

TUF Special Speakers Series – Summary Note

Date: 28th – 29th June 2011

Speaker: Dr Yeung Sum, SBS, JP

Objective: Understanding Inequality and Poverty

About the Speaker

Dr. Yeung Sum grew up in economically poor circumstances and was educated in Hong Kong. After obtaining his undergraduate degree at the University of Hong Kong, Dr. Yeung earned his master's degree at the University of York in Britain before returning to earn his doctorate degree in Social Sciences from the University of Hong Kong. Dr. Yeung was a chairman of the Democratic Party between year 2002 to 2004, and was a member of Legislative Council from 1991 to 1997, and since 1998 to 2008. He has worked for decades to change the territory's political landscape and to guarantee basic rights and freedoms for its citizens. Dr. Yeung has taught at The University of Hong Kong since 1979 and has been a lecturer in the department of social work and social administration since 1985.

Absolute Poverty

Absolute poverty is a level of poverty in which people's basic living cannot be secured. The US and Hong Kong take on the idea of absolute poverty in formulating policies. In the US, absolute poverty is defined as people living on or less than US\$2 per day. Yet no similar standard is set in Hong Kong.

The government in Hong Kong takes the standard of Comprehensive Social Security Assistance Scheme (CSSA) as the poverty line. Currently about 800,000 people in Hong Kong is living in poverty. However, the amount of CSSA of a single person (HKD 1,800) only accounts for less than 20% of the median monthly personal income (HKD 10,000) in Hong Kong.

Though Hong Kong is one of the most affluent places in the world, CSSA is at a subsistence level to just keep one alive. It is not adequate for recipients to maintain a dignified living.

Relative Poverty

The majority of OECD countries adopt the concept of relative poverty. Relative poverty consists of two parts, that is the level of income of individuals or families is equal to or less than half of the medium income of individuals or families of the same size in a society.

Poverty Situation in Hong Kong

HKCSS conducted a research in 2008/2009 on poverty level in Hong Kong by using the definition of Relative Poverty. Results found that about 18.1% of the population in Hong Kong (which is equivalent to 1.26 million people) lives in poverty. The result is appalling. Social development in Hong Kong is lacking far behind albeit its prosperous economic development.

Gini Coefficient

Gini coefficient is a measurement of household income inequality. The UN Human Development Report in 2009 revealed that the Gini coefficient of Hong Kong ranked top in the world. Gini coefficient is a number between 0 to 1, where the number equals to 1 means total inequality. The Gini coefficient in Hong Kong is 0.533 in 2006. The problem of income polarization is also getting serious.

Child and Elderly Poverty in Hong Kong

The problem of elderly poverty is very serious in Hong Kong. More than 30% of poor people are the elderly. The core reason is the absence of retirement protection scheme.

Child poverty is another critical issue. About 25% of children in Hong Kong live in poverty. The majority of poor children come from families on CSSA. It is believed that the situation will only get worse in view of ever widening wealth disparity.

Poverty is not simply an economic problem, but also a political issue. Poor people in Hong Kong are not given the right to vote for the Chief Executive and functional constituencies. People in poverty have no political influence. It is unjust and against universal values.

Equality and Poverty

Government spending on welfare in western countries is about 50% of the GDP. As such, the level of social development in these countries is much higher. Hong Kong, however, advocates the policy of “small government and big market”. The highly competitive and self-reliant society gives rise to the lagged progress of social development. If the government budget and policy remain unchanged, the poverty problem in Hong Kong will continue to worsen.

Evaluation Study

Dr Yeung recommended TUF to conduct an evaluation study on the impact of the TUF program on students. He suggested TUF to collect baseline data of the students before and after our two-year program. Possible outcome indicators are listed below:

- language ability;
- participation / performance in extra-curriculum activities;
- academic achievement;
- self-confidence;
- self-image;
- writing skills;
- reading habit;
- motivation in learning; and
- relationship with family members.

**Remark: The seminar was conducted mainly in Chinese. The synopsis is summarised by TUF who is responsible for the accuracy of the content.*