

# **Main Analysis of the Poverty Situation in 2019**

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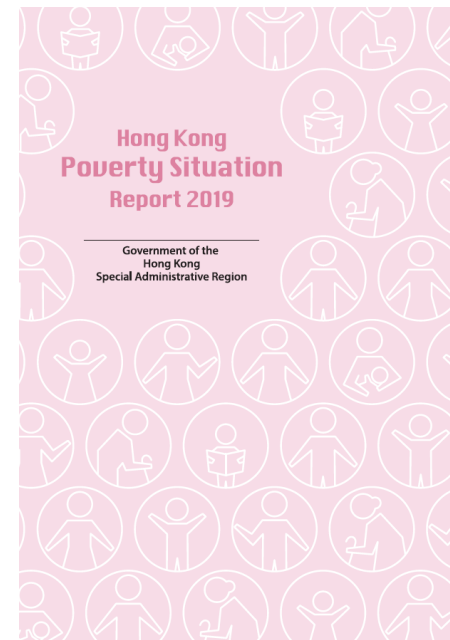
# Poverty situation in 2019 - Outline

- I. Major factors affecting poverty statistics in 2019**
- II. Main poverty situation and its trend in 2019**
- III. Situation of the working poor in 2019**
- IV. Key observations, outlook & advice sought**

## Hong Kong Poverty Situation Report 2019

The full Report has been uploaded to CoP's website

<https://www.povertyrelief.gov.hk/eng/archives.html>



# **I. Major factors affecting poverty statistics in 2019**

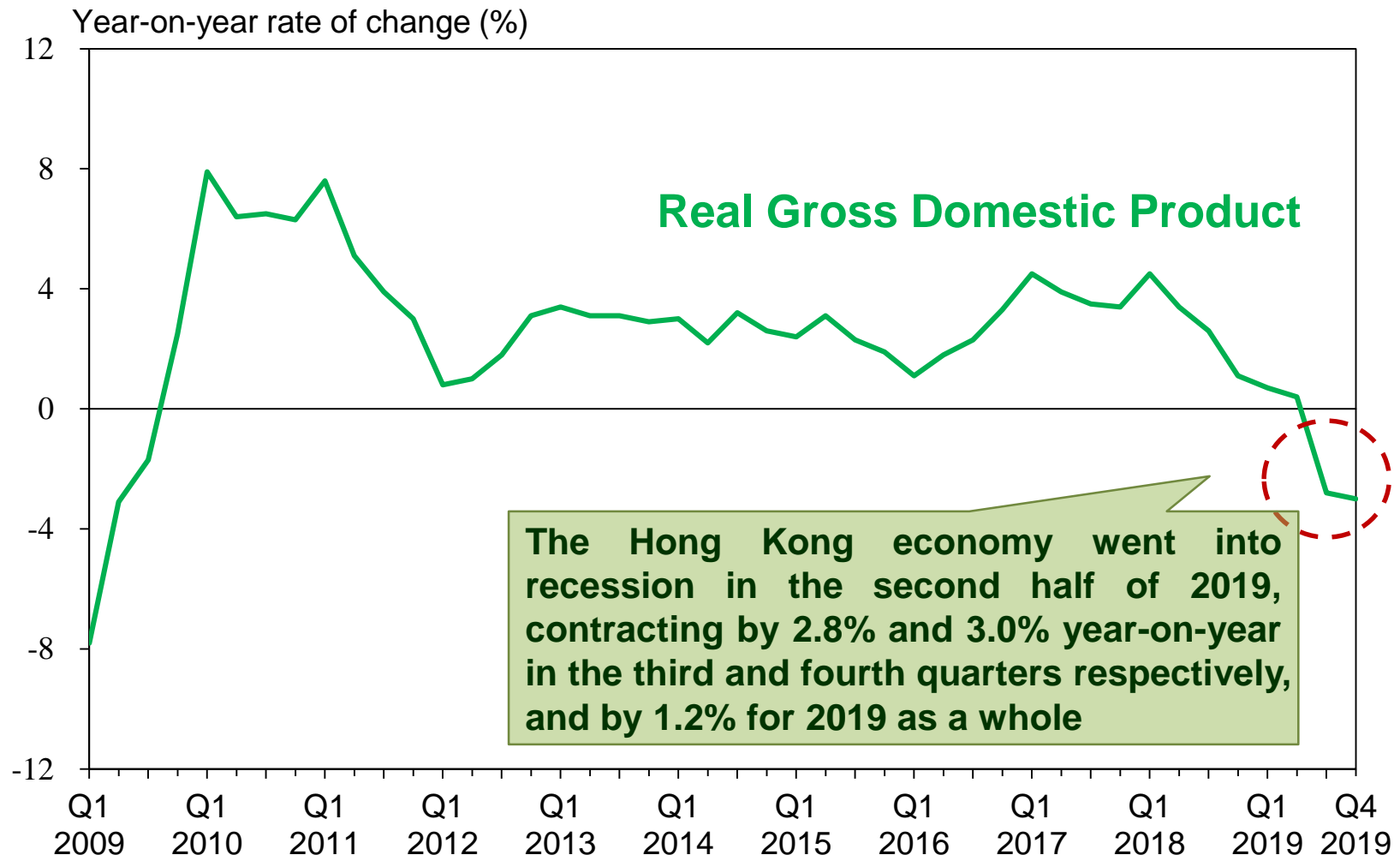
## Three major factors affecting poverty statistics in 2019 - Overview

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1. **Macroeconomic situation:** the Hong Kong economy fell into **recession in 2019**. The labour market slackened noticeably in the second half. Grassroots families were particularly hard-hit, with their wages and household income under considerable pressures
2. **Structural factors:** an accelerated trend of population ageing and **continued dwindling household size** continue to pose upward pressures on the poverty indicators
3. **Government's efforts in poverty alleviation:** the Government has been allocating more resources to alleviate poverty and support the disadvantaged in recent years, **which would continue to provide some cushion in lowering the poverty rate during economic downturn**. In response to the sharp worsening in economic conditions, the Government has also rolled out various one-off measures to relieve people's burden in a timely manner
  - However, it should be noted that the main analytical framework of the poverty line has its limitations, and only considers the poverty alleviation impact of **recurrent cash measures**

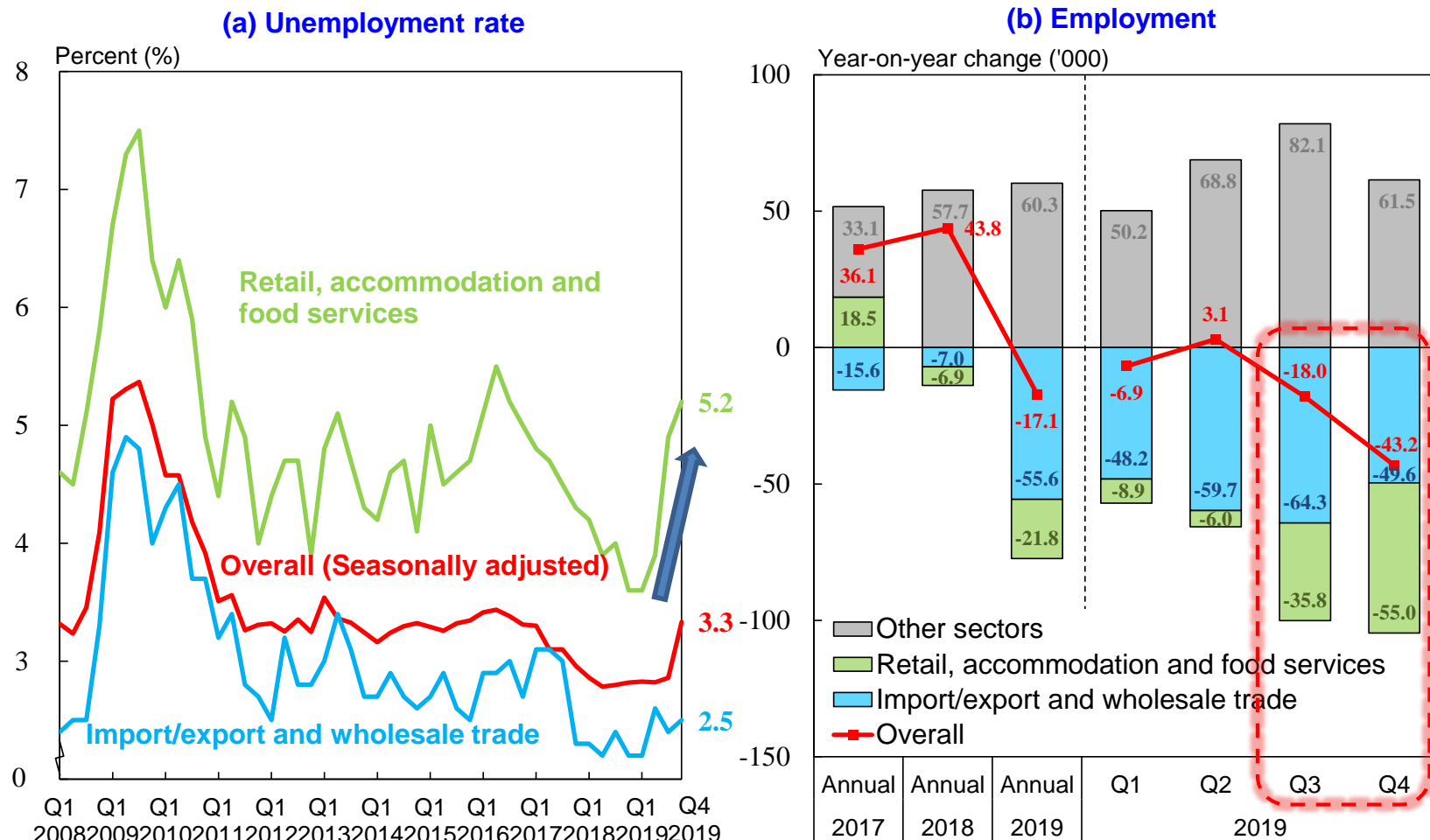
# 1. Macroeconomic situation: the Hong Kong economy, hit by a double whammy of the local social incidents and China-US trade tensions, fell into the first recession since the Global Financial Crisis in 2009

The Hong Kong economic growth, 2009-2019



Source: Quarterly Report on Gross Domestic Product, Census and Statistics Department.

**1. Macroeconomic situation (cont'd):** against such backdrop, the labour market slackened visibly in the second half, as evidenced by a rebound in unemployment rate and fall in employment. The consumption- and tourism-related sectors that involved substantial lower-skilled jobs were particularly hard-hit



Source: General Household Survey, Census and Statistics Department.

**1. Macroeconomic situation (cont'd):** labour force participation rate also saw a notable decline, conceivably due to some people choosing to leave the labour market amid subdued economic conditions and job losses

Labour force participation rate by age, 2018-2019

(%)	<u>2018</u>	<u>2019</u>	<u>Annual change</u> (percentage point(s))
15-29	58.5	58.6	+0.1
30-39	83.9	83.5	-0.4
40-49	81.3	80.2	-1.1
50-54	78.3	77.3	-1.0
55-59	67.6	67.6	-
60-64	47.0	47.0	-
65+	11.7	12.4	+0.7
<b>Overall</b>	<b>59.2</b>	<b>58.5</b>	<b>-0.7</b>

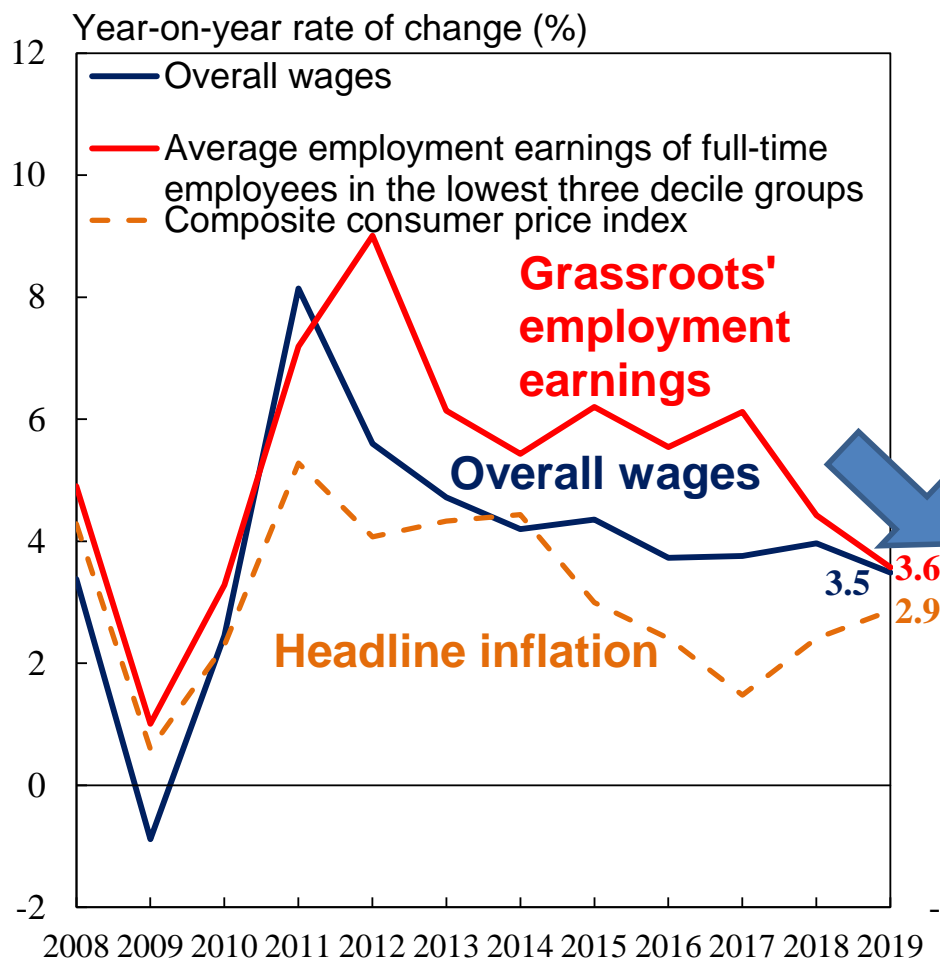
Notes: Figures excluding foreign domestic helpers (FDHs).

(-) Changes within  $\pm 0.05$  percentage point.

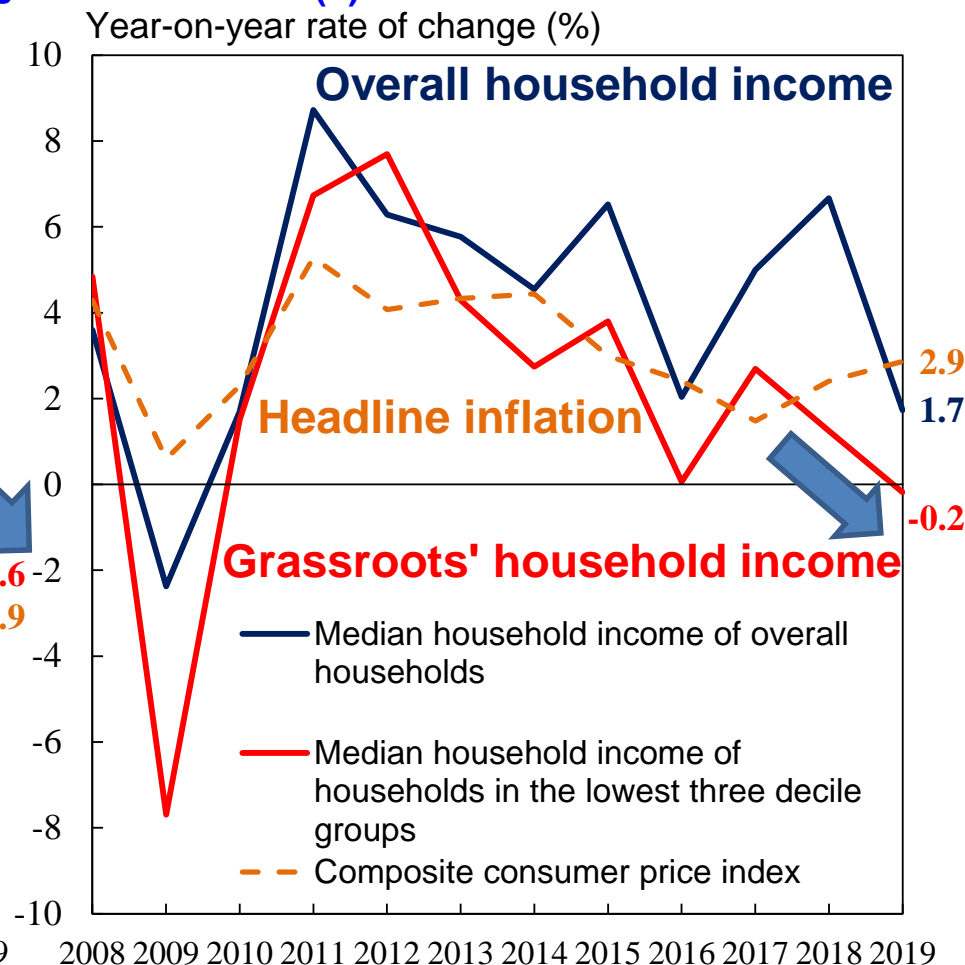
Source: General Household Survey, Census and Statistics Department.

**1. Macroeconomic situation (cont'd):** labour demand slackened and employment earnings growth decelerated appreciably. Also coupled with the decrease in the average number of working members per household, household income growth came under pressure, in particular for the grassroots

**(a) Nominal wages and average employment earnings**



**(b) Household income**



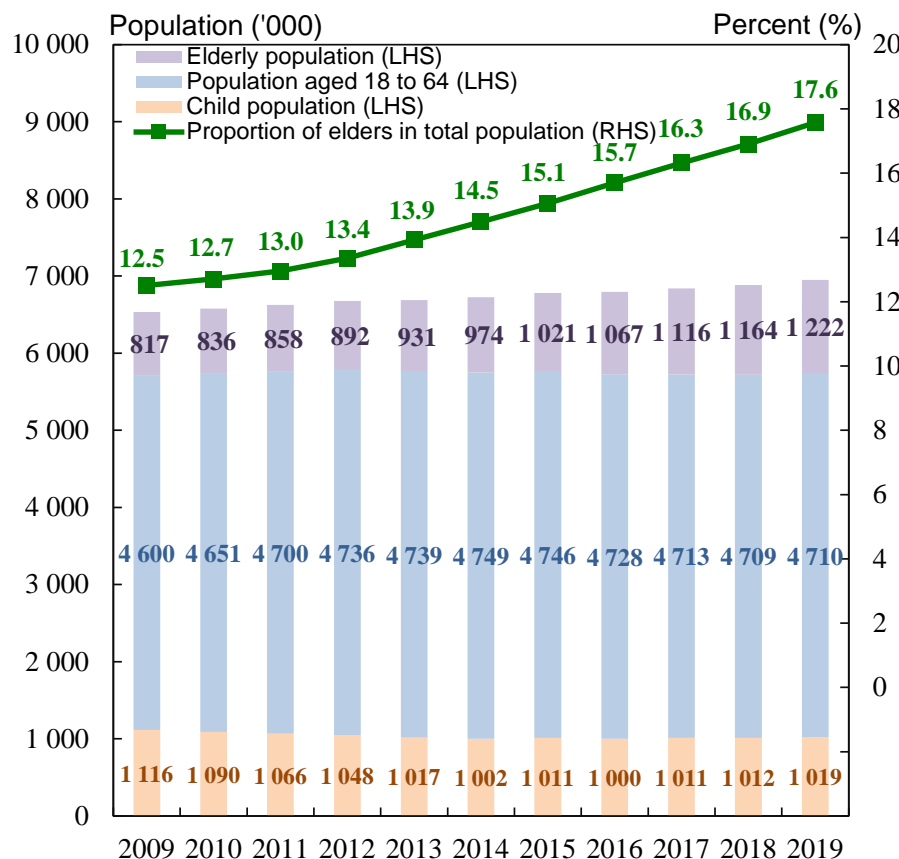
Note: Figures excluded FDHs.

Sources: General Household Survey, Monthly Report on the Consumer Price Index, and Labour Earnings Survey, Census and Statistics Department.

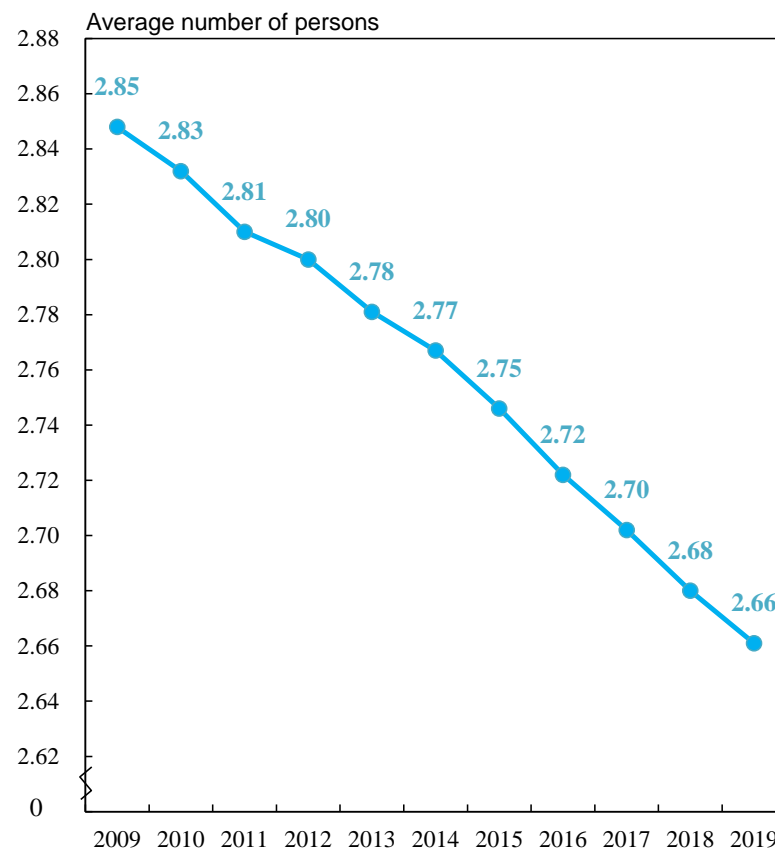


**2. Structural factors:** the trends of population ageing and dwindling household size have become increasingly prominent. The number of elders without employment income rose discernibly which exerted persistent and growing upward pressures on the income poverty figures

**(a) Population figures by age group**



**(b) Average household size of overall households**



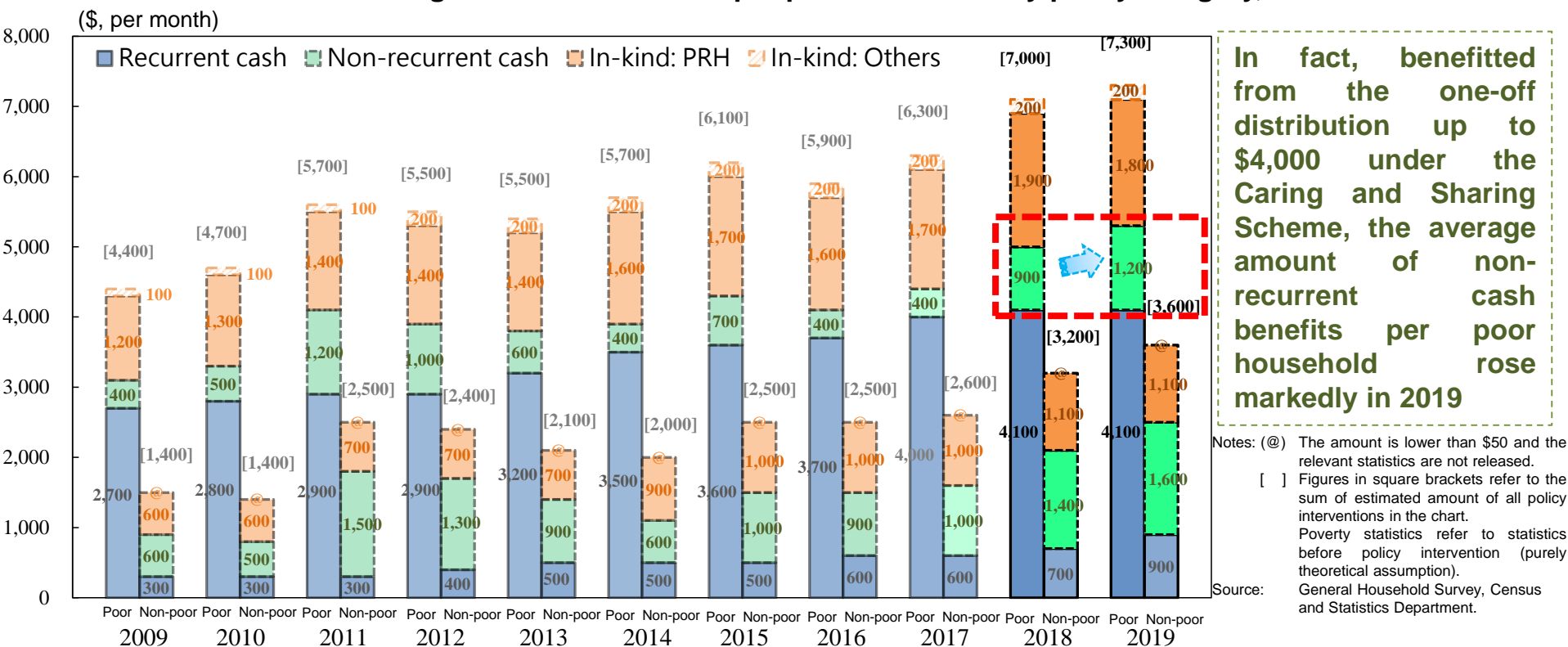
Note: Population figures refer to persons in domestic households, excluding FDHs and the institutional population.

Source: General Household Survey, Census and Statistics Department.

### 3. The Government has been allocating more resources to improve people's livelihood: estimated average monthly benefits per poor household amounted to \$7,300 in 2019, the highest on record

- Of which: \$4,100 was **recurrent cash** and the remaining \$3,200 were **non-recurrent cash** and **in-kind benefits**. However, the \$3,200 was not included in the estimation of poverty alleviation effectiveness under the main analytical framework. As for universal, non-means-tested in-kind benefits, they have never been covered in the poverty line analytical framework

Estimated average amount of benefits per poor household by policy category, 2009-2019



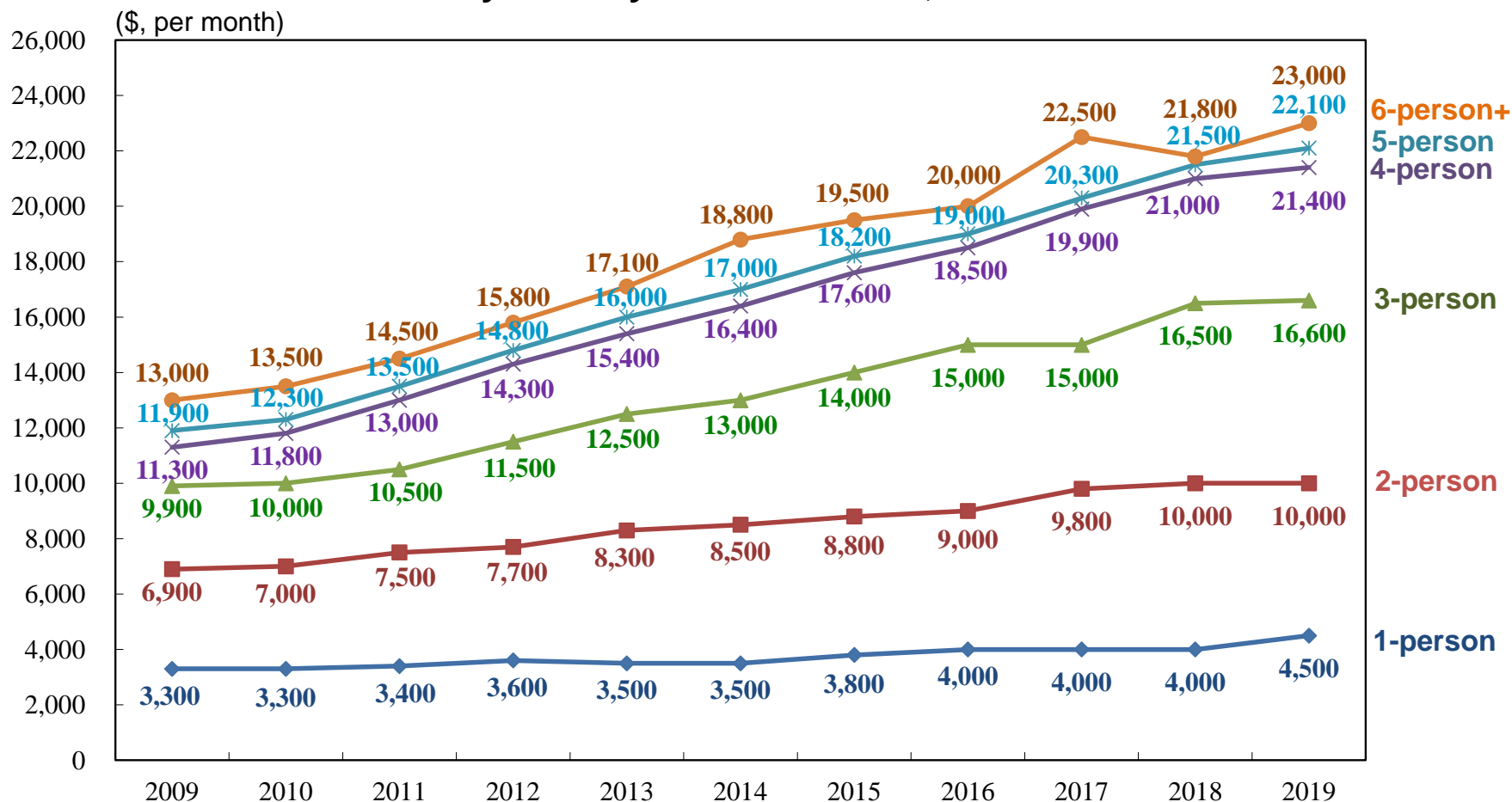
For information regarding recurrent government expenditure on social welfare and measures not covered in the main analytical framework, please see pages 30 to 31

## **II. Main poverty situation and its trend in 2019**

# Many of the “Poverty Line” thresholds showed decelerating increases or remained broadly steady in 2019

- **Poverty lines of 3-person households to 5-person households registered the smallest increases in a decade:** ranging from 1.1% to 2.8%
- **Poverty line of 2-person households remained virtually unchanged:** ending its continuous upward trend for nine years

**Poverty lines by household size, 2009-2019**



Source: General Household Survey, Census and Statistics Department.

Taking **all selected measures** into account, the poverty rate edged down in 2019 over 2018. This showed that the Government's non-recurrent cash measures did help relieve the impact of economic recession on grassroots families. But according to the **main analytical framework** that only considers **recurrent cash measures**, the overall poverty situation worsened noticeably

- **After recurrent cash intervention:** the size of poor population was **1.098 million persons**, poverty rate at **15.8% (up by 0.9 percentage point over 2018)**
  - Comparing with the **pre-intervention (purely theoretical assumption) figures:** the size of poor population was **1.491 million persons**, poverty rate at **21.4% (up by 1.0 percentage point)**
  - **Recurrent cash benefits** lifted about 0.39 million persons out of poverty, and brought down the poverty rate by 5.6 percentage points
- If **non-recurrent cash and in-kind benefits (i.e. "all selected measures")** are also being covered to reflect the Government's all-round effects, the size of poor population and poverty rate were **further reduced by about 0.46 million persons and 6.6 percentage points**, to **0.642 million persons** and **9.2%** respectively

Household income under different coverage of government intervention policies	Poor households	Poor population	Poverty rate	
<b>All selected measures</b> (recurrent + non-recurrent cash + in-kind benefits, for supplementary reference)	<b>0.287 mn</b> (0.276 mn)	<b>0.642 mn</b> (0.638 mn)	<b>9.2%</b> (9.3%)	↓
<b>Post-intervention</b> (recurrent cash, main analytical framework)	<b>0.474 mn</b> (0.435 mn)	<b>1.098 mn</b> (1.024 mn)	<b>15.8%</b> (14.9%)	↑
<b>Pre-intervention</b> (purely theoretical assumption)	<b>0.649 mn</b> (0.613 mn)	<b>1.491 mn</b> (1.406 mn)	<b>21.4%</b> (20.4%)	↑
<b>Poverty alleviation effectiveness of recurrent cash</b>	<b>0.175 mn</b> (0.178 mn)	<b>0.393 mn</b> (0.382 mn)	<b>5.6%pts</b> (5.5%pts)	↑

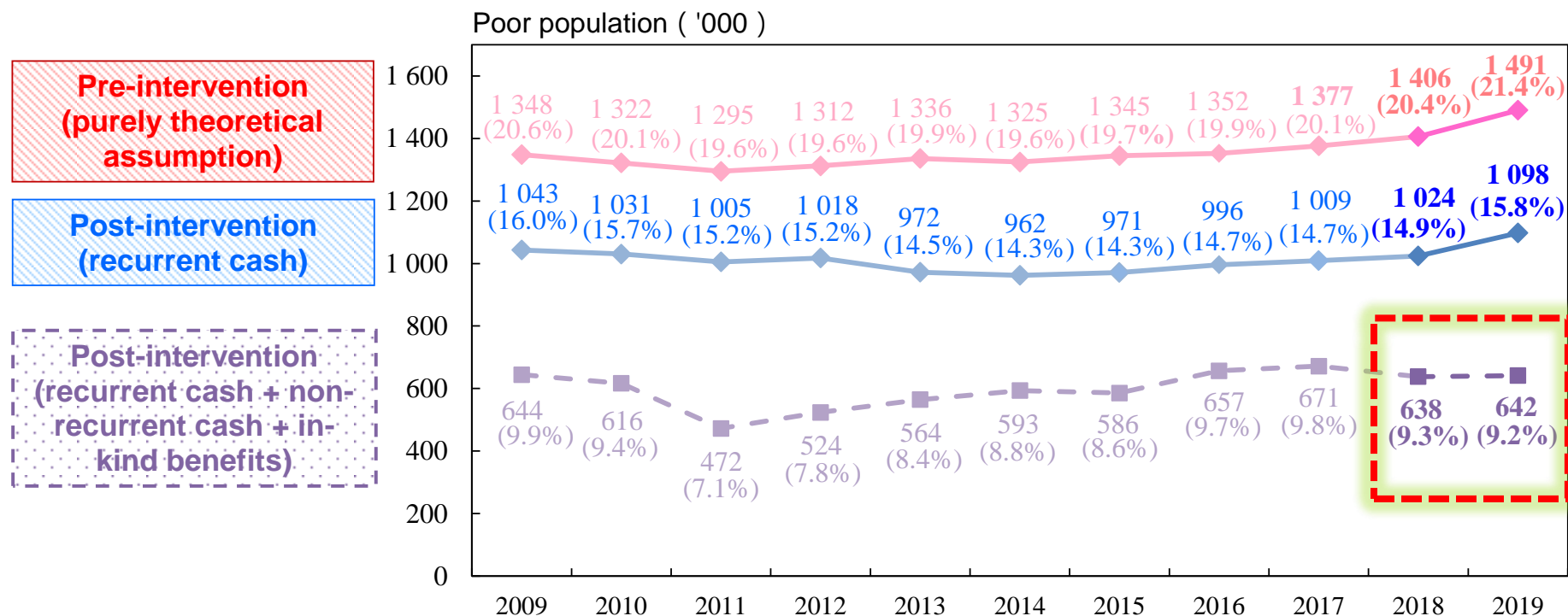
Notes:

Figures in parentheses refer to figures in 2018.

**Recurrent cash measures** include CSSA/SSA, WFA, etc.; **non-recurrent cash measures** include tax reduction and rates concessions, Caring and Sharing Scheme, offering an additional two-month payment of social security allowance, etc.; **means-tested in-kind benefits** include PRH, Kindergarten and Child Care Centre Fee Remission Scheme, etc.

# The movement of poverty rate taking into account all selected measures would be more affected by the Government's one-off measures

## Poor population and poverty rate taking into account all selected measures, 2009-2019



Poor households ('000)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pre-intervention (purely theoretical assumption)	541	536	530	541	555	555	570	582	594	613	649
Post-intervention (recurrent cash)	406	405	399	403	385	383	392	412	420	435	474
Post-intervention (recurrent cash+non-recurrent cash+in-kind benefits)	253	246	194	216	233	250	250	284	287	276	287

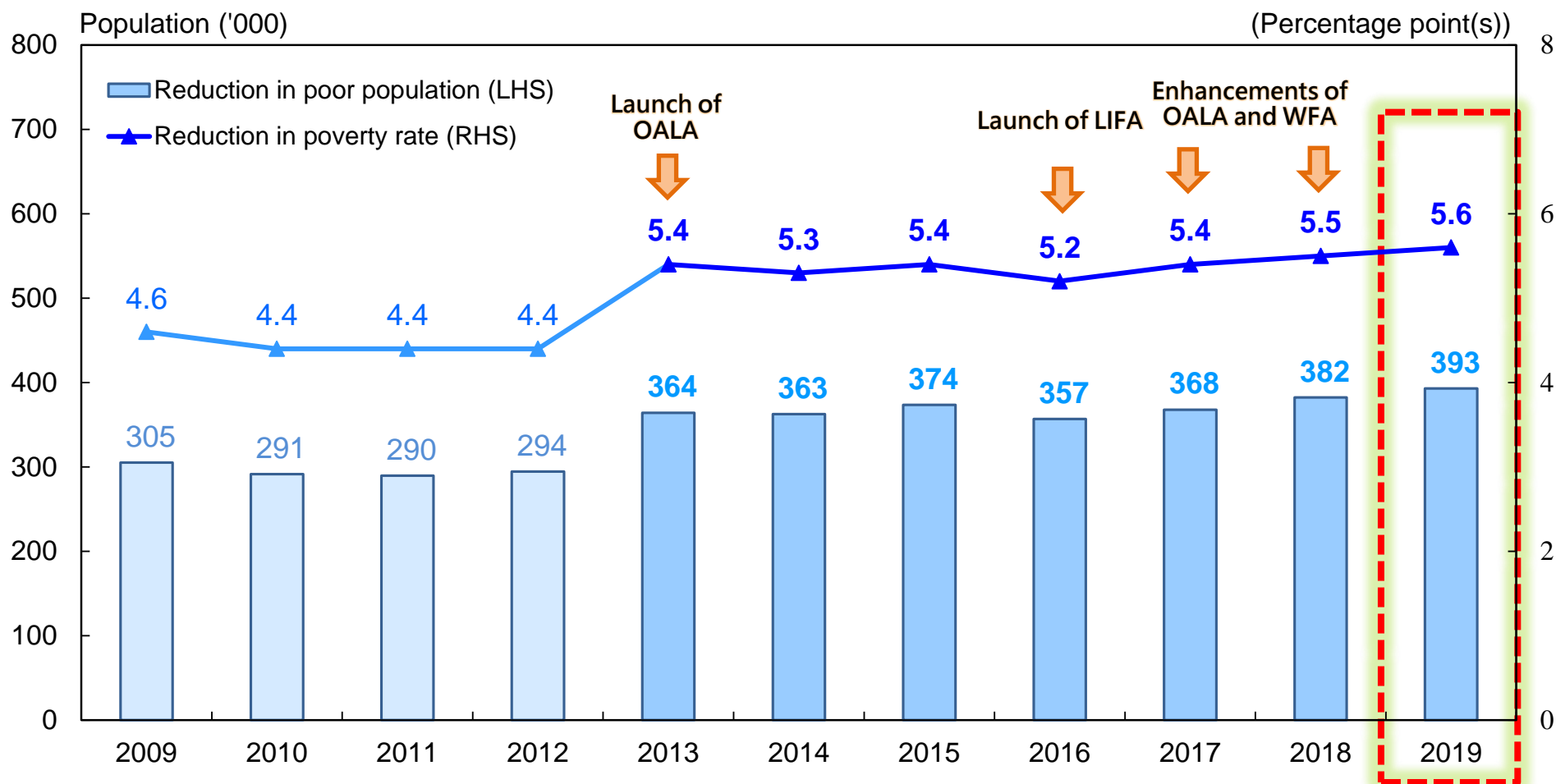
Note: ( ) Figures in parentheses refer to the corresponding poverty rates.

Source: General Households Survey, Census and Statistics Department.

For further supplementary poverty statistics taking into account non-recurrent cash and/ or in-kind benefits, please see pages 33 to 36

Under the main analytical framework, the poverty alleviation effectiveness of recurrent cash measures improved for the third consecutive year, and was a record high since the release of poverty statistics: in 2019, 0.39 million persons were lifted out of poverty. The poverty rate was lowered by 5.6 percentage points, 0.1 percentage point (or 1.0 percentage point) higher than that in 2018 (a decade ago)

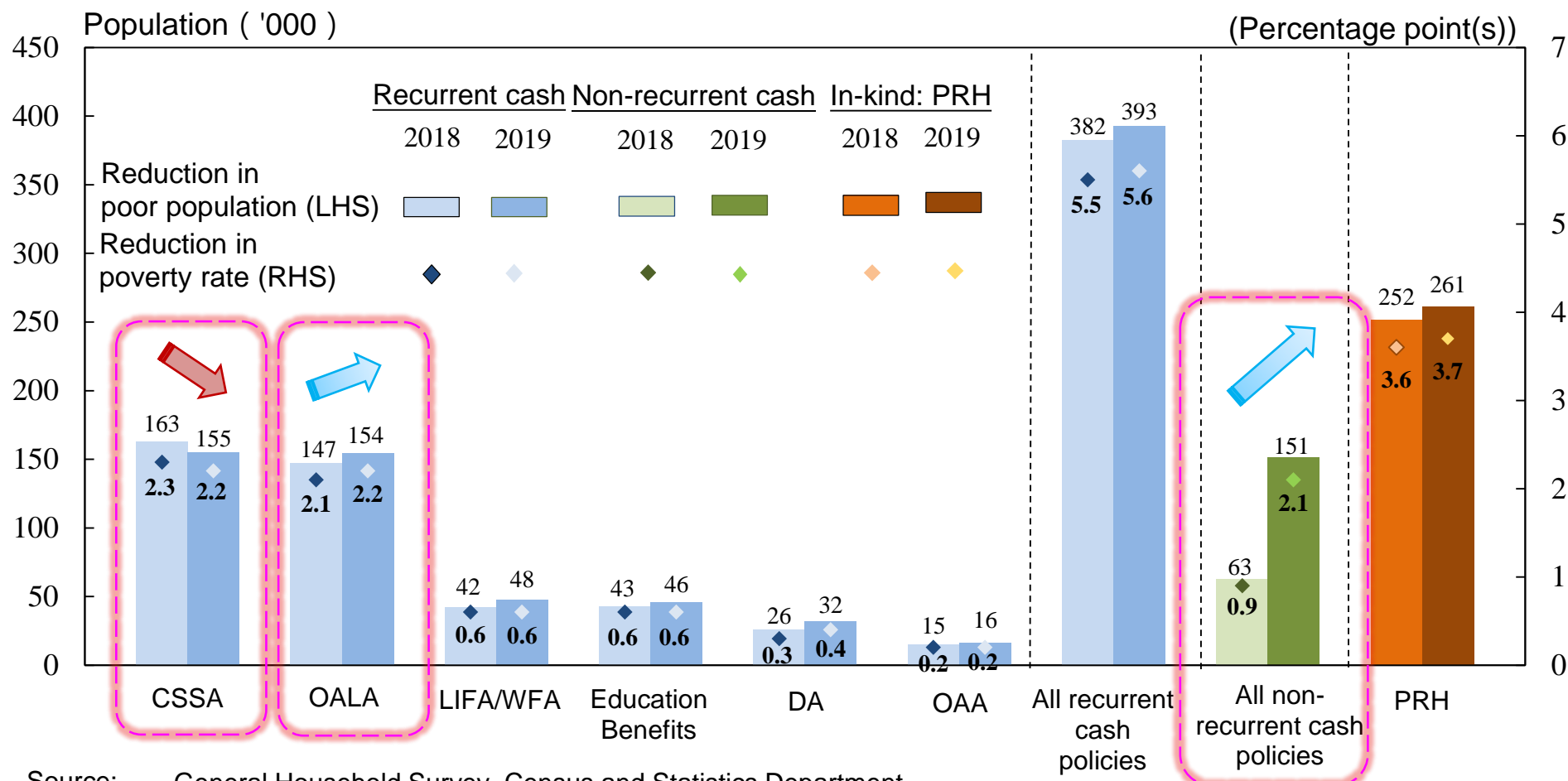
## Effectiveness of recurrent cash benefits in poverty alleviation, 2009-2019



Source: General Household Survey, Census and Statistics Department.

Among recurrent cash measures, the poverty alleviation effectiveness of OALA strengthened somewhat, while that of CSSA weakened further amid a persistent decline in CSSA caseload. Meanwhile, the poverty alleviation impact of non-recurrent cash policies increased notably from only 0.9 percentage point in 2018 to 2.1 percentage points in 2019, mainly due to the one-off Caring and Sharing Scheme and the offering of an additional two-month payment of social security allowance / WFA / WITS

### Effectiveness of selected recurrent cash measures, non-recurrent cash measures and PRH provision in poverty alleviation, 2018-2019





**Increases in poverty rates (only taking into account recurrent cash intervention) were observed in all age groups and a majority of selected socio-economic groups: this largely reflected the adverse impact of the worsened macroeconomic and employment conditions on household income of the grassroots and hence their livelihood**

	Poverty rate (after recurrent cash intervention, %)		Annual change 2019 over 2018 (%pt(s))
	2018	2019	
<b>Overall</b>	<b>14.9</b>	<b>15.8</b>	<b>+0.9</b>
Children aged below 18	16.8	17.8	+1.0
Persons aged 18 to 64	10.5	11.2	+0.7
Elders aged 65 and above	30.9	32.0	+1.1
<b>Economic groups</b>			
Working households	8.0	8.4	+0.4
Unemployed households	70.5	70.8	+0.3
Economically inactive households	59.8	61.9	+2.1
<b>Social groups</b>			
CSSA households	45.9	48.0	+2.1
Elderly households	48.9	50.6	+1.7
Single-parent households	35.0	34.9	-0.1
Youth households	7.9	5.5	-2.4
Households with child(ren)	15.1	16.1	+1.0
New-arrival households	27.5	26.8	-0.7

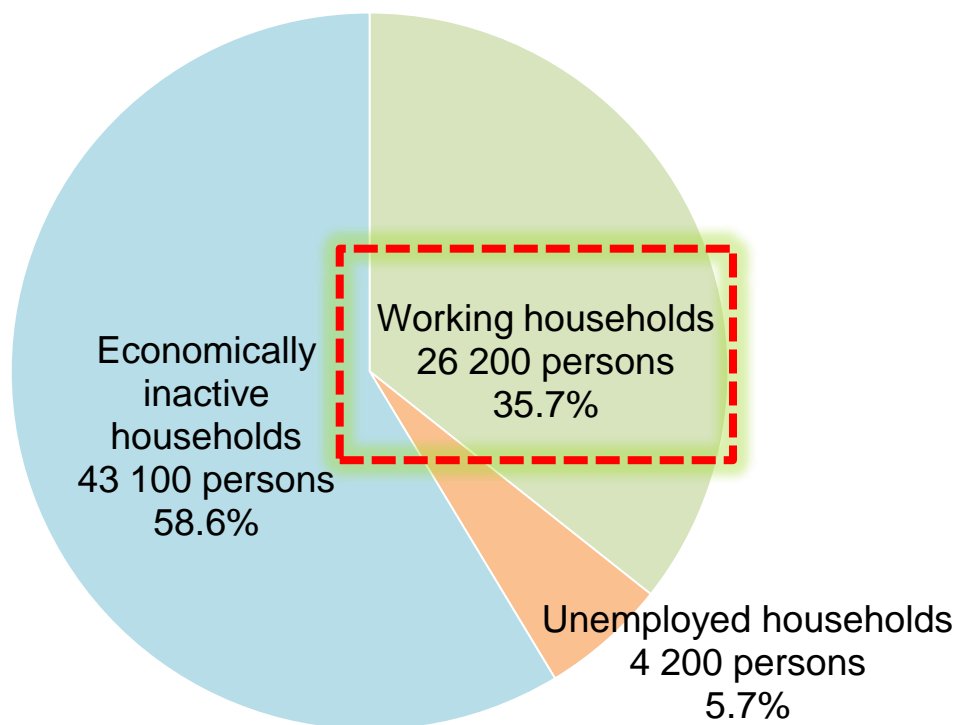
Source: General Household Survey, Census and Statistics Department.

**For further analyses on the poverty situations of selected groups, please see pages 38 to 50**

### **III. Situation of the working poor in 2019**

# In 2019, over 35% of the increase in poor population were from working households...

Increase in poor population by economic characteristic of households, 2019

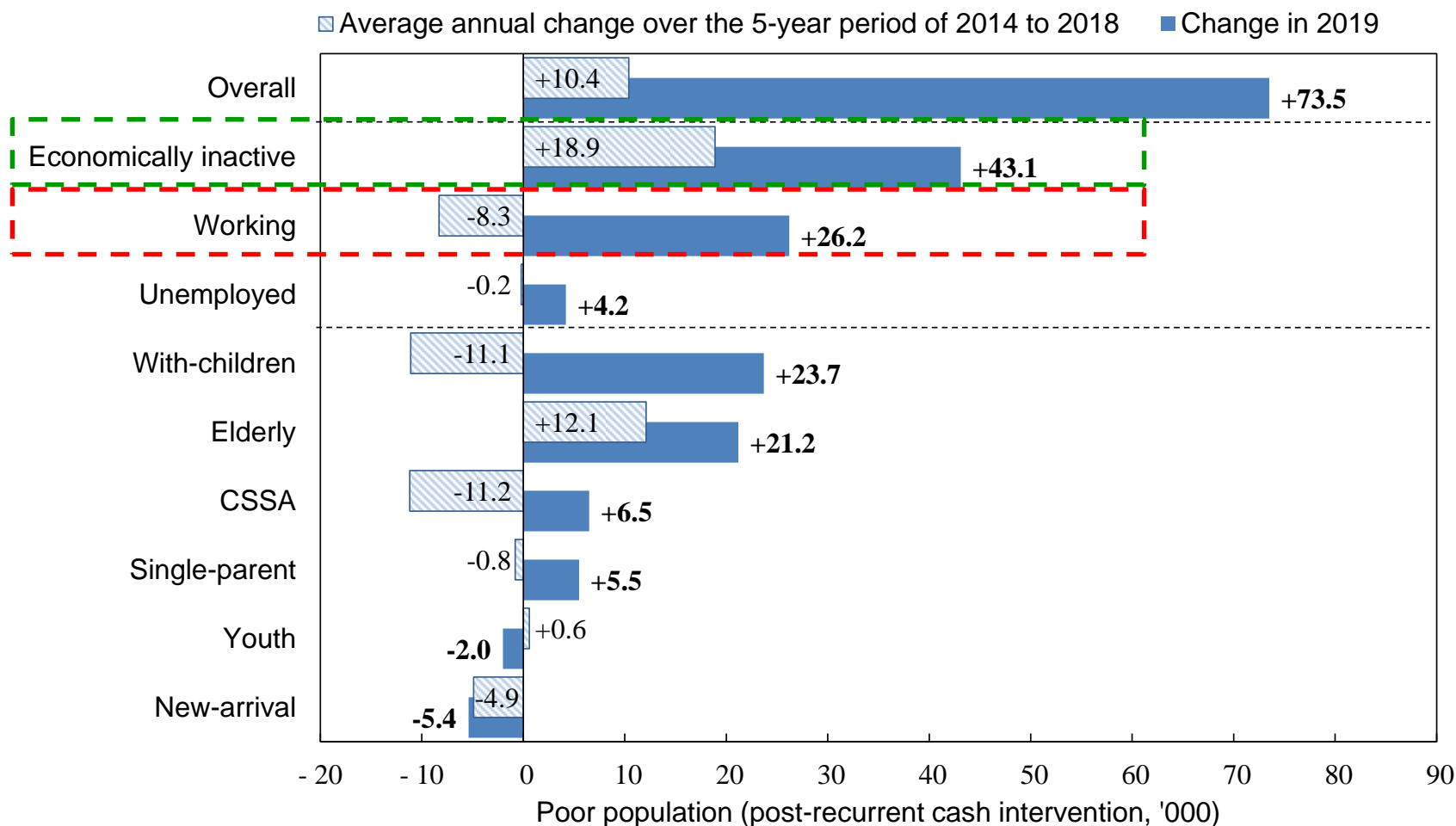


**Increase in poor population: 73 500 persons**

Note: Poverty statistics refer to statistics after recurrent cash policy intervention.  
Source: General Household Survey, Census and Statistics Department.

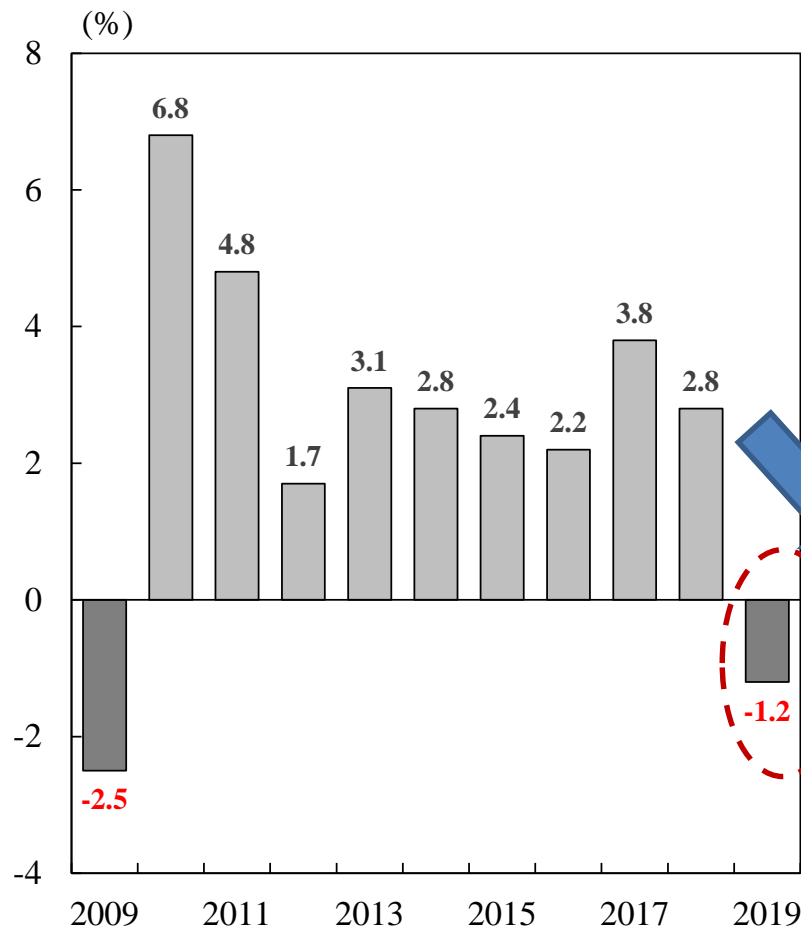
...which was different from the situation in the past few years, when the increase was mainly contributed by economically inactive households while the size of the poor population from working households declined

## Changes in the size of the post-intervention (recurrent cash) poor population by selected socio-economic group

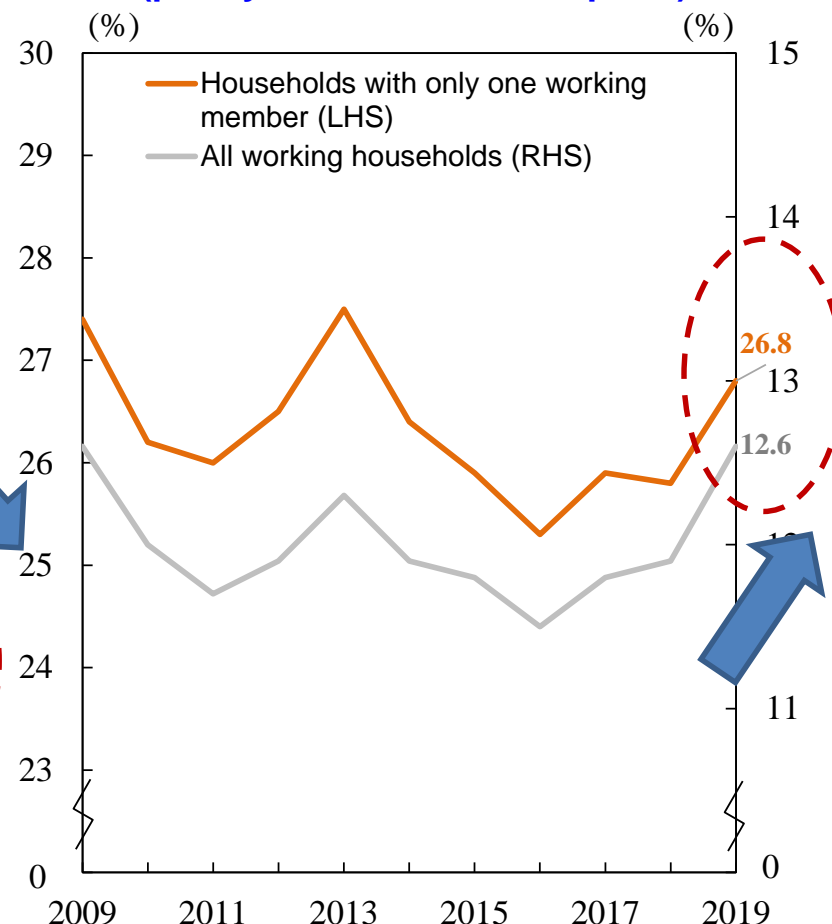


In fact, the poverty situation of working households was more sensitive to economic vicissitudes: with the local economy in 2019 falling into the first recession since 2009, the poverty rate of working households also saw notable increases in tandem

(a) Economic growth



(b) Pre-intervention poverty rate (purely theoretical assumption)

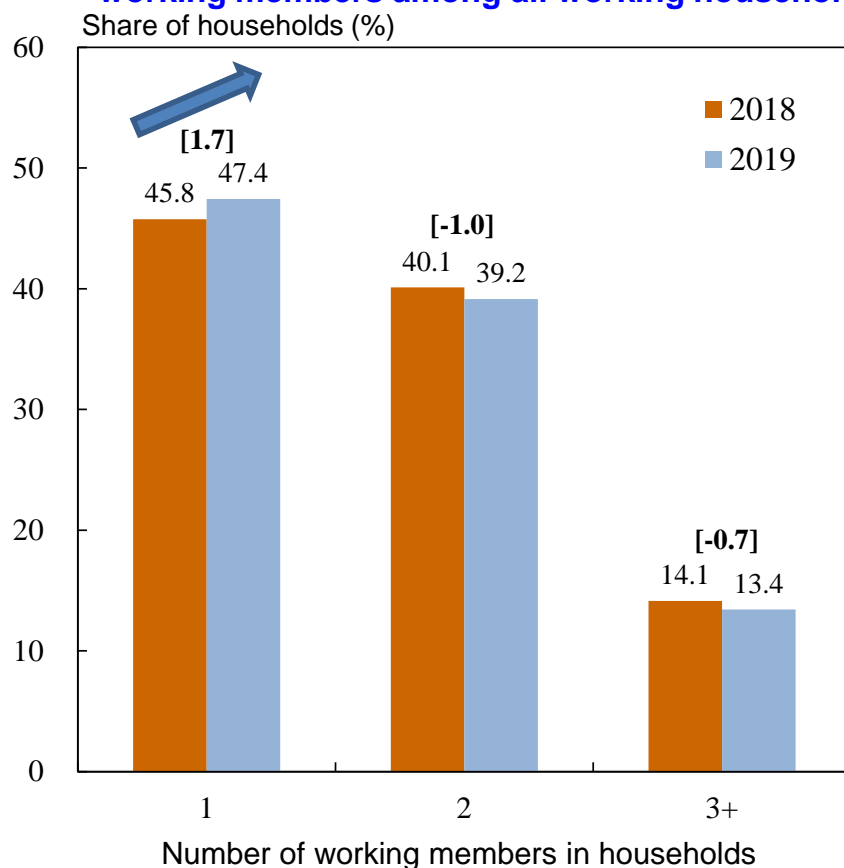


Note: In order to provide a more accurate analysis of the impacts of economic cycles on the poverty situation of working households, poverty statistics of pre-intervention (purely hypothetical assumption) are used in this slide, so as to net out the effect of the Government's policy intervention.

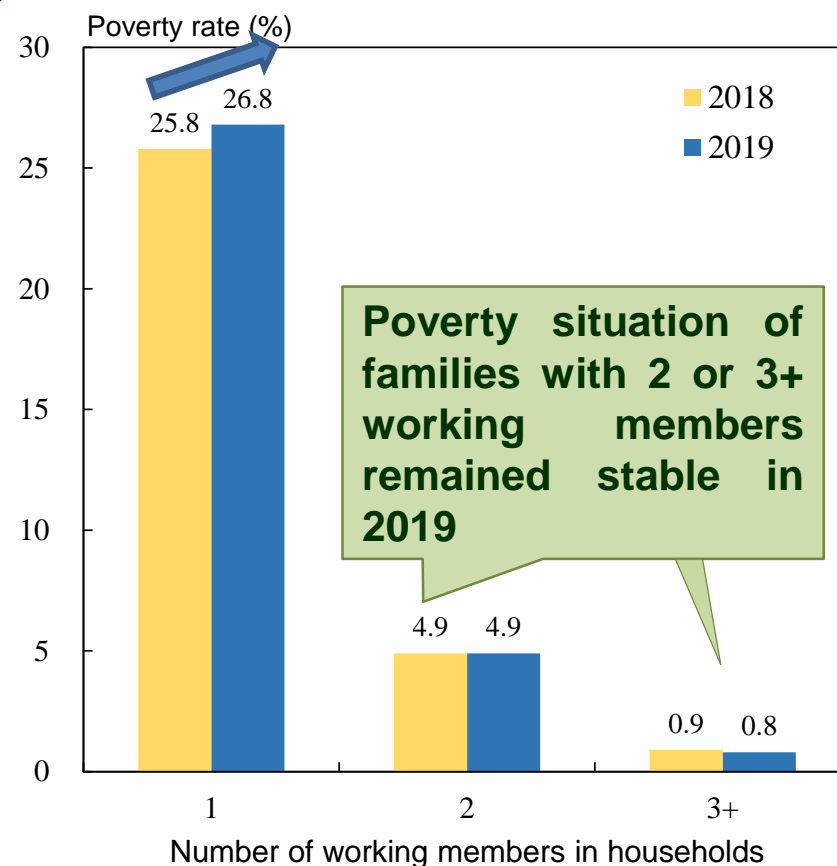
Sources: Quarterly Report on Gross Domestic Product and General Household Survey, Census and Statistics Department.

The increase in the proportion of working households with only one working member was in line with the fall in total employment for 2019 as a whole. Families suffering any loss in number of working members (with some even left with only one breadwinner) would immediately face heavier burden of supporting dependants and higher poverty risks

(a) The proportion of households with each number of working members among all working households



(b) Poverty rate by number of working members in households

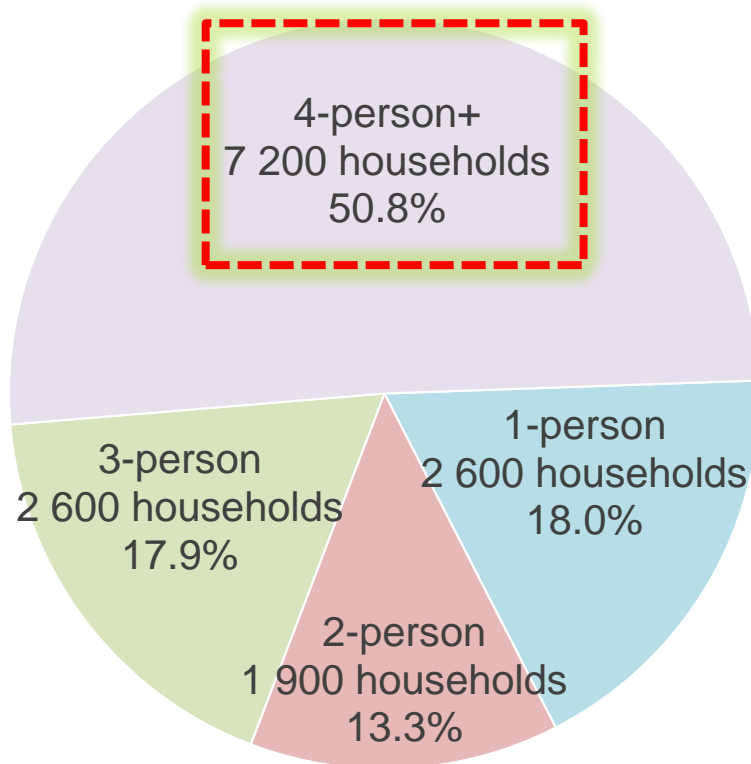


Notes: [ ] The change in share of households in percentage point(s) are included in square brackets, calculated using unrounded figures. In order to provide a more accurate analysis of the impacts of economic cycles on the poverty situation of working households, poverty statistics of pre-intervention (purely theoretical assumption) are used in this slide, so as to net out the effect of the Government's policy intervention.

Source: General Household Survey, Census and Statistics Department.

**Over half of the increase in pre-intervention (purely theoretical assumption) working poor households were those with four persons and above, most of them being with-children households. This partly explains the concurrent deterioration in situations of the working poor and child poverty in 2019**

### **Increase in working poor households by household size, 2019**

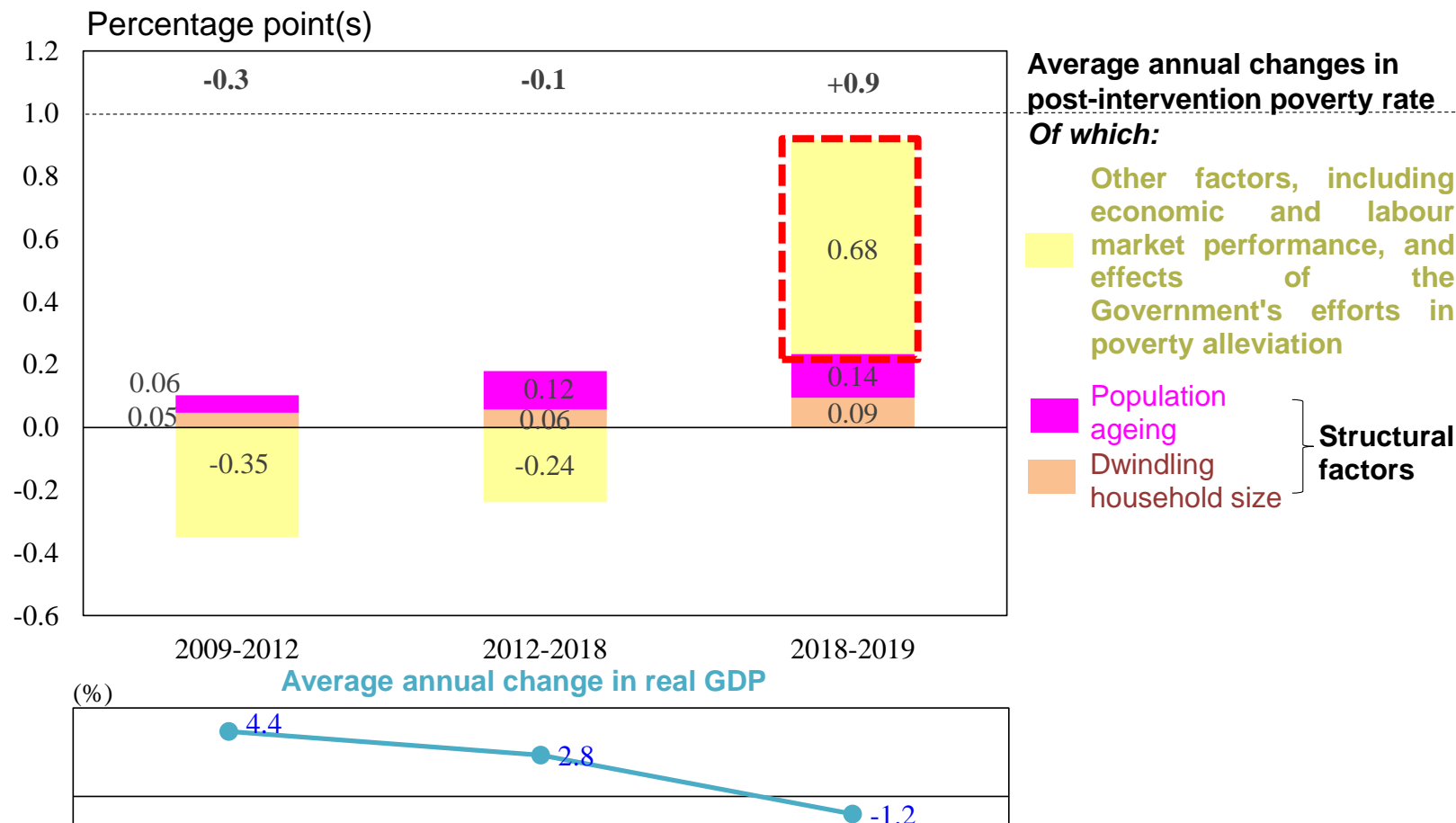


**Increase in working poor households: 14 300 households**

Note: Poverty statistics refer to statistics before policy intervention (purely theoretical assumption).

Source: General Household Survey, Census and Statistics Department.

In sum, economic recession is one of the main reasons for the visible increase in the post-recurrent cash intervention poverty rate in 2019. Structural factors such as population ageing also exert continuous upward pressures



Notes: Average annual changes in the poverty rate were computed based on rounded figures, while those for individual factors in the decomposition of the poverty rate were computed based on unrounded figures. The sum of the latter may thus differ slightly from the total.

Poverty statistics refer to statistics after recurrent cash policy intervention.

Sources: General Household Survey and Quarterly Report on Gross Domestic Product, Census and Statistics Department.



## IV. Key observations

1. **While the economy fell into recession in 2019, the overall poverty situation did remain broadly stable after taking the all-round effects of all selected measures into account**
  - Taking into account the holistic effect from **non-recurrent cash and in-kind measures (e.g. PRH)**, the poverty rate edged down by 0.1 percentage point in 2019, suggesting that these measures as a whole did help relieve the impact of economic recession on poor families.
2. **However, due to the limitations of the poverty line framework, the post-recurrent cash intervention poverty figures adopted in the main analysis saw notable worsening**
  - Though the poverty alleviation effectiveness of recurrent cash measures improved for the third consecutive year and was a record high since the **compilation of poverty statistics**, this could not fully offset the negative impacts from economic recession, the social and demographic structural changes.
  - The post-recurrent cash intervention poverty situation worsened in a majority of groups classified under different attributes. **The worsening of working poor situation clearly demonstrated the notable impact of economic factors on poverty, with the child poverty also seeing a deterioration in tandem.**

## IV. Outlook

- The COVID-19 pandemic has dragged both the global and Hong Kong economies into unprecedented recession in 2020 and created exceptionally high uncertainties. **The labour market situation deteriorated notably, and in turn impacted further on the livelihood of grassroots workers and their family members.**
- The Government has rolled out a series of support measures in order to provide multi-faceted support for the needy to weather the impacts of the recession and the pandemic. **Major measures included:**
  - **\$120 billion** worth of counter-cyclical measures rolled out in the *2020/21 Budget* (e.g. \$10,000 Cash Payout Scheme);
  - Total **\$162.3 billion** in Anti-epidemic Fund
- **Constrained by the limitation that the “Poverty Line” framework only takes recurrent cash measures into account**, the impact of the above measures could not be completely reflected in the main poverty statistics, notwithstanding their massive scales and their effects on supporting Hong Kong’s economy and relieving people’s financial pressures.
- Furthermore, the Chief Executive proposed in her *2020 Policy Address* that a trial scheme will be implemented in mid-2021 to provide cash allowance for around 90 000 eligible households which have been waiting for PRH for more than three years, and that the Government is committed to providing 15 000 units of transitional housing in the coming three years. The majority of these measures, due to the same limitation, will also not be technically reflected in the poverty statistics under the main analytical framework.

# **Main Analysis of the Poverty Situation in 2019 – Supplementary Information**

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Office of the Government Economist | Census and Statistics  
Financial Secretary's Office | Department

## **Supplementary information - Outline**

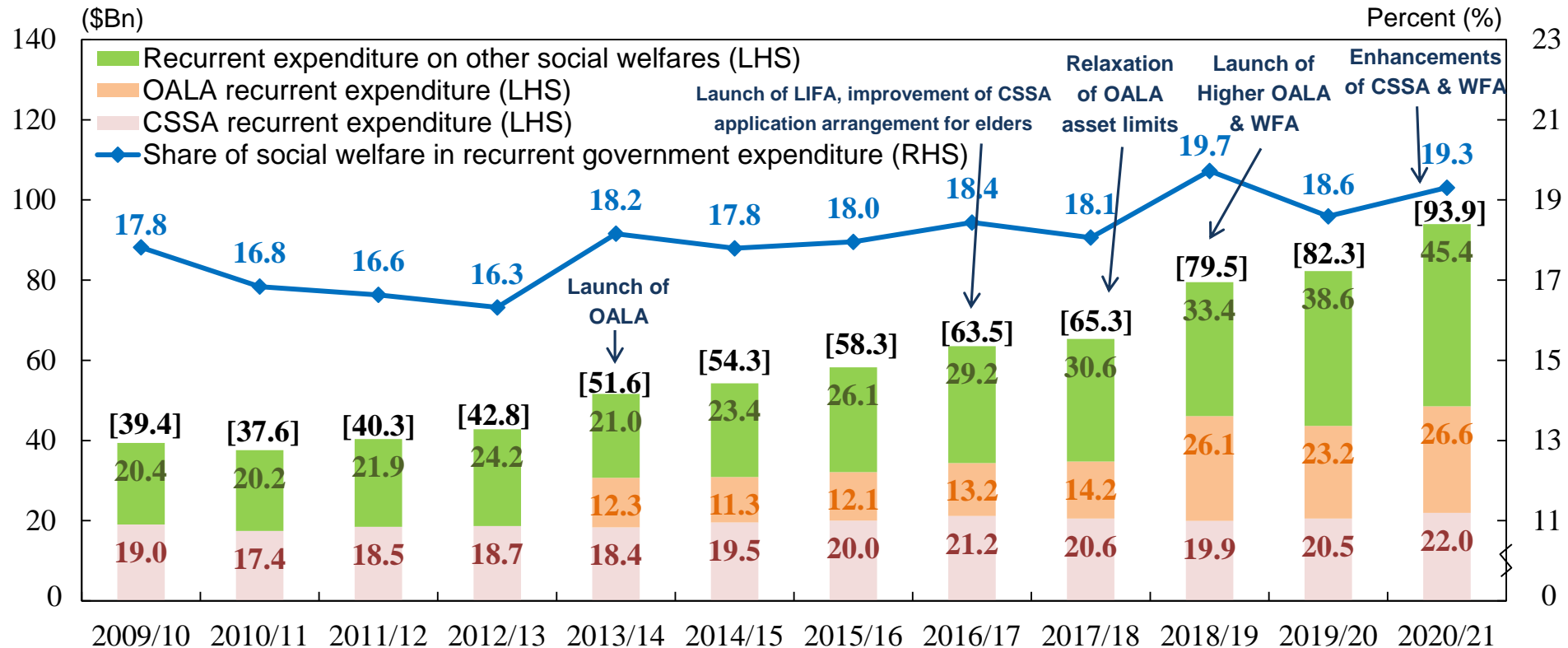
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- (i) Recurrent government expenditure on social welfare and measures not covered in the main analytical framework**
- (ii) Further supplementary poverty statistics taking into account non-recurrent cash and/ or in-kind benefits**
- (iii) Further analyses on the poverty situations of selected groups**

**(i) Recurrent government expenditure on social welfare and measures not covered in the main analytical framework**

# The Government has been allocating more resources to improve people's livelihood

## Recurrent government expenditure on social welfare, 2009/10-2020/21\*



Notes : (\*) Figures for 2018/19 and before are actual figures. Those for 2019/20 and 2020/21 are revised estimates and estimates respectively.  
 [ ] Figures in square brackets denote total recurrent expenditure on social welfare.  
 Sum of individual items may not add up to total due to rounding.

Source: Financial Services and the Treasury Bureau.

# The poverty line is an effective analytical tool, though with some limitations

- Currently, **the main analytical framework only takes into account the poverty alleviation effects of recurrent cash policies**, and does not reflect the effects of other policies, such as one-off relief measures, PRH benefits, and universal in-kind benefits (e.g. Elderly Health Care Voucher and \$2 Public Transport Fare Concession)

**Poverty alleviation impact of some measures are presented as supplementary information for reference only, not reflected in the main poverty statistics**

**Non-recurrent cash**

\$10,000 Cash Payout Scheme

Caring and Sharing Scheme (\$4,000 Scheme)

**Community Care Fund (CCF)** — Increasing the academic expenses grant under the Financial Assistance Scheme for Post-secondary Students

Extra allowance to recipients of social security payments

Reducing salaries tax and tax under personal assessment; waiving rates

...

**Means-tested in-kind benefits**

Public rental housing (PRH)

School-based After-school Learning and Support Programmes

Free Lunch at Schools

...

**CCF —**  
Elderly Dental Assistance Programme

**Non-means-tested universal in-kind benefits are not covered in the poverty line analytical framework**

Elderly Health Care Voucher

\$2 Public Transport Fare Concession

Kindergarten Education Scheme

After-school child care services

Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong

Study Subsidy Scheme for Designated Professions/Sectors

Residential and Community Care Services for the Elderly

Free for primary and secondary education and funding for higher education

Public healthcare services

...

**(ii) Further supplementary poverty statistics  
taking into account non-recurrent cash  
and/ or in-kind benefits**



**The poverty rate taking into account all selected measures was 9.2% in 2019, 0.1 percentage point lower than that in 2018**

**Poor households, poor population and poverty rates taking into account recurrent, non-recurrent and/or in-kind measures, 2019**

	Poor households	Poor population	Poverty rate
Post-intervention (recurrent + non-recurrent cash + in-kind benefits)	0.287 mn (0.276 mn)	0.642 mn (0.638 mn)	9.2% (9.3%)
Post-intervention (recurrent cash)	0.474 mn (0.435 mn)	1.098 mn (1.024 mn)	15.8% (14.9%)
Pre-intervention (purely theoretical assumption)	0.649 mn (0.613 mn)	1.491 mn (1.406 mn)	21.4% (20.4%)
Post-intervention (recurrent cash + non-recurrent cash)	0.399 mn (0.385 mn)	0.910 mn (0.913 mn)	13.1% (13.3%)
Post-intervention (recurrent cash + in-kind benefits)	0.340 mn (0.316 mn)	0.778 mn (0.730 mn)	11.2% (10.6%)

Note: ( ) Figures in parentheses refer to corresponding figures for 2018.

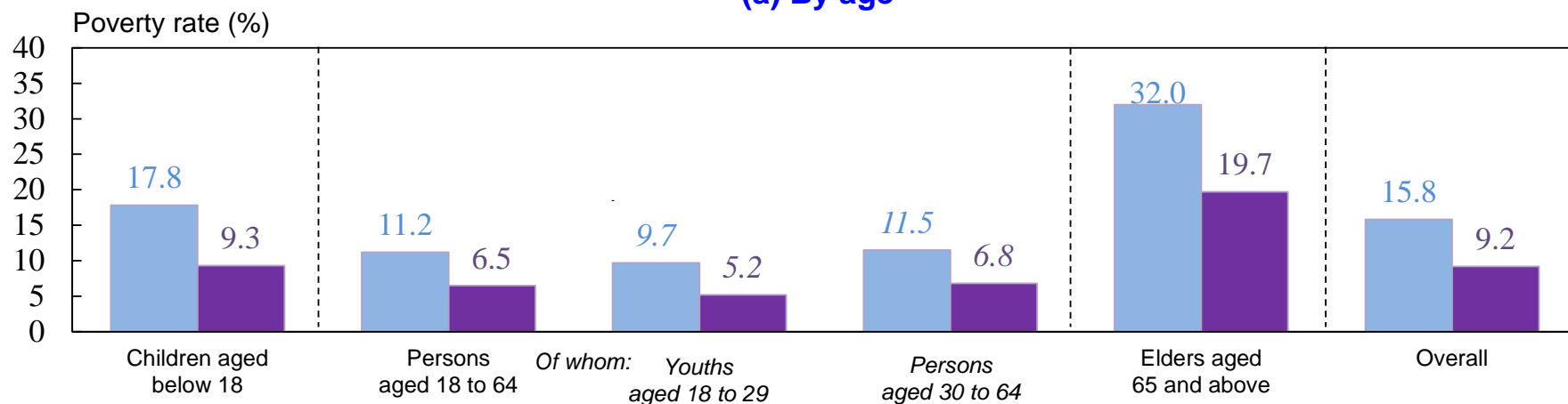
Source: General Household Survey, Census and Statistics Department.

# The poverty rates improved further across all selected age and socio-economic groups after intervention of all selected measures

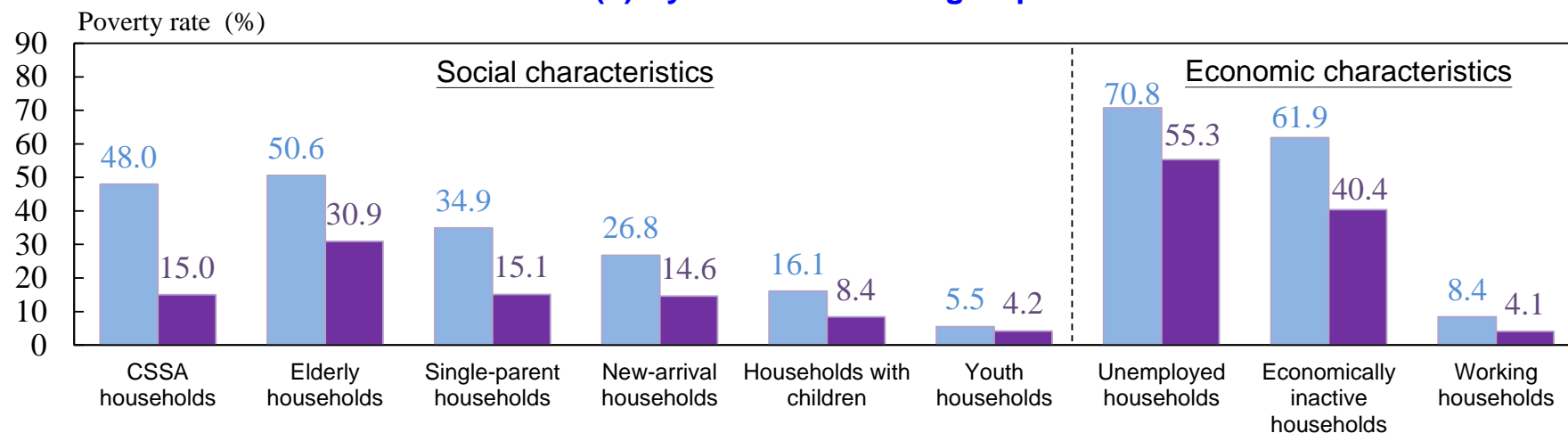
## Poverty rate after policy intervention (recurrent cash and all selected measures) by selected group, 2019

■ Recurrent cash ■ All selected measures

### (a) By age



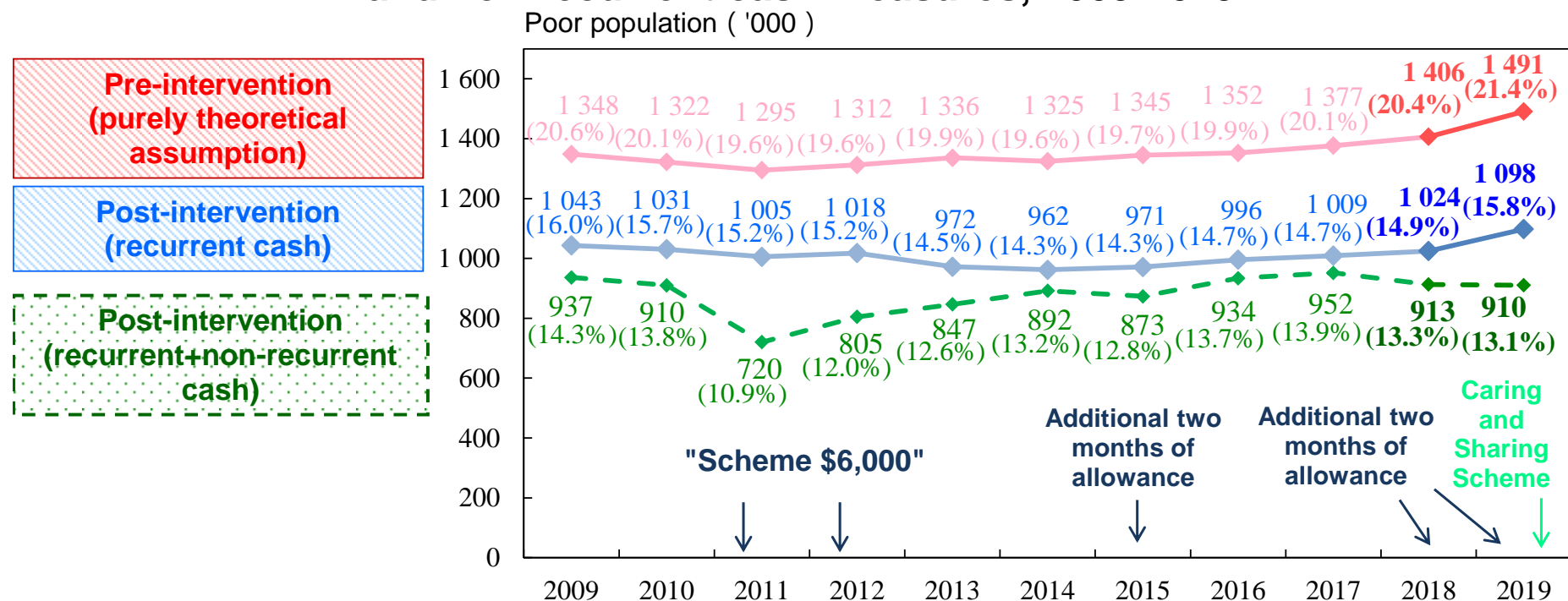
### (b) By socio-economic group



Source : General Household Survey, Census and Statistics Department.

**The poverty alleviation impact of non-recurrent cash benefits was visible: the impact was far higher than that in 2018, mainly attributable to the Caring and Sharing Scheme that handed out a maximum of \$4,000. Hence, the poverty rate fell from 13.3% in 2018 to 13.1% in 2019**

## Poor population and poverty rate after taking into account recurrent cash and non-recurrent cash measures, 2009-2019



Poor households ( '000 )	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pre-intervention (purely theoretical assumption)	541	536	530	541	555	555	570	582	594	613	649
Post-intervention (recurrent cash)	406	405	399	403	385	383	392	412	420	435	474
Post-intervention (recurrent + non-recurrent cash)	361	354	281	312	333	355	354	387	397	385	399

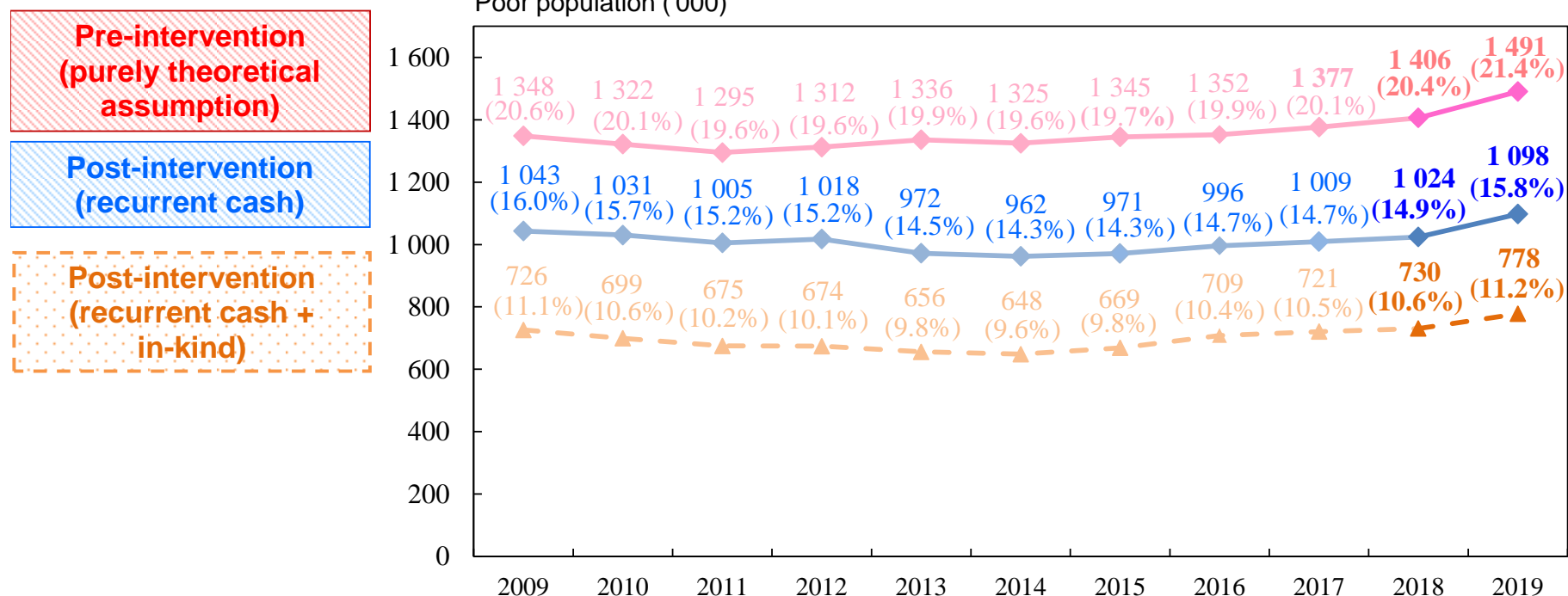
Notes: ( ) Figures in parentheses denote the corresponding poverty rates.

**Non-recurrent cash measures** include salaries tax reduction and rates concession, Caring and Sharing Scheme, offering an additional two months of social security allowance / WFA / WITS, electricity charges subsidy, cash measures under the Community Care Fund, etc.

Source: General Household Survey, Census and Statistics Department.

**The poverty alleviation impact of in-kind benefits was higher than that in 2018:** some additional 0.32 million persons were lifted out of poverty, with the poverty rate narrowed by 4.6 percentage points to 11.2%. The reduction in poverty rate was 0.3 percentage point higher than that in 2018

## Poor population and poverty rate after taking into account recurrent cash and in-kind benefits, 2009-2019



Poor households ('000)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pre-intervention (purely theoretical assumption)	541	536	530	541	555	555	570	582	594	613	649
Post-intervention (recurrent cash)	406	405	399	403	385	383	392	412	420	435	474
Post-intervention (recurrent cash + in-kind)	284	278	271	272	269	271	281	304	308	316	340

Notes: ( ) Figures in parentheses refer to the corresponding poverty rates.

**Means-tested in-kind benefits** include PRH, Free Lunch at Schools, School-based After-school Learning and Support Programmes, Kindergarten and Child Care Centre Fee Remission Scheme, Elderly Dental Assistance Programme under the Community Care Fund, etc.

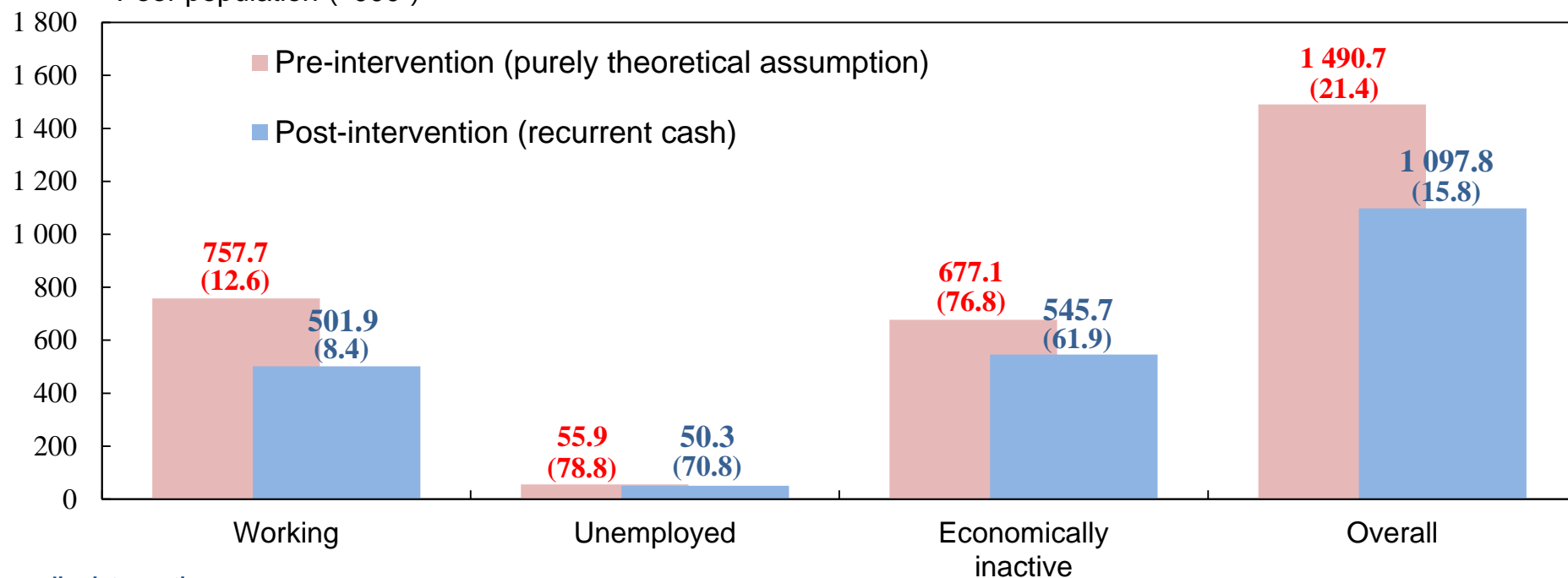
Source: General Households Survey, Census and Statistics Department.

**(iii) Further analyses on the poverty situations of selected groups**

**Analysed by economic characteristic:** amid a notably weakened labour market, the poverty rate of working households increased by 0.4 percentage point to 8.4%, a new high in recent years. As for economically inactive households, the poverty rate also rose notably by 2.1 percentage points to 61.9%. Besides the ageing trend, conceivably some persons might also choose to leave the labour market alongside persistently subdued economic conditions, resulting in an increase in the number of poor economically inactive households and size of population therein

## Poor population and poverty rate by economic characteristic, 2019

Poor population ( '000 )



After policy intervention:  
Changes compared to 2018

Poor population ('000)	+26.2	+4.2	+43.1	+73.5
Poverty rate (% point(s))	+0.4	+0.3	+2.1	+0.9

Note: ( )

Figures in parentheses refer to the corresponding poverty rates.

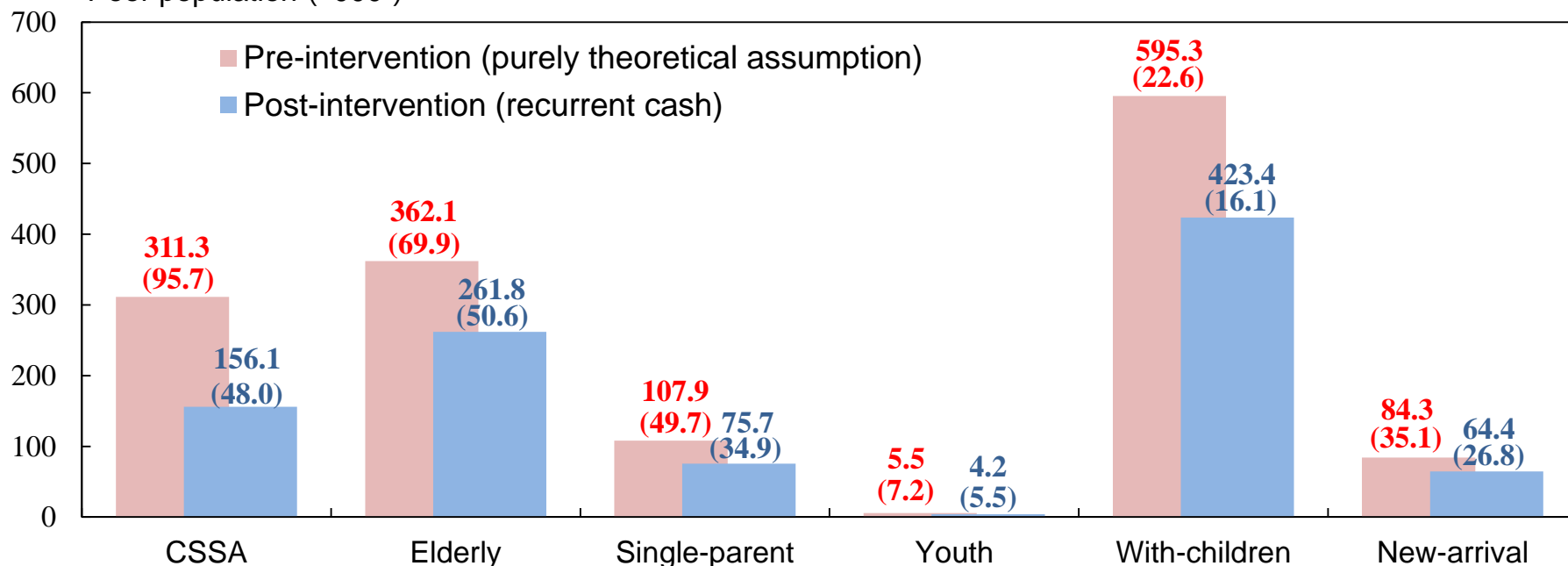
Source:

General Household Survey, Census and Statistics Department.

**Analysed by social characteristic:** the poverty rates of some social groups (CSSA, elderly and with-children households) went up; while those of single-parent households and new-arrival households registered declines, largely reflecting the strengthened poverty alleviation effect of recurrent cash measures on these groups. The rise in proportion of working members within youth households might have contributed to its decline in poverty rate

### Poor population and poverty rate by social characteristic, 2019

Poor population ( '000 )



After policy intervention:

Changes compared to 2018

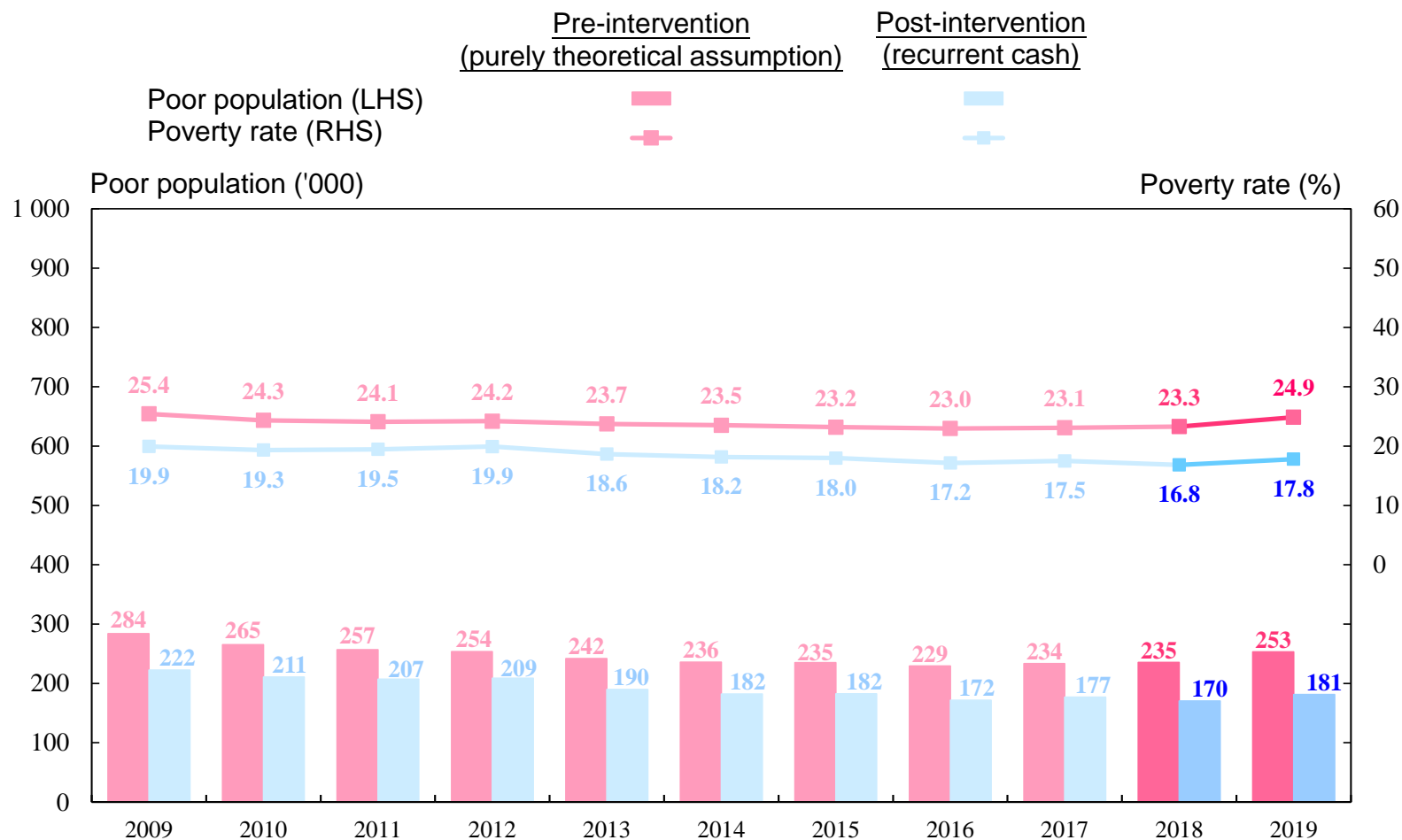
Poor population ('000)	+6.5	+21.2	+5.5	-2.0	+23.7	-5.4
Poverty rate (% point(s))	+2.1	+1.7	-0.1	-2.4	+1.0	-0.7

Note: ( ) Figures in parentheses refer to the corresponding poverty rates.

Source: General Household Survey, Census and Statistics Department.

**In 2019, the child poverty rate rebounded by 1.0 percentage point to 17.8%, the highest level since 2015. Most of the increase in poor children were from larger working families. Conceivably, this was closely related to the significant increase in number of working poor households amid worsened employment conditions**

### Poor population and poverty rate of children, 2009-2019

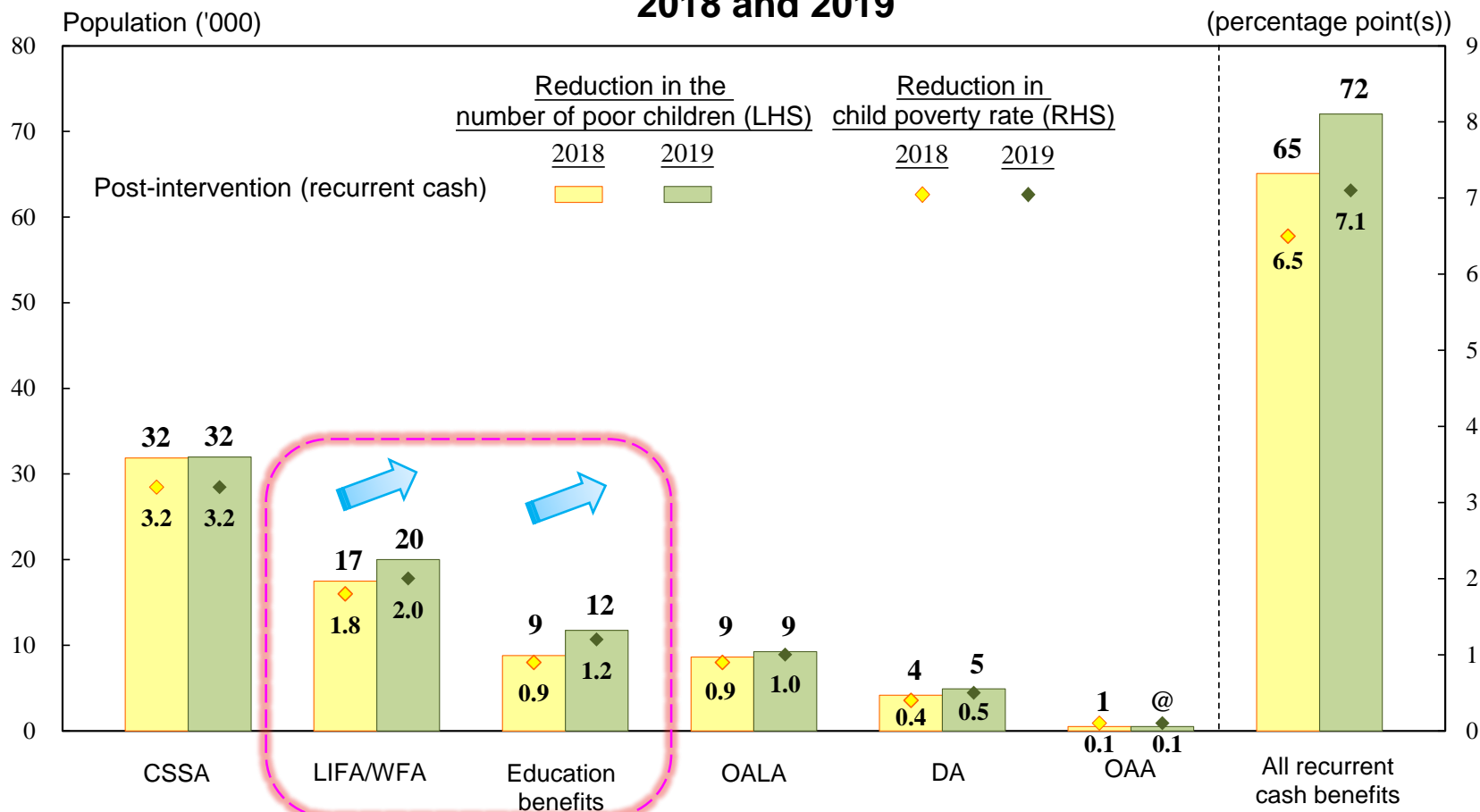


Source: General Household Survey, Census and Statistics Department.



**The poverty alleviation impact on children increased further**, lowering the poverty rate by 7.1 percentage points in 2019, or up by 0.6 percentage point over 2018. Benefitting from the introduction of the Student Grant of \$2,500 starting from the 2019/20 school year, the impact of education benefits increased by 0.3 percentage point to 1.2 percentage points; the impact of WFA also increased by 0.2 percentage point to 2.0 percentage points

### Effectiveness of selected recurrent cash benefits in poverty alleviation on **children**\*, 2018 and 2019



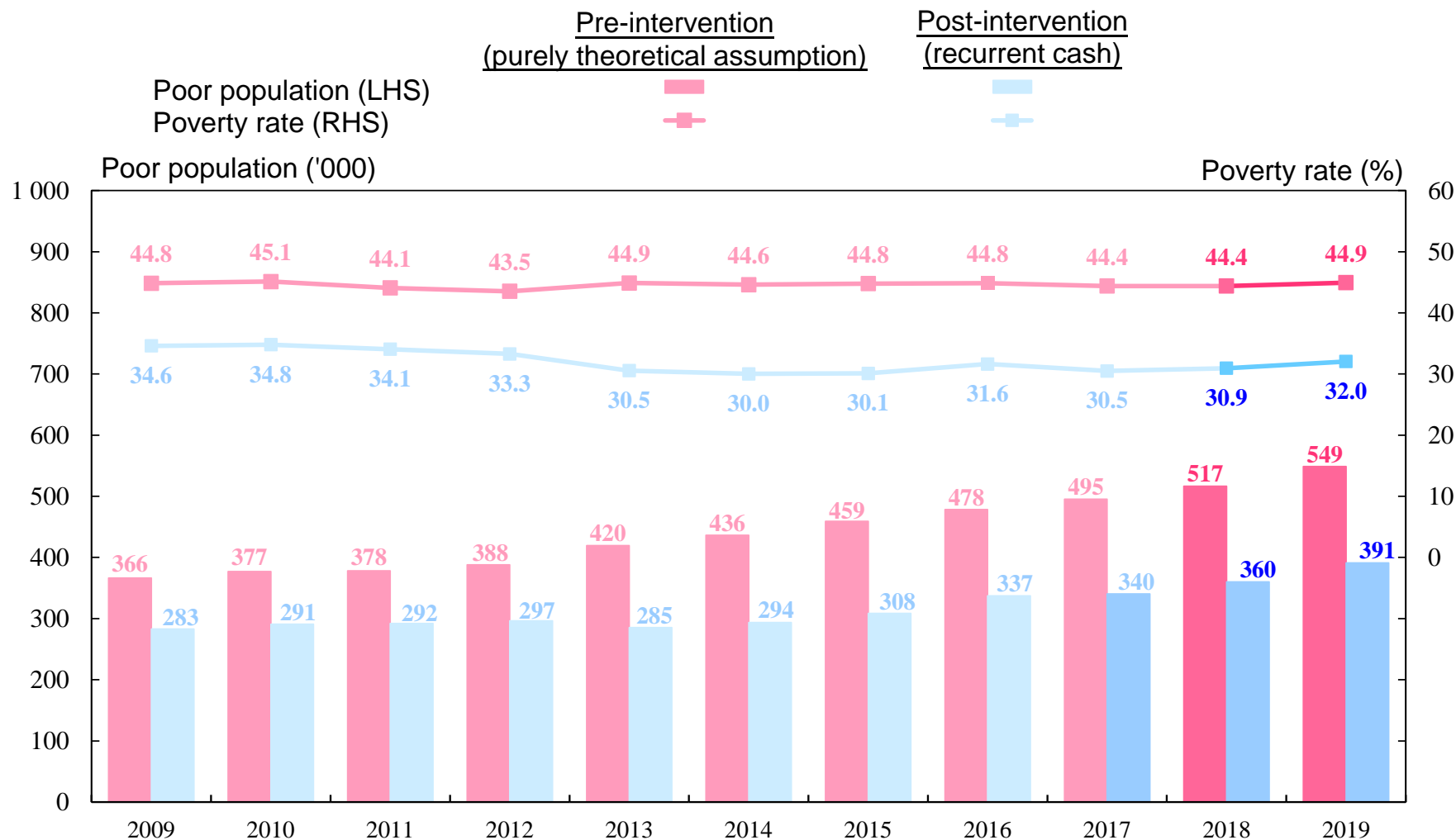
Notes: (\*) Refer to children aged below 18 in households receiving the selected recurrent cash benefit(s).

(@) Less than 500 persons.

Source: General Household Survey, Census and Statistics Department.

**The number of poor elders and the elderly poverty rate increased further:** in tandem with the sustained ageing trend that shows a growing number of retired elders, the income-based poverty indicators of the elderly have continued to face upward pressures. The overall poverty alleviation effectiveness declined slightly amid the fall in the proportion of CSSA elderly recipients

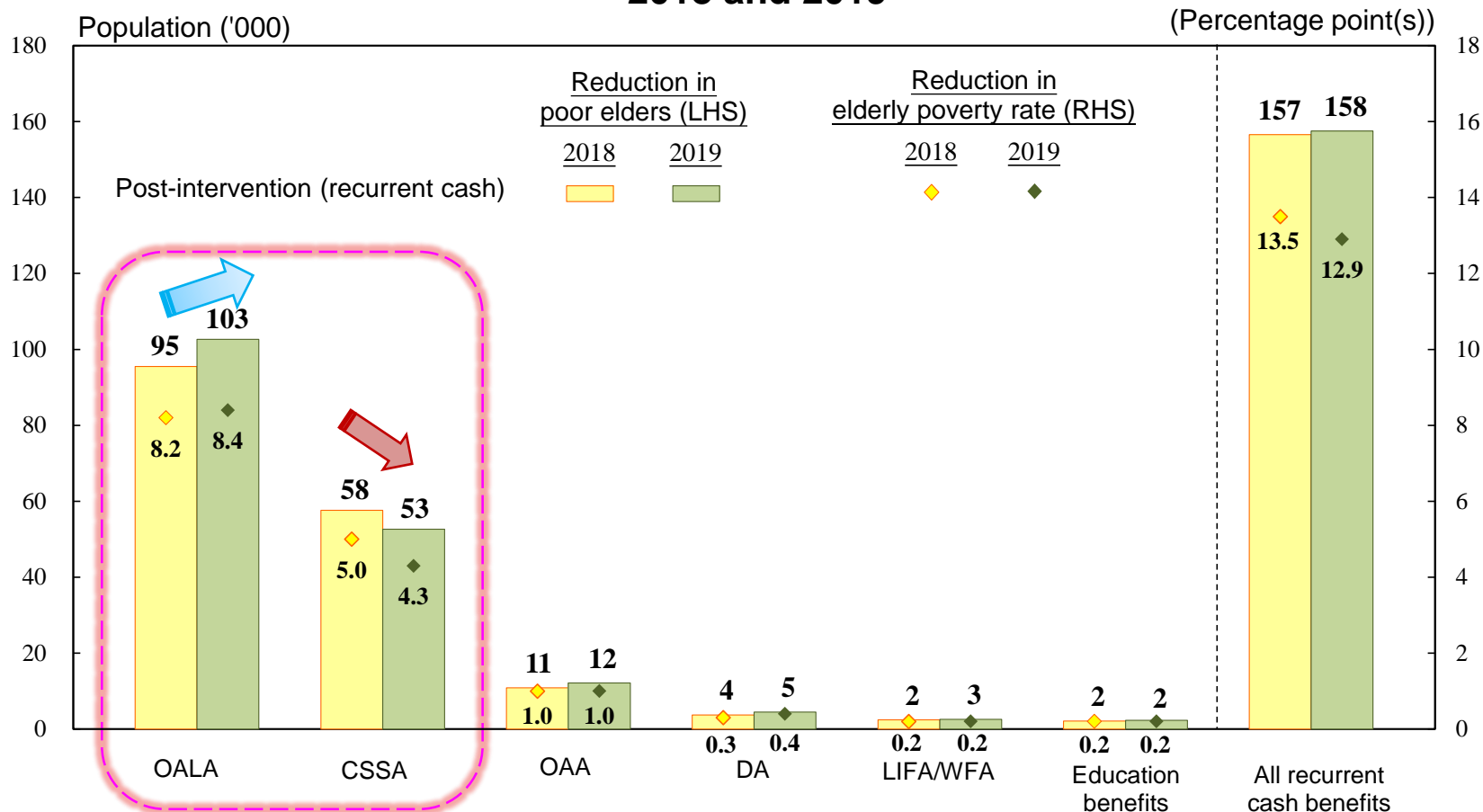
## Poor population and poverty rate of the elderly, 2009-2019



Source: General Household Survey, Census and Statistics Department.

**The poverty alleviation impact on elders under the poverty line framework was under pressure:** although OALA lifted 0.103 million elders out of poverty and reduced the elderly poverty rate by 8.4 percentage points (0.2 percentage point higher than that in 2018), the improvement was offset by the further weakened poverty alleviation effectiveness of CSSA

### Effectiveness of selected recurrent cash benefits in poverty alleviation on elders\*, 2018 and 2019

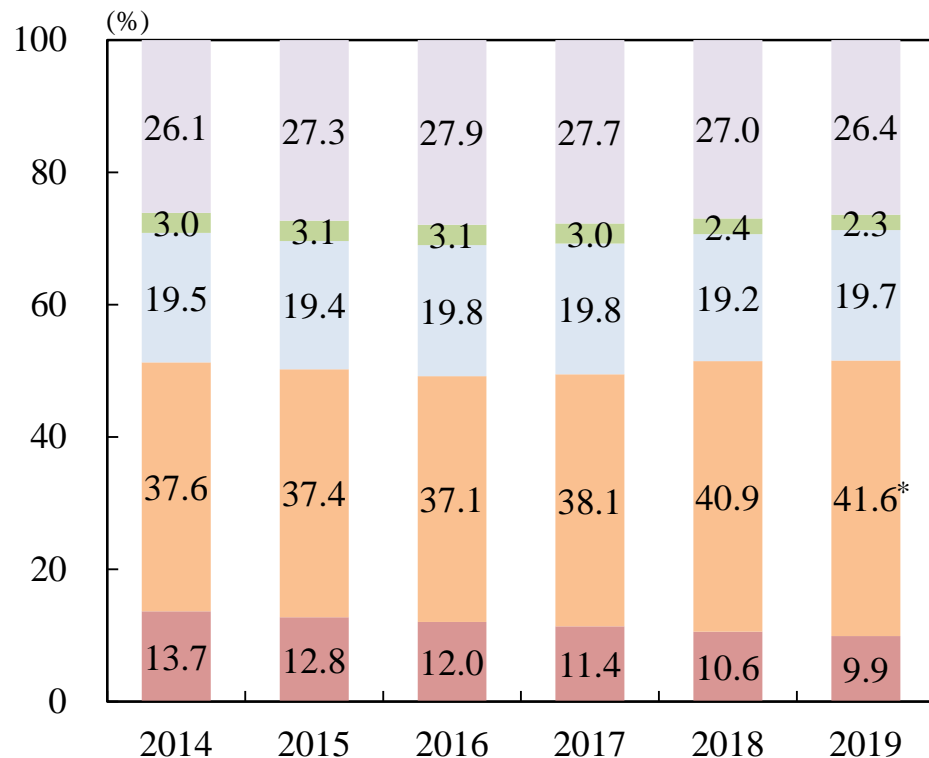


Note: (\*) Refer to elders aged 65 and above in households receiving the selected recurrent cash benefit(s).  
Source: General Household Survey, Census and Statistics Department.

The proportion of CSSA recipients in both overall elders and pre-intervention (purely theoretical assumption) poor elders continued to fall between 2014 and 2019, while the corresponding proportion of OALA recipients and those without CSSA and SSA went up somewhat over the same period

(a) All elders

Without CSSA and SSA DA



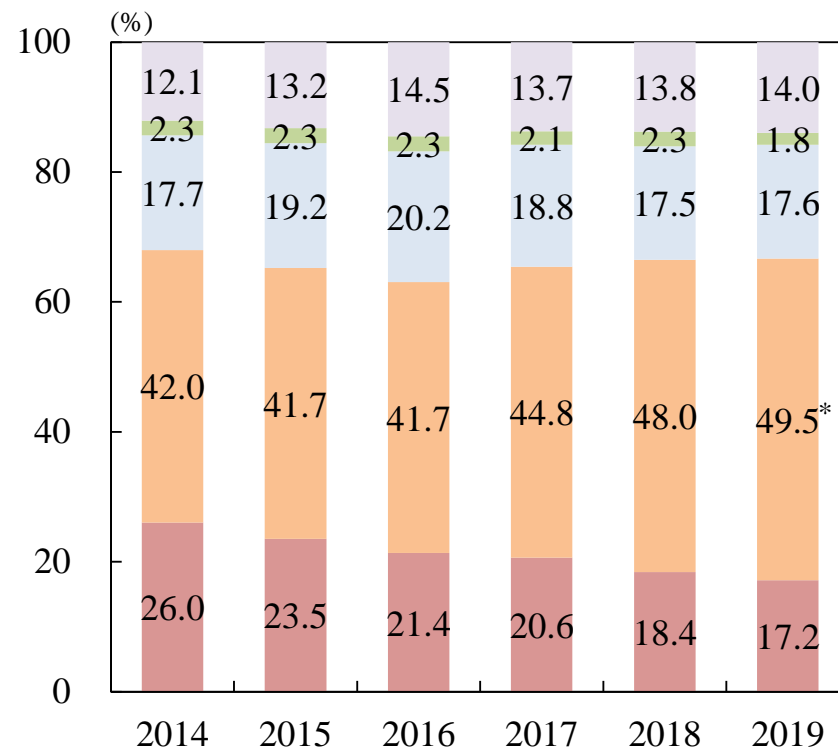
Number of elders ('000)	1 095.7	1 146.3	1 192.7	1 245.8	1 301.6	1 352.1
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Notes: (\*) The proportion of overall elders receiving Higher OALA was 38.0%. Population figures refer to resident population. The source of these figures is different from that in Chart (b).

Sources: Social Welfare Department; Demographic Statistics Section, Census and Statistics Department.

(b) Pre-intervention (purely theoretical assumption) poor elders

OAA OALA CSSA



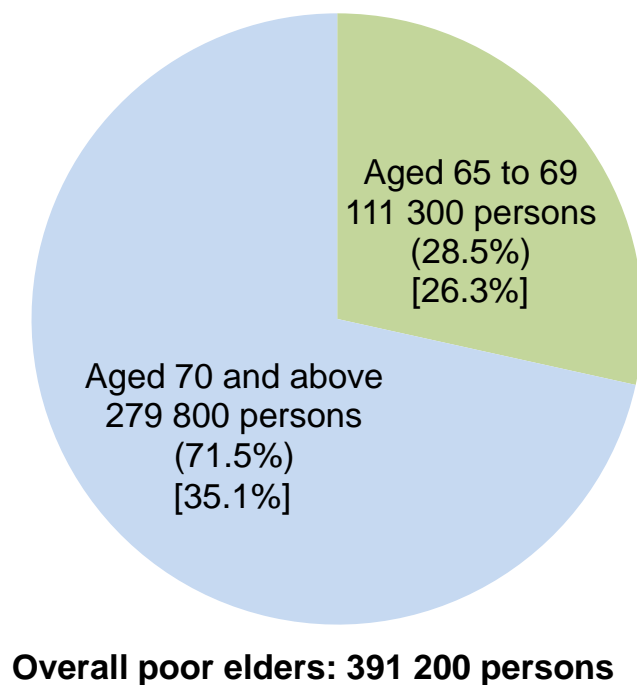
Number of pre-intervention (purely theoretical assumption) poor elders ('000)	436.4	459.0	478.4	495.2	516.6	548.7
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Note: (\*) Before policy intervention (purely theoretical assumption), the proportion of poor elders receiving Higher OALA was 45.2%.

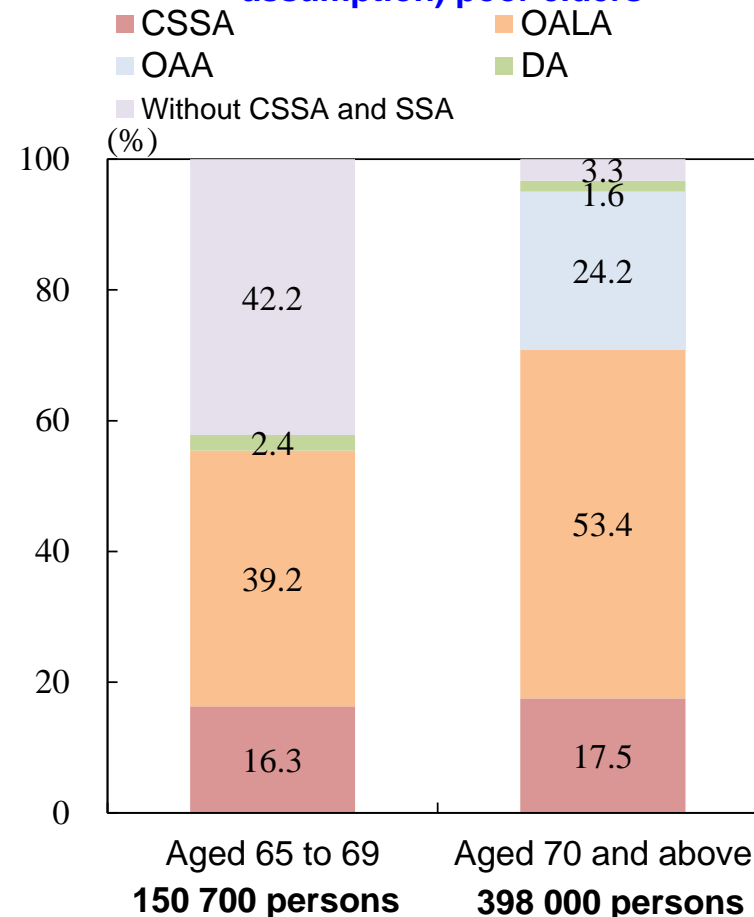
Source: General Household Survey, Census and Statistics Department.

Analysed by age, the post-intervention poverty rate of elders aged 65 to 69 was 26.3%, while that for those aged 70 and above was 35.1%. This largely reflected that the latter group had a higher likelihood of being retirees, singletons or only living with other retired elders. Some of them might be more likely to rely on the cash assistance by the Government as their major income source

(a) Post-intervention poor elders



(b) Pre-intervention (purely theoretical assumption) poor elders

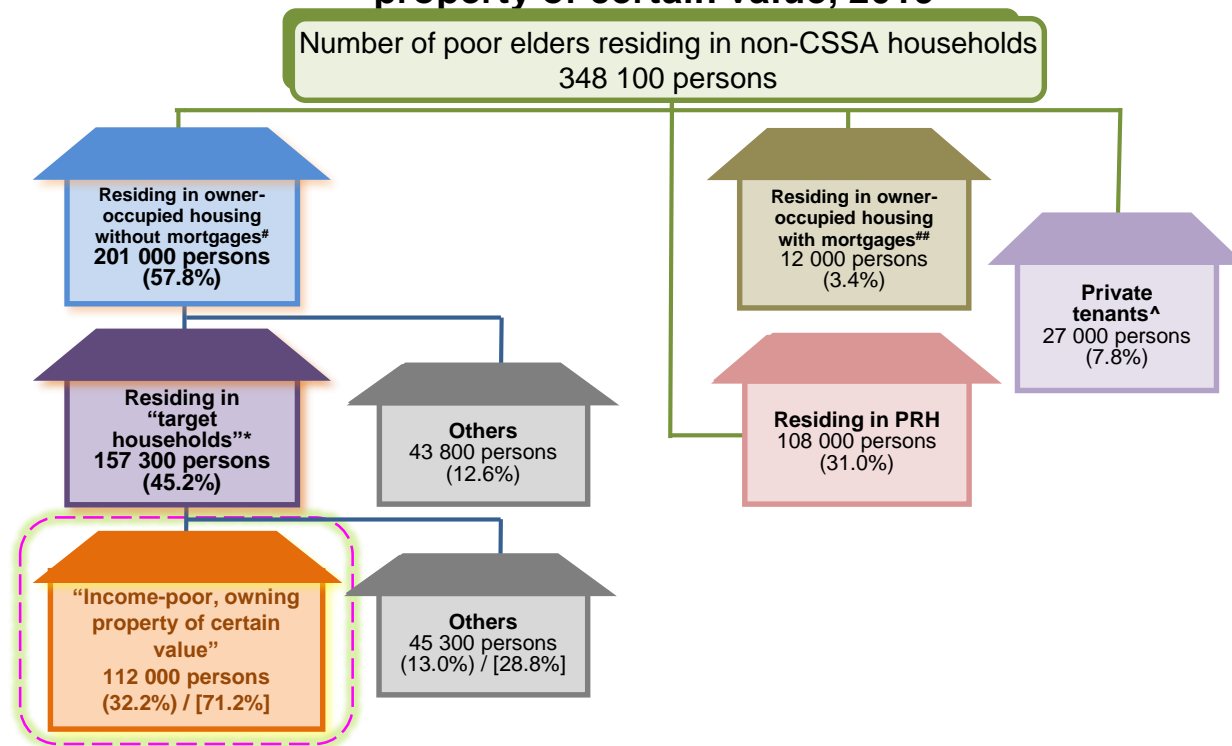


Notes: ( ) Figures in parentheses denote the corresponding proportion to overall poor elders.  
[ ] Figures in square brackets denote the poverty rate.

Source: General Household Survey, Census and Statistics Department.

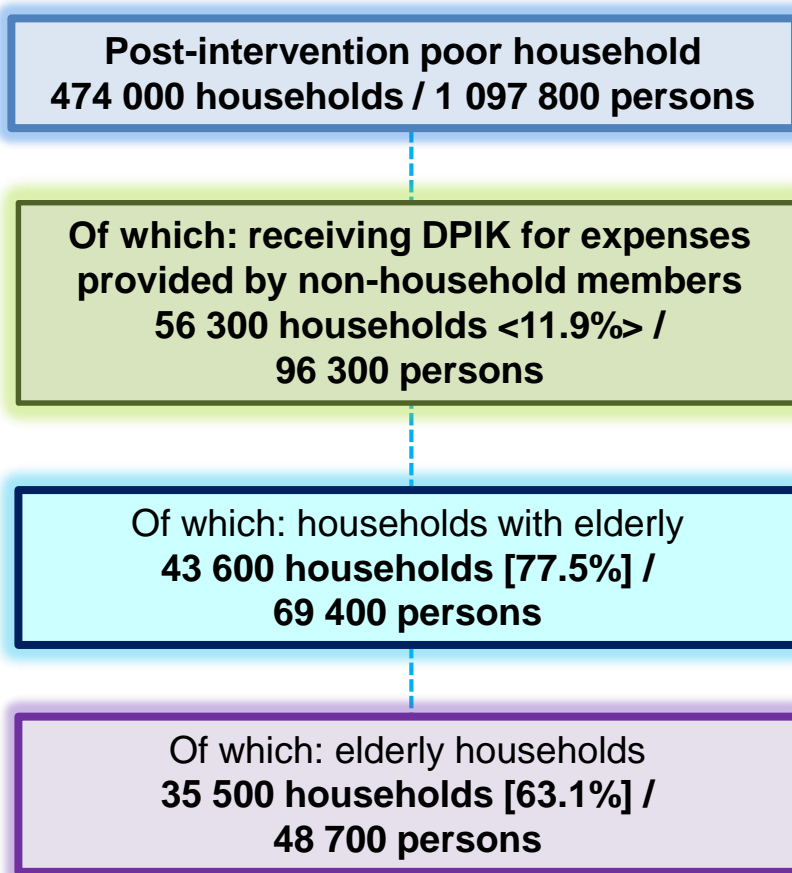
# Among the poor elders residing in non-CSSA households, about one-third were identified as “income-poor, owning property of certain value” elders, accounting for about three-tenths of the overall poor elderly population

## Poor elders residing in non-CSSA households by housing type and whether they owned property of certain value, 2019



- Notes:
- ( ) Figures in parentheses denote the proportion of relevant elders among all poor elders residing in non-CSSA households.
  - [ ] Figures in square brackets denote the proportion of relevant elders among the poor elders residing in “target households”.
  - ( # ) Including subsidised sale flats and owner-occupied private housing without mortgages.
  - ( ## ) Including subsidised sale flats and owner-occupied private housing with mortgages.
  - ( ^ ) Including households residing in other types of housing (mainly households residing in rent-free or employer-provided accommodation).
  - ( \* ) With reference to the eligibility criteria of the Hong Kong Mortgage Corporation Limited’s “Reverse Mortgage Programme” (RMP), we focus on elders residing in poor non-CSSA owner-occupier mortgage-free households, and whose members are all aged 55 and above (all members are aged 60 and above if residing in subsidised sale flats with unpaid land premium).
- Poverty statistics refer to statistics after recurrent cash policy intervention.

**In 2019, about 12% of the post-intervention poor households (about 56 000 households) received direct payment in-kind (DPIK) for expenses from non-household members, most of them being elderly households. After considering DPIK, about 39 000 poor persons (about 27 000 poor elders) had a living standard up to or above the poverty line**



- The average monthly amount of DPIK received by poor elderly households was \$3,600, with about a quarter of these households receiving DPIK equivalent to over \$4,600 per month
- The more common types of DPIK were direct payment for water, electricity and gas bills (68%), telephone bill (65%), and rates and government rent (54%)
- Nearly three-tenths of these DPIK-receiving poor elderly households received direct payment for salaries of Foreign Domestic Helpers (FDHs) averaging up to \$4,900 per month, among whom almost seven-tenths were singleton elderly households
- Over a quarter of poor elderly households receiving DPIK were PRH or private housing tenants, among whom almost eight-tenths received direct payment for rent: PRH tenants: \$1,800; private tenants: \$14,500

Notes: < > Figure in arrow bracket denotes the proportion of relevant households among all poor households.  
[ ] Figures in square brackets denote the proportion of relevant households among all poor households receiving DPIK.  
Poverty statistics refer to statistics after recurrent cash policy intervention.

Source: General Household Survey, Census and Statistics Department.

**In 2019, the post-intervention poverty rate of persons aged 18 to 64 rose markedly by 0.7 percentage point to 11.2%, broadly the same as the increase in the overall poverty rate**

### Poor population and poverty rate of persons aged 18 to 64, 2009-2019

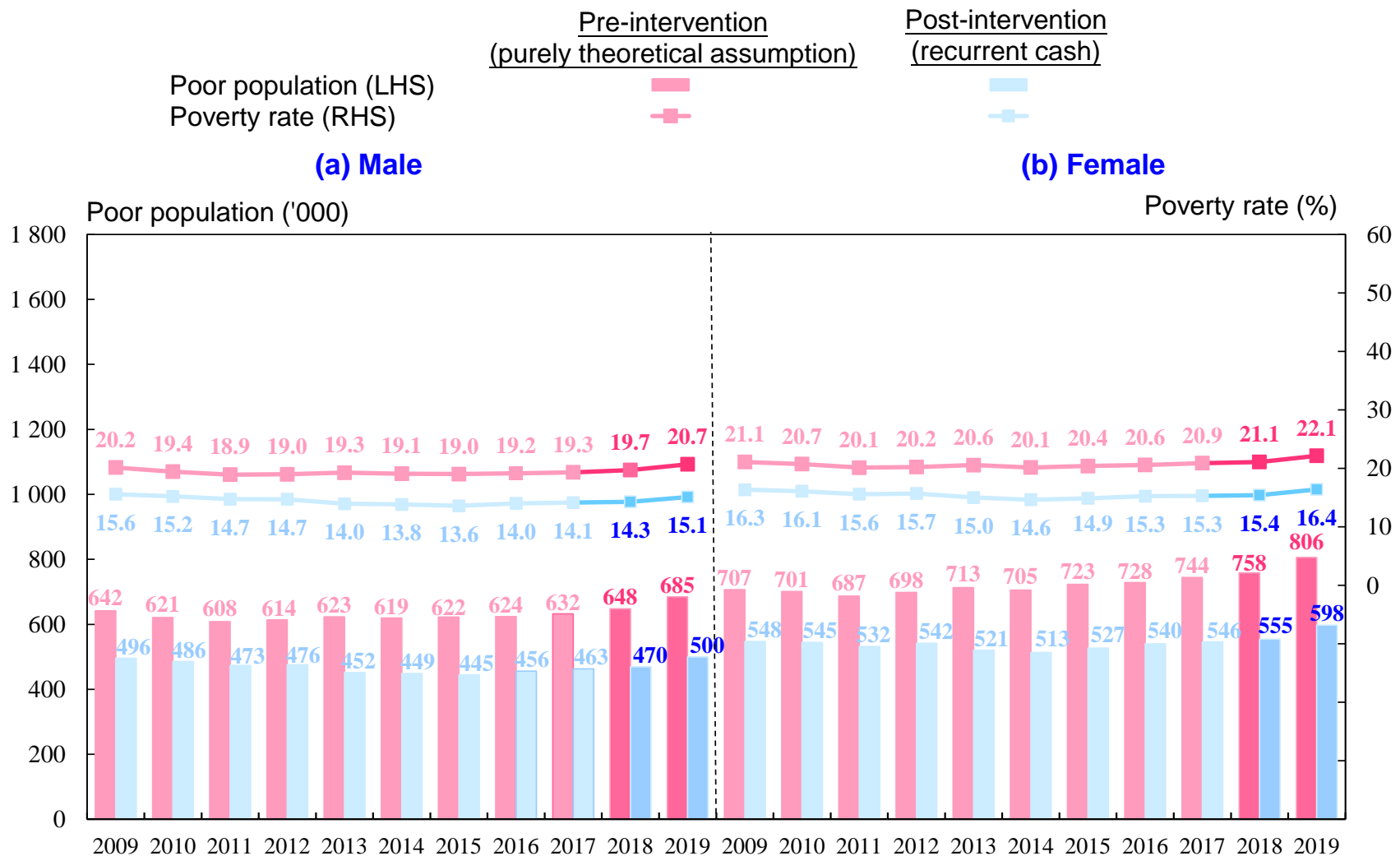


Source: General Household Survey, Census and Statistics Department.



**In 2019, the post-intervention poverty rates of males and females saw visible rises: they rose by 0.8 percentage point and 1.0 percentage point to 15.1% and 16.4% respectively**

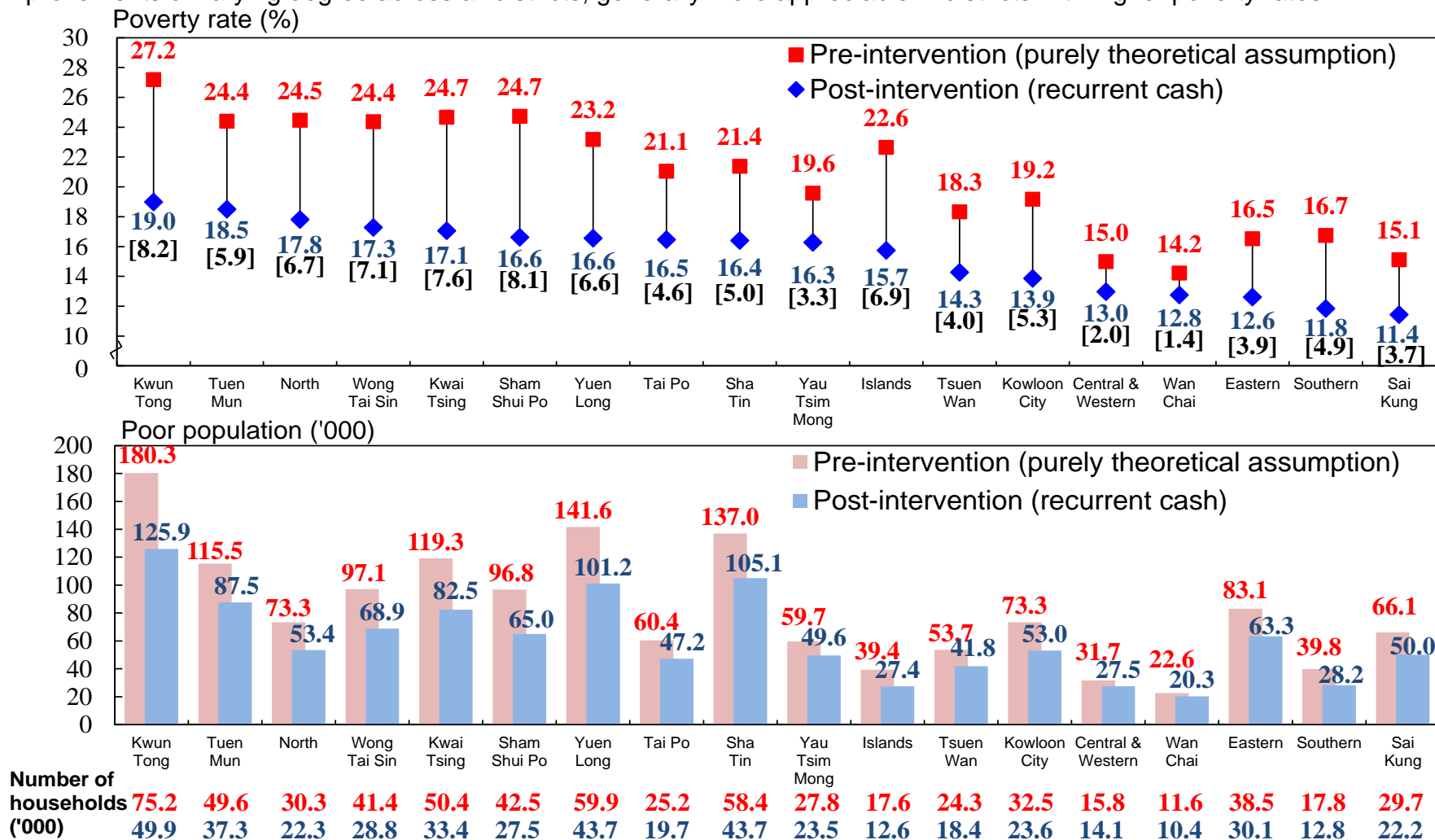
## Poor population and poverty rate by gender, 2009-2019



Source: General Household Survey, Census and Statistics Department.

# Poor population and poverty rate in 2019, by District Council district

- The five districts with the highest poverty rates were Kwun Tong, Tuen Mun, North District, Wong Tai Sin and Kwai Tsing. In general, many districts experienced deterioration in their poverty situation, including some districts where the poverty situation was relatively less notable in the past (e.g. Sha Tin and Tai Po). However, after policy intervention, the poverty situation saw improvements of varying degree across all districts, generally more appreciable in districts with higher poverty rates.



Note: [ ] Figures in square brackets refer to the percentage point(s) reductions in the poverty rates.

Source: General Household Survey, Census and Statistics Department.