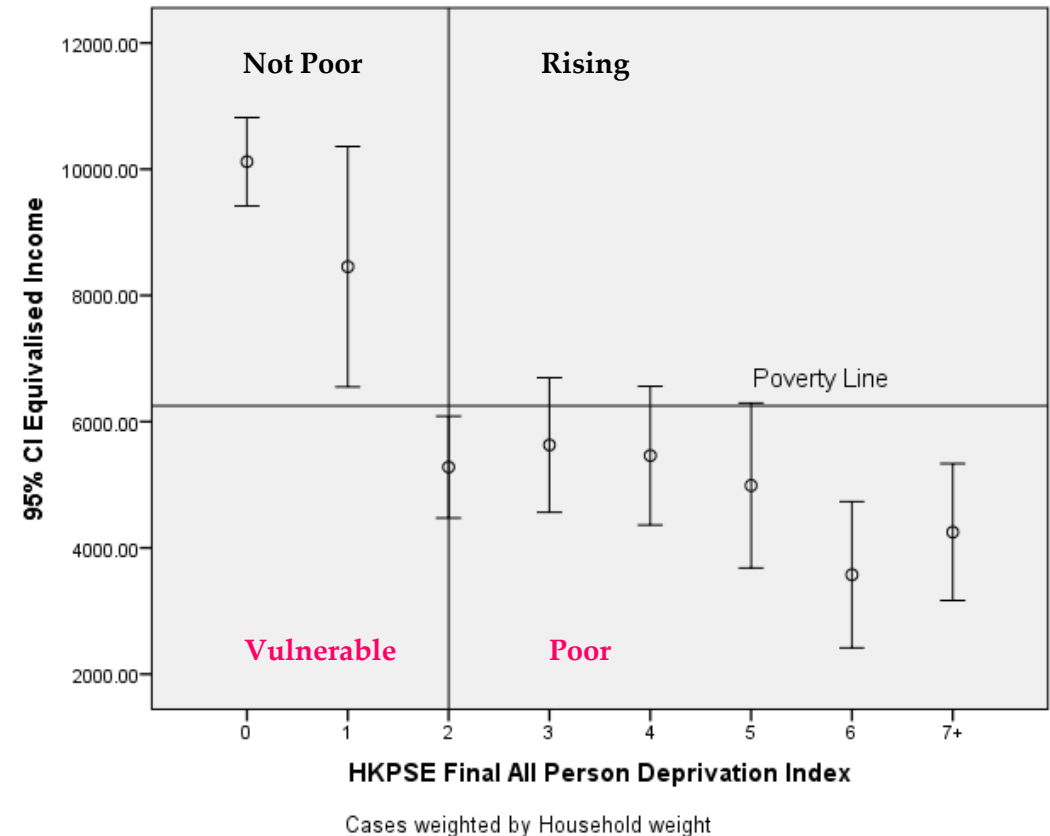
- The Consensual Method used in many countries across the world (<https://www.poverty.ac.uk/world>)
 - **Africa** - South Africa, Uganda
 - **Americas** – Argentina, Brazil
 - **Asia** - **Hong Kong**, Japan
 - **Europe** - European Union, Ireland
 - **Oceania** – Australia, Tonga
- The consensual approach looks at *direct measures of living standards* (rather than indirect income measures) which *involves public judgement* about what is an acceptable minimum standard of living (Lansley & Mack, 2015; Dermott & Main, 2018).
- A person is defined as deprived if they cannot afford a possession/activity/service because they cannot afford it and the majority of the population in that society believe that these possessions and activities are necessities which everyone should be able to afford/have in their society.



The PSEHK poverty measure

- A combined low income and multiple deprivation measure allows for the *dynamic* nature of poverty in Hong Kong.
- **The poor and three non-poor groups** (rather than just two groups – the ‘poor’ vs. ‘non-poor based on income poverty measure’)
 - People are *poor* if they suffer from *both a low income and a low standard of living* (i.e., measured by a multiple deprivation index)
 - People are **not** poor if:
 - 1) they have a high income and a high standard of living; or
 - 2) they have a low standard of living but a high income (*rising*); or
 - 3) they have a low income but a high standard of living (*vulnerable*).
- **The PSEHK poverty measure vs. the official income poverty threshold**

Optimal Poverty Line and Deprivation Thresholds



Material well-being, social relationships and children's overall life satisfaction in Hong Kong (Lau & Bradshaw, 2018)

- **The value of child derived deprivation measures** to differentiate poor children from poor families
 - Some parents who were experiencing income poverty might sacrifice their own needs to provide for children (i.e., '**Parental sacrifice**') (Main and Bradshaw 2016; Middleton et al. 1997; Ridge 2009)
- **Child-context interactions** appeared to have significant effects on children's life satisfaction
 - **Perceived positive relationships** with family and teachers (e.g. being respected and treated fairly at home and school) (Goswami 2012; McAuley and Rose 2014; Rees and Main 2015)
 - **supportive environments** (e.g. experience of being bullied) (Currie et al. 2012; Dufur et al. 2015; Huebner et al. 2014; Klocke et al. 2014)

Percentage of deprived children in each quintile of family income

	Deprived items					N
	0	1	2	3-4	5+	
1st quintile (lowest)	30.7% (39)	18.1% (23)	15.7% (20)	17.3% (22)	18.1% (23)	127
2nd quintile	39.4% (56)	24.6% (35)	11.3% (16)	14.1% (20)	10.6% (15)	142
3rd quintile	42.9% (67)	26.3% (41)	15.4% (24)	9.0% (14)	6.4% (10)	156
4th quintile	49.1% (57)	19.8% (23)	10.3% (12)	12.9% (15)	7.8% (9)	116
5th quintile (highest)	58.0% (80)	13.0% (18)	13.8% (19)	10.1% (14)	5.1% (7)	138
Total	44.0% (299)	20.6% (140)	13.4% (91)	12.5% (85)	9.4% (64)	679

Notes:

1. Number of cases are shown in bracket.
2. All percentages are row percentages.

Ordinal regression: Children's overall life satisfaction, socio-demographics and social relationships

	Estimate	Std. Error	Wald	df	Exp B	95% Confidence Interval		Sig
						Lower	Upper	
Threshold – Overall life satisfaction								
1 = dissatisfied /very dissatisfied	-1.015	.955	1.128	1	.36	.06	2.36	.288
2 = neither satisfied nor dissatisfied	1.854	.942	3.875	1	6.39	1.01	40.46	.049
Factors								
<i>Gender</i>								
1 = Male	-.015	.212	.005	1	.98	.65	1.49	.942
2 = Female	0	.	.	0	1.00	.	.	.
<i>Equivalised household income</i>								
1 = 1st quintile (lowest)	-.188	.350	.291	1	.83	.42	1.64	.590
2 = 2nd quintile	-.581	.335	3.004	1	.56	.29	1.08	.083
3 = 3rd quintile	-.265	.333	.634	1	.77	.40	1.47	.426
4 = 4th quintile	-.226	.359	.396	1	.80	.39	1.61	.529
5 = 5th quintile (highest)	0	.	.	0	1.00	.	.	.
<i>Number of deprived items</i>								
0 = 0	.929	.341	7.430	1	2.53	1.30	4.94	.006
1 = 1	.971	.373	6.779	1	2.64	1.27	5.49	.009
2 = 2	1.146	.410	7.819	1	3.15	1.41	7.02	.005
3 = 3-4	1.076	.398	7.300	1	2.93	1.34	6.41	.007
4 = 5+	0	.	.	0	1.00	.	.	.
<i>Experience of being bullied</i>								
1 = Yes	-.693	.284	5.936	1	.50	.29	.87	.015
2 = No	0	.	.	0	1.00	.	.	.
Covariates								
<i>Age</i>	-.198	.048	16.837	1	.82	.75	.90	.000
<i>Perception of parent-child relationships</i>	.904	.174	26.844	1	2.47	1.75	3.47	.000
<i>Perceived social support from family</i>	.823	.207	15.804	1	2.28	1.52	3.41	.000
<i>Perception of connectedness to teachers</i>	.588	.165	12.726	1	1.80	1.30	2.49	.000

Dependent Variable: Children's overall life satisfaction (OLS).

Children's and adults' perceptions of child necessities in Hong Kong (Lau et al., 2019)

- This research adds *important insights into our knowledge of child poverty and child well-being through the lens of children's own views about their lives.*
- Adults and children perceived that minimum needs **extended beyond basic subsistence needs**. Fulfilling customary social roles, obligations, and being able to participate in contemporary Hong Kong society are considered to be necessities (Main & Bradshaw, 2012; Redmond et al., 2016; Saunders et al., 2018).
- The generational differences between adults and children were manifested within the same household.
 - Adults placed more emphases on needs related to education and development (e.g., suitable books, extra-curricular activities, and tutorial lessons) (see Lau, Gordon, et al., 2015; Main, 2013).
 - Children realized the importance of these needs, but they also highlighted resources needed for fulfilling their social roles and obligations (e.g., meal out with friends, pocket money, mobile phone, and a computer with internet) (see Main, 2013; Main & Pople, 2012; Redmond et al., 2016).

Children's and adults' perceptions of necessities of life: Heat mapping and relative risk ratios

Items	Child-derived necessities (N = 636)				Adult-derived necessities (N = 595)				Relative risk (RR)			
	Necessary (%)	SE	95 CI		Yes (%)	SE	95 CI		RR	95 CI		sig
School uniform	94.9	.010	.925	.966	99.3	.003	.985	.997	.957	.936	.978	**
Fitted shoes	91.2	.012	.886	.933	99.1	.004	.978	.997	.922	.897	.947	**
Warm clothes	90.2	.013	.873	.924	99.8	.002	.984	1.000	.909	.884	.934	**
Suitable place to study	86.8	.014	.837	.893	95.5	.011	.927	.973	.896	.860	.932	**
A computer with internet	86.3	.015	.832	.890	90.2	.012	.875	.924	.954	.912	.996	.03
Pocket money	84.6	.015	.814	.874	90.7	.014	.875	.932	.916	.874	.959	**
Mobile phone	82.3	.016	.789	.852	84.2	.016	.807	.872	.974	.923	1.025	.31
Suitable books	75.0	.020	.710	.787	94.5	.012	.917	.964	.778	.726	.829	**
Extra-curricular activities	71.5	.019	.676	.752	89.1	.014	.860	.916	.802	.744	.860	**
Meal out with friends	66.5	.020	.624	.704	87.1	.015	.839	.898	.761	.696	.827	**
Educational games	56.7	.022	.523	.611	84.2	.016	.807	.872	.684	.605	.763	**
New clothes	56.1	.022	.517	.605	93.0	.013	.900	.951	.601	.529	.673	**
Tutorial lessons	53.0	.023	.485	.575	81.3	.017	.777	.844	.665	.577	.753	**
Outdoor leisure equipment	52.9	.022	.485	.572	85.8	.016	.823	.887	.620	.539	.702	**
Family day trip	40.1	.022	.358	.445	72.6	.020	.686	.763	.570	.461	.679	**
Brand name trainers	37.3	.021	.333	.415	69.4	.020	.653	.733	.539	.425	.654	**

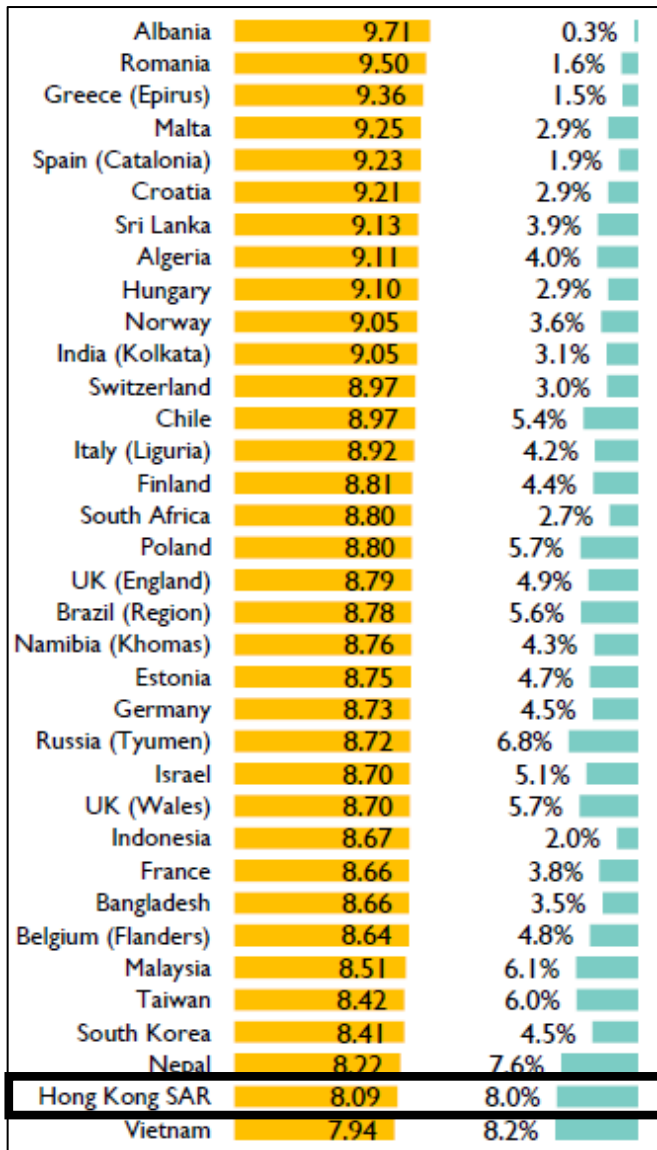
Children's Views on their Lives and Well-being in Hong Kong (Lau, & Kühner, 2020)

HK Children's Satisfaction with 15 Aspects of their Lives

<i>How satisfied are you with</i>	10yo	12yo
How safe you feel [safety]	8.90	8.18
Your health [health]	8.82	8.07
All the things you have [things]	8.72	7.94
Your friends [friends]	8.56	7.84
The people you live with [family]	8.48	7.70
The things you have learned at school [learning]	8.44	7.27
The home you live in [home]	8.31	7.68
The area where you live [neighbourhood]	8.14	7.61
The freedom you have [freedom]	8.02	7.81
Your life as a student [student]	7.91	6.85
The other children in your class [classmates]	7.88	7.16
What may happen later in your life [future]	7.88	7.24
The way you look [appearance]	7.71	6.99
How you are listened to by adults in general [listened to]	7.68	6.92
Mean scores	8.21	7.46

Hong Kong children tended to become less satisfied with various aspects of their lives as they grew older.

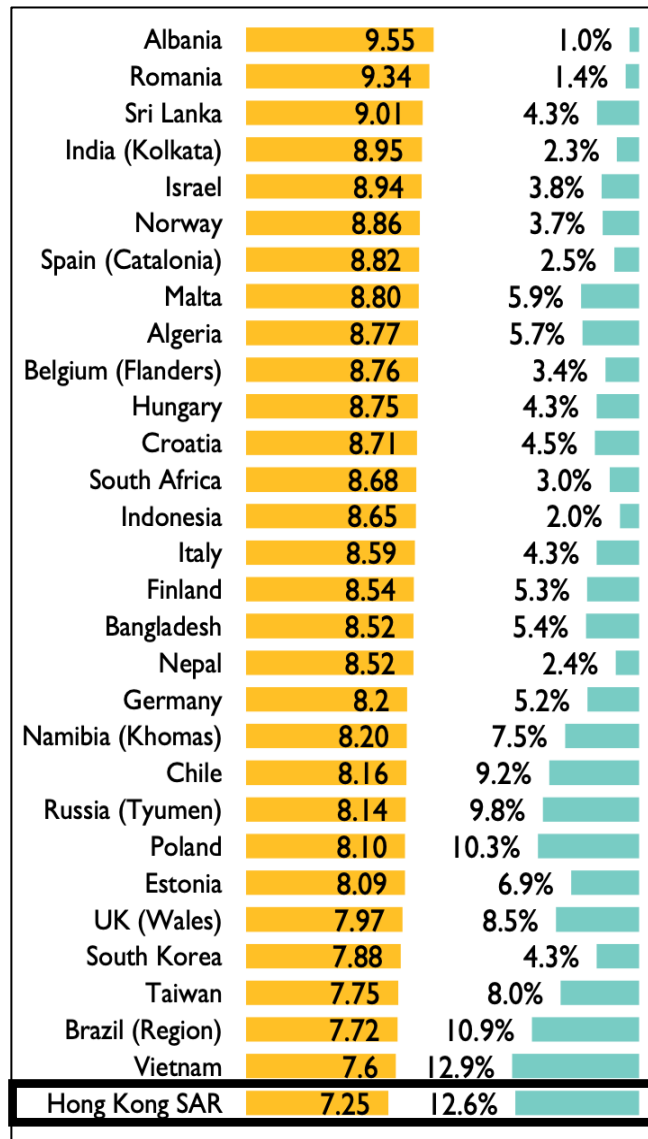
Lau, M., & Kühner, S. (2020). Children's Worlds National Report: China – Hong Kong (SAR).
<https://iscweb.org/wp-content/uploads/2020/03/China-Hong-Kong-SAR-Report-Wave-3.pdf>.



Mean overall subjective well-being (0-10)

Children aged 10 years old. The chart shows mean overall child subjective well-being and the % of children with low life satisfaction (less than 5).

Source: Comparative Report, page 26



Mean overall subjective well-being (0-10)

Children aged 12 years old. The chart shows mean overall child subjective well-being and the % of children with low life satisfaction (less than 5).

Source: Comparative Report, page 26

Composite Measure of Overall Subjective Well-being

Most surveyed children worldwide had a positive sense of their well-being.

Among the 35 societies included in the survey, Hong Kong children's well-being was generally low in international comparison.

Note: Children's Worlds Subjective Well-Being Scale (CW-SWBS) [5-item]

Please say how much you agree with each of the following sentences about your life as a whole.

- I enjoy my life
- My life is going well
- I have a good life
- The things that happen in my life are excellent
- I am happy with my life

(10- and 12-year-olds responded on a unipolar 11-point scale from 0-10, with 0 labelled 'Not agree' and 10 labelled 'Totally agree')

Rees, G., Savahl, S., Lee, B. J., & Casas, F. (eds.), (2020). Children's views on their lives and well-being in 35 countries: A report on the Children's Worlds project, 2016-19. Jerusalem, Israel: Children's Worlds Project (ISCWeB).

<https://iscweb.org/wp-content/uploads/2020/07/Childrens-Worlds-Comparative-Report2020.pdf>

Children's Satisfaction with 15 aspects of their lives

	Family	House	Things	Friends	Student	Learning	Class-mates	Neighborhood	Time use	Health	Appearance	Safety	Freedom	Listened to	Future
Albania	2	4	8	9	5	1	12	15	7	6	10	3	11	13	14
Algeria	2	6	7	11	4	1	15	14	12	3	8	5	13	9	10
Bangladesh	2	7	5	9	3	1	15	4	6	11	12	8	13	10	14
Belgium (Flanders)	6	2	1	9	15	11	14	8	5	3	12	4	7	13	10
Brazil	3	4	5	8	6	1	13	15	7	2	9	10	12	11	14
Chile	2	3	1	11	14	6	15	13	10	4	7	5	8	12	9
Croatia	3	4	1	9	15	8	14	13	7	2	10	5	6	11	12
Estonia	3	2	1	9	14	11	15	6	7	5	10	4	8	12	13
Finland	4	1	2	8	14	11	15	10	7	3	13	5	6	9	12
France	7	3	5	4	13	6	15	2	10	1	12	9	11	14	8
Germany	7	5	1	8	12	13	14	15	11	2	10	4	3	9	6
Greece	3	4	5	13	14	8	15	11	9	1	7	2	6	12	10
Hong Kong SAR	5	7	3	4	10	6	11	8	15	2	13	1	9	14	12
Hungary	3	2	1	10	15	13	14	8	11	5	12	4	9	6	7
India	1	6	4	10	3	2	12	13	7	9	8	5	14	15	11
Indonesia	8	12	4	9	1	6	14	5	13	2	11	7	10	15	3
Israel	1	3	2	11	15	14	13	8	9	4	7	5	6	10	12
Italy	3	5	1	9	13	4	15	11	7	2	10	6	8	12	14
Malaysia	2	1	3	12	10	5	15	4	8	6	7	9	14	13	11
Malta	2	5	1	8	13	9	14	10	7	4	6	3	12	11	15
Namibia	8	7	5	12	4	1	15	14	9	2	3	6	11	10	13
Nepal	2	6	9	10	3	1	11	4	7	8	14	5	13	12	15
Norway	3	5	2	7	15	10	14	11	13	4	12	1	6	8	9
Poland	5	2	1	13	15	11	14	10	6	3	8	4	7	12	9
Romania	3	6	2	12	10	5	15	14	8	1	9	4	7	11	13
Russia	2	4	1	7	14	12	15	8	5	3	9	6	10	11	13
S Africa	6	7	4	10	3	1	15	12	9	5	8	2	13	11	14
S Korea	1	2	3	6	9	7	8	10	13	4	15	5	11	14	12
Spain	3	5	1	8	15	6	13	14	9	2	7	4	11	12	10
Sri Lanka	2	6	12	14	3	1	13	15	7	4	10	9	8	5	11
Switzerland	4	3	1	8	14	11	15	5	9	2	13	6	7	12	10
Taiwan	3	2	4	7	12	6	15	9	11	5	14	1	8	10	13
UK (England)	2	3	1	10	13	8	15	11	6	5	14	4	7	9	12
UK (Wales)	3	2	1	8	13	10	15	11	6	5	14	4	7	9	12
Vietnam	9	2	6	15	7	1	13	5	10	3	11	8	12	4	14

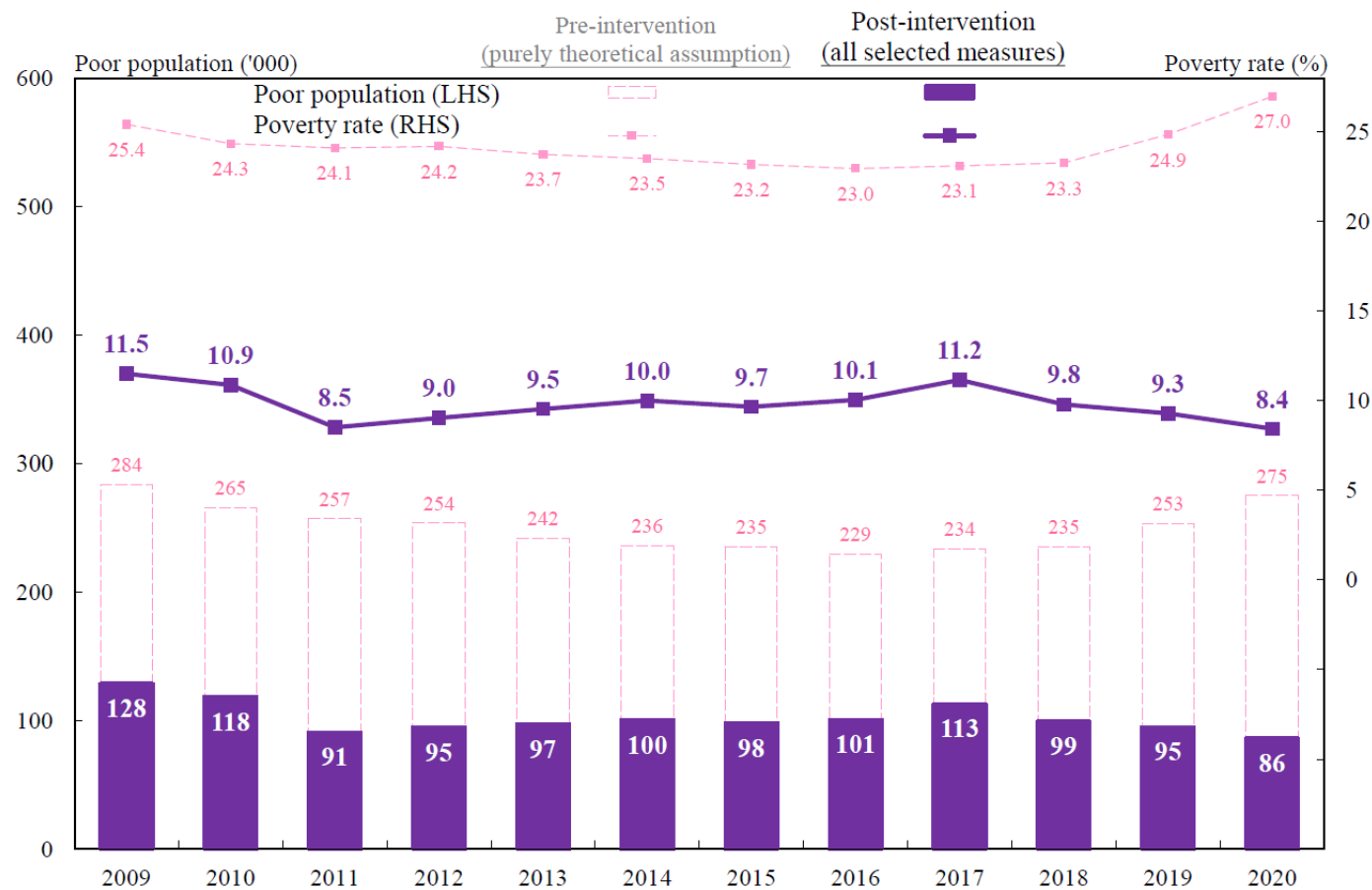
Children aged 10 years old. This table shows how each aspect of life ranks within countries. A higher rank indicates higher mean satisfaction.

Source: Comparative Report, page 84



**New updates to the HK official poverty measures and
implications for poverty alleviation strategies**

Poor population and poverty rate of children (2009-2020)



Source: [Hong Kong Poverty Situation Report 2020](#) (Figure 2.19)

Notes:

- 1) The *first* official poverty line was set in 2013.
- 2) The official poverty line in Hong Kong was set in the Commission on Poverty (CoP) Report to a threshold value of 50% of median *pre-intervention* monthly income for households of different sizes. *No adjustments are made for household composition.*
- 3) Post-intervention (all selected measures) include:
 - *recurrent cash measures* (e.g., Comprehensive Social Security Assistance),
 - *non-recurrent cash measures* (e.g., provision of extra allowance to recipients of social security payments under the Community Care Fund); and
 - *means-tested in-kind benefits* (e.g., public rental housing).

Source: [Hong Kong Poverty Situation Report 2020](#) (Figure 2.10)

Target Groups for Targeted Poverty Alleviation (LC Paper No. CB(2) 595/2024(3))

- The government adopts *a multi-dimensional approach* (rather than just focusing on income) to monitor the effectiveness of poverty alleviation measures in HK
 - To assess how the impacts of *macroeconomic situation* and *government policies* on the three specified target groups, including:
 - *households residing in subdivided units (SDUs) (about 214,200 persons)*
 - *single-parent households (about 213,300 persons)*
 - *elderly households (about 555,330 persons)*
 - To evaluate whether and how changes of beneficiaries *before* and *after* their participation in relevant targeted poverty alleviation projects using key performance indicators (KPIs)

Targeted Poverty Alleviation Projects (LC Paper No. CB(2) 595/2024(3))

- **Strive and Rise Programme**: Mentorship, Personal development plans, Financial support
- **School-based After School Care Service Scheme**: To allow primary school students in need (particularly children from single-parent families) for care and learning support after school.
- **Community Living Room**: To provide SDU families with additional living space and develop their social networks



[South China Morning Post, 18 Dec 2023](#)



[China Daily 28 Jan. 2024](#)



[Dotdotnews, 7 May 2024](#)

Concluding remarks

- The relative poverty cannot be resolved through economic growth only but must be addressed by deliberately *redistributive policies* (Walker & Yang, 2021).
 - If public funds was used to roll out *non-recurrent* measures (e.g., one-off cash payout scheme), it can only improve the living standard of those poor groups in the short run but cannot help them lift out of poverty.
- **Universal needs and relative deprivation measure**
 - People require *resources* to undertake their roles and *participate in the activities that are customary or widely approved in their societies* (i.e. **move beyond physical or material needs**)
 - There are certain *universal needs* that people think of as *necessities* in all societies (e.g. *food and clothing, housing, medical care, education, leisure activities, social activities / obligations / participations*)

~ Thank you ~