

**Commission on Strategic Development  
Committee on Social Development and Quality of Life**

**Council for Sustainable Development  
Report on the Public Engagement Process on Population Policy**

**Purpose**

This paper invites Members' comments on the draft Council for Sustainable Development (SD)'s "Report on the Public Engagement Process on Population Policy" at *Annex A*.

Annex A

**Background**

2. At the meeting of 24 April 2006, Members noted, via Committee Paper CSD/SC/4/2006, the Council for SD's preparatory work for its public engagement process on Population Policy. Members also discussed and commented on the Council for SD's draft Invitation and Response (IR) document "*Enhancing Population Potential for a Sustainable Future*" prepared for the same purpose. With Members' views incorporated, the IR document was launched in late June 2006.

3. During the four-month engagement process that ended in end October 2006, the Council for SD had organised three regional forums<sup>1</sup>, five regional workshops<sup>2</sup>, and 15 events co-organised with partner organisations<sup>3</sup> to engage stakeholders from different sectors of the community in dynamic discussions on the Population Policy.

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<sup>1</sup> The Council for SD organised the Regional Forum (Hong Kong) on 29 June, the Regional Forum (Kowloon) on 22 July and the Regional Forum (New Territories) on 12 August.

<sup>2</sup> The regional workshops took place in Hong Kong Island (30 August), Kowloon East (3 October), Kowloon West (4 September), New Territories East (16 August) and New Territories West (13 September).

<sup>3</sup> The Council for SD's partner organisations in this engagement process included the Hong Kong Institute of Architects, Professional Green Building Council, Hong Kong Family Planning Association, Roundtable, Hong Kong Council of Social Service, Hong Kong People's Council for Sustainable Development, Hong Kong General Chamber of Commerce, Hong Kong Federation of Youth Groups and Business Environment Council. The partner organisations assisted in organising the 15 events with the Council for SD during the engagement process.

4. Other promotional and engagement channels included TV/radio Announcements of Public Interest, bulletins and the SD Strategy website with online discussion forum and questionnaire. Roving exhibitions for this engagement process were held at 10 public locations<sup>4</sup> from July to October 2006. The Council for SD hosted a Strategy Summit in December 2006 as a finale to wrap up the engagement process.

5. During this engagement process, the Council for SD distributed over 17,000 copies of the IR document and more than 27,000 summary leaflets. The Council for SD received over 3,000 responses to the IR document, which included written comments, leaflet responses, messages on online discussion forum, etc. There were over 1,700 attendances at the various engagement events. Another 20,000 members of the public visited the roving exhibitions.

### **Report on the Public Engagement Process**

6. The draft Council Report at **Annex A** was prepared by the Strategy Sub-committee and Support Group on Population Policy of the Council for SD, on the basis of the views gathered during the engagement process.

#### *Stakeholders' Views*

7. To provide an objective and independent analysis of the stakeholders' views, we have engaged the Hong Kong Polytechnic University's Public Policy Research Institute (PPRI) to conduct an independent analysis and reporting service for this engagement process. The Executive Summary of the PPRI report on the stakeholders' views is at **Annex B**.

Annex B

8. Stakeholders have expressed their major concern about the issues of quality of life, declining fertility rate, manpower and ageing population. The Principles set out in Chapter 2 of the draft Council Report have captured the essence of the stakeholders' views on these

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<sup>4</sup> The roving exhibition made the rounds of Festival Walk, Queensway Government Offices, MTR Hong Kong Station, Olympian City II, East Point City, Tuen Mun Town Plaza, Tsz Wan Shan Shopping Centre, Kingswood Ginza II, Sunshine City Plaza and Cityplaza.

issues. The same chapter also summarises the stakeholders' key concerns and comments on various issues, and sets out the relevant Targets to facilitate the work of all parties towards achieving these Principles. Members are invited to **note** these Principles and Targets.

### *Recommendations for the Government*

9. In response to the above Principles and Targets, the draft Council Report also sets out a number of recommendations to be proposed by the Council for SD for the Government's consideration in formulating a sustainable Population Policy for Hong Kong. These recommendations are set out in pages 12 – 14 of the draft Report. Members' views are **invited** on these recommendations.

### **Way Forward**

10. The Council for SD will take into account Members' views in finalising the Council Report. It plans to submit the Report to the Government and release it for public information around May this year. The Government will consider the recommendations in the Council Report in its formulation of a long-term strategy on population policy.

Secretariat to the Council for Sustainable Development  
February 2007

**Council for Sustainable Development**  
**Report on the Public Engagement Process on Population Policy**

	Introduction
Chapter 1	Public Engagement Process
Chapter 2	Outcome
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Chapter 4	Building on the Engagement Process
Annex	Terms of Reference and Membership of the Council for Sustainable Development, Strategy Sub-committee, and Support Group on Population Policy

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## *Introduction*

There are many internationally-recognized sustainable development (SD) principles and goals, such as those set out in the United Nations Agenda 21 and the Johannesburg Plan of Implementation, that are relevant to Hong Kong, as they are to other societies around the world. SD must focus on the conservation of natural resources and eco-systems. To be socially sustainable, there must be equitable access to services for all citizens. These require profound changes at all levels of society, whether in governance, life styles, or civic commitment. The need for concerted action compels an open and participatory process aimed at engaging the wider community in the derivation of an SD strategy. Since its establishment in 2003, the Council for SD has designed and implemented a stakeholder engagement process to encourage wide-ranging dialogues on key issues that will have an impact on the sustainability of our city, with a view to helping formulate the SD strategy for Hong Kong.

2. The “pilot” engagement process, which took place between November 2003 and May 2005, focused on three areas: Solid Waste Management, Renewable Energy and Urban Living Space, and culminated with a Council report on the outcome of the engagement process and recommendations for the Government to consider. Built upon the outcome of this engagement process, the Government’s first SD Strategy for Hong Kong on these three pilot areas was promulgated in May 2005.

3. In July 2005, the Council organized a Stakeholder Forum to invite views on the priority areas for discussion under the new round of engagement. The Council considered the forum outcome and decided to take forward two priority areas – Population Policy and Better Air Quality. As regards the former which is the subject of the current Council Report, the Council launched the Invitation and Response (IR) document “Enhancing Population Potential for a Sustainable Future” in June 2006 and organised a series of engagement events to involve the community in an interactive discussion on related issues.

4. In 2006, the Council compiled a study report on the second priority area, Better Air quality, to consolidate relevant information. The

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Support Group on this subject is now drafting a new IR document for the upcoming working on the engagement process on Better Air Quality.

### **Organisation of the Report**

5. This document reports on the outcome of the engagement process on Population Policy spearheaded by the Council for SD from June to October 2006.

6. Chapter 1 outlines the engagement process and the events organised. The Council has considered the public views on a sustainable Population Policy and distilled these views into a number of Principles in Chapter 2. The same chapter also summarises the stakeholders' concerns and sets out the relevant "Targets" to facilitate the work of all parties towards achieving the "Principles".

7. Based on the engagement outcome, the Council has laid down in Chapter 3 its recommendations for the Government on a sustainable Population Policy for Hong Kong. The final chapter, Chapter 4, looks to the future, and proposes needed action by the Government and the community.

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## *Chapter 1 – Public Engagement Process*

Modeled on the Council’s first engagement process, the current one on Population Policy follows five stages –

- I. Identification of Priority Areas
- II. Preparation of a document to invite responses
- III. Direct involvement of the wider community
- IV. Reporting
- V. Government Action

2. Following from identification of priority areas at the Stakeholder Forum in July 2005, the Council prepared an IR document “Enhancing Population Potential for a Sustainable Future” and launched it in June 2006 to kick off stage III of the process. The current Report, which is a product under stage IV of the process, gives an account of the engagement findings and puts forward the Council’s recommendations on the way forward.

3. During the four-month engagement process from June to October 2006, the Council organised three regional forums<sup>1</sup>, five regional workshops<sup>2</sup>, and 15 events co-organised with partner organisations<sup>3</sup> to involve stakeholders from different sectors of the community. Together we brainstormed and considered possible ways to enhance our population potential for a sustainable future. More information on these engagement events and the reports summarising the participants’ views are available on the SD Strategy website ([www.susdev.org.hk](http://www.susdev.org.hk)).

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<sup>1</sup> The Council organised the Regional Forum (Hong Kong) on 29 June, the Regional Forum (Kowloon) on 22 July and the Regional Forum (New Territories) on 12 August.

<sup>2</sup> The regional workshops took place in Hong Kong Island (30 August), Kowloon East (3 October), Kowloon West (4 September), New Territories East (16 August) and New Territories West (13 September).

<sup>3</sup> The Council’s partner organisations in this engagement process included the Hong Kong Institute of Architects, Professional Green Building Council, Hong Kong Family Planning Association, Roundtable, Hong Kong Council of Social Service, Hong Kong People’s Council for Sustainable Development, Hong Kong General Chamber of Commerce, Hong Kong Federation of Youth Groups and Business Environment Council. The partner organisations assisted in organising the 15 events with the Council during August to October 2006.

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4. Other promotional and engagement channels included TV/radio Announcements of Public Interest, bulletins and the SD Strategy website with online discussion forum and questionnaire. Roving exhibitions for this engagement process were held at 10 public locations<sup>4</sup> from July to October 2006.

5. The Council hosted a Strategy Summit in December 2006 as a finale to wrap up the engagement process. At the Summit, stakeholders consolidated public views gathered during the previous months, identified the key concerns that had emerged from these views, and discussed the possible way forward in addressing these issues.

6. During this engagement process, the Council –

- (a) distributed over 17,000 copies of the Council's IR document and more than 27,000 summary leaflets;
- (b) received over 3,000 responses to the IR document, which included written comments, leaflet responses, messages on online discussion forum, etc.;
- (c) recorded over 1,700 attendances at the various engagement events; and
- (d) recorded a throughput of some 20,000 visitors at the roving exhibition.

7. As with previous Council's activities, stakeholders who participated in this engagement process came from a broad spectrum of the community. With the assistance of partner organisations, the Council was able to reach out to an even wider range of stakeholder groups. Participants at the various engagement events and respondents to our IR document came from the academic, business, professional, social, environmental and NGO sectors. Building on the experience of the first engagement process, the Council also deepened the engagement of district communities and youth groups.

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<sup>4</sup> The roving exhibition made the rounds of Festival Walk, Queensway Government Offices, MTR Hong Kong Station, Olympian City II, East Point City, Tuen Mun Town Plaza, Tsz Wan Shan Shopping Centre, Kingswood Ginza II, Sunshine City Plaza and Cityplaza.

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### *Chapter 2 – Outcome*

With the help of an independent agency to analyse and report on public views gathered during the engagement process, the Council noted that the major concerns of the stakeholders centred around four main themes, namely, quality of life, declining fertility rate, manpower, and ageing population.

2. In the ensuing sections, we have summarised key stakeholder views on these four main themes to provide a general account of their concerns regarding the wide range of issues under Population Policy. In addition, we have summarised, where appropriate, the views of and on-going measures undertaken by Government as an equally important stakeholder in this process.

3. The “Principles” under each of the four themes are intended to capture the essence of the community views on Population Policy issues and reflect the general “key concerns” agreed by stakeholders at the Strategy Summit. To provide a better indication of how these “Principles” might translate into action, we have also outlined the related “Targets” to facilitate the work of all relevant parties towards achieving these “Principles”.

### **Quality of Life**

4. Many stakeholders expressed concern about the quality of life in Hong Kong. However, people’s views were divided as to whether they felt satisfied with it. While many stakeholders enjoyed the convenience and cosmopolitan lifestyle in Hong Kong, others were concerned about living costs, environmental issues and work pressure. The views gathered can be broadly categorized into those related to the living and working environment.

#### **(1) Living Environment**

5. During the engagement process, there was a considerable amount of discussions on urban planning and environmental issues. In general, stakeholders aspired to an enhanced quality of life, with more open space and more spacious living environments. They also urged the

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Government to improve urban planning and work with all parties concerned to improve air quality. Stakeholders generally aspired to more pleasant and enhanced living environments and facilities, with emphasis on family friendliness. This would also help attract and retain talent in Hong Kong.

6. The Government accords a high priority to building an enjoyable living environment for the population in Hong Kong, which involves a wide range of policies from air quality to recreation, urban design and planning. The Government will continue with its efforts in conjunction with other sectors of the community.

**Principle 1: The Government and the community should join hands to improve air quality, increase the provision of open space and recreational outlets, implement more greening measures and promote sustainable urban design, with a view to creating a better living environment.**

*Target 1: To provide an enjoyable living environment for our population and, at the same time, help attract and retain talent.*

### **(2) Working Environment**

7. A large number of stakeholders expressed concern about the work pressure and long working hours prevalent in Hong Kong. They strongly supported a “flexible life horizon”, whereby a better balance could be achieved between study, work and leisure throughout their lives, with greater flexibility to cater for their individual choices of lifestyle. Hong Kong people in general have too little time for their personal and family life. There was overwhelming support for family-friendly practices and better work-life balance in Hong Kong. The majority considered that these would not impair the competitiveness of Hong Kong. Many of them aspired to more socially responsible employers which promote family-friendly work environments for their employees.

8. The Government has implemented the five-day week scheme in phases since July 2006. This has helped to reduce the work pressure of government staff and improve the quality of family life. In addition, the Government has been encouraging employers in the private sector to adopt

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workplace family-friendly practices. It will continue with its promotional work on this front, to enable employers to understand and be considerate about the needs of their employees.

**Principle 2: To enhance our quality of life, the Government should actively work with the business community and NGOs to study ways to promote various family-friendly measures, such as flexi-time arrangements, job sharing and home-based work.**

*Target 2: To facilitate the employers' and the community's understanding of the importance of work-life balance for employees, and encourage employers to implement measures promoting a family-friendly work environment.*

### **Declining Fertility Rate**

9. Many stakeholders shared their views on the declining fertility rate and its impact on the long-term development of Hong Kong. While some stakeholders noted that this would mean a shrinking workforce, others considered that a smaller population was not undesirable. They believed that having children was essentially a personal choice.

10. In making childbearing decisions, people would consider factors such as the implied financial “burden”, work pressure and the availability of education and childcare support. Working women in particular were deemed to be facing tremendous pressure in balancing the competitive demands from work, family and childbearing / rearing responsibilities.

11. Stakeholders were in favour of a more active promotion of family values and parenthood, as well as more civic education on family care and support. They hoped that the Government and major business groups could take the lead in implementing family-friendly measures, by providing for incentives and environments conducive to parenthood.

12. On education, stakeholders looked for a stable education system which would offer diverse development opportunities. In this regard, the Government has by now launched all proposals laid down in the 2000

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Education Reform blueprint, putting in place a diversified and sustainable education system which provides more choices and opportunities, emphasizes quality and encourages life-long learning. The Government further announced in its 2006-07 Policy Address a major financial commitment to providing pre-primary education fee assistance to parents and enhancing the quality of pre-primary education.

13. The Government also recognizes that mutual care and aid among neighbours are a strong source of support for families. It will continue to encourage community building and support within neighbourhoods. The Government attaches much importance to family education and the promotion of family values to foster family harmony and solidarity.

**Principle 3: To promote parenthood, the Government should implement measures conducive to childbearing and child rearing. However, it should not interfere with the childbearing decision of individual couples.**

*Target 3: To promote community-based childcare support and enhance developmental support for children.*

**Principle 4: The Government should seek to reinforce the importance of healthy family function and promote family support, in order to enhance social harmony and build a more sustainable social network of care and support for the population.**

*Target 4: To promote family values and support in the community.*

### **Manpower**

14. Stakeholders recognized a skill mismatch problem in the local employment market, and noted the shortage of a highly skilled workforce in Hong Kong. They considered that nurturing the local population and admitting quality people were both important.

15. It was noted that the education and training of our local workforce were being taken care of by existing continuing education and

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retraining programmes to meet current work requirements. Stakeholders also pointed out the increasing trend of Hong Kong people, especially managerial and professional staff, working on the Mainland. They also saw the need to continue reviewing talent admission schemes in order to ensure attraction and retention of suitable talent from the Mainland and abroad.

16. The Government is committed to providing quality education and training to our population to meet the needs of the economy. It also administers suitable talent admission schemes to help maintain Hong Kong's competitiveness in the international market, bearing in mind that the need and demand for quality talent are prevalent among developed countries and cities worldwide.

**Principle 5: To maximize the potential of our local workforce and to better prepare them to face challenges in the global market, the Government should enhance its efforts in the training, retraining and continuing education of our local workforce to meet the manpower needs of the day.**

*Target 5: To provide enhanced employee training, retraining and continuing education programmes that are wider in scope and coverage, to enable more members of the population to benefit from these programmes and upgrade themselves.*

**Principle 6: The Government should continue to implement suitable schemes and keep them under review, with a view to admitting suitable talent to Hong Kong to enhance our society's competitiveness and vibrancy.**

*Target 6: To ensure that suitable talent admission schemes are in place to meet the prevalent needs of Hong Kong.*

### **Ageing Population**

17. Stakeholders were aware of the anticipated ageing trend and increase in age-dependency ratio in Hong Kong. There were views that ageing in itself was not a problem, and the community as a whole should consider ways to face and embrace this new phenomenon.

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18. Many respondents recommended the promotion of active ageing. Society should take care of the financial, housing and healthcare needs of the elderly, and address the social needs of the singleton elderly households.

19. Stakeholders were of the view that there should not be any pre-set retirement age, as flexibility should be allowed to accommodate individual circumstances and choices, in line with the notion of “flexible life horizon”. They looked forward to a lively and dynamic post-retirement life; and preferred spending more time with family, exploring new interests and doing voluntary work after retirement. If they were to continue to stay in the labour market, they would prefer doing freelance work. Stakeholders also considered that there was a need to encourage proper and timely retirement planning.

20. The Government and the Elderly Commission are working together to improve the quality of life of our elderly population and to providing them with a sense of security and belonging, as well as a feeling of well-being and worthiness. They will continue with their efforts in promoting healthy and active ageing.

**Principle 7: The Government should implement measures to promote healthy and active ageing, and to accommodate individual choices in post-retirement life.**

*Target 7: To facilitate more diverse choice in post-retirement life, including volunteer work, exploration of new hobbies, spending more time with family, continuing education, and part-time or freelance work.*

**Principle 8: The Government should work with all relevant sectors to help meet the accessibility needs of an ageing population in a built environment.**

*Target 8: To improve accessibility of buildings and facilities for the elderly in the community.*

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### *Chapter 3 – Recommendations*

The Council was glad to see an active participation by stakeholders, including the Government, in the discussion of the wide range of Population Policy related issues. Having reviewed the feedback from the stakeholders, the Council now puts forward the following recommendations for the Government's consideration in formulating a long-term strategy for Hong Kong's Population Policy.

#### Quality of Life

1. To work on a comprehensive programme with a view to improving the air quality of Hong Kong.
2. To provide more open space and recreational outlets in all districts, and to implement more greening measures, for the enjoyment of our population.
3. To continue implementation of the guidelines on sustainable urban design and explore sustainable building features with a view to enhancing our living environment.
4. To organise promotional activities targeting employers and the public at large, with a view to deepening the work-life balance culture and promoting family-friendly employment measures conducive to family care.

#### Declining Fertility Rate

5. To promote mutual childcare support among needy families through community networks.
6. To provide financial incentives with a view to promoting parenthood.

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7. To consider whether a Family Commission should be set up for more effective co-ordination of policies and initiatives relating to family support.
8. To enhance the promotion of mutual support among different generations.
9. To enhance public understanding of the various education reform measures being implemented.
10. To review the public housing policy, including the public housing allocation system, to support and promote the care of extended family members.

### Manpower

11. To enhance current retraining programmes for our workforce and expand the target groups of these programmes with respect to age and educational attainment.
12. To continue to implement the qualifications framework that clearly defines the standards for different qualifications, ensures their quality and provides articulation ladders among different levels of qualifications.
13. To relax the eligibility criteria and scope of the Continuing Education Fund.
14. To review the relevant talent admission schemes from time to time, and to further step up their promotion.
15. To review and, where necessary, enhance the Quality Migrant Admission Scheme in light of the experience gained since its launch in 2006.

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### Ageing Population

16. To further promote the Senior Citizen Card Scheme among public and private sectors, with a view to introducing additional benefits to facilitate healthy and active ageing of the elderly.
17. To work with community organisations to continue to promote community health, with an emphasis on healthy ageing.
18. To plan for hospital and healthcare services necessary for an ageing population.
19. To promote active ageing and elder learning.
20. To encourage more elderly to participate in volunteer work.
21. To promote to employers the notion of active ageing such as engaging the retired elderly in volunteer work.
22. To examine the sustainability of retirement protection schemes.
23. To facilitate barrier-free access and universal design of buildings and facilities for an ageing population.

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### *Chapter 4 – Building on the Engagement Process*

This Council Report represents Stage IV <sup>#</sup> of the engagement process on Population Policy. In the past few months, the Council has engaged community stakeholders in a series of interactive and face-to-face discussions, and is now putting forward its recommendations on a sustainable Population Policy for the Government's consideration.

2. The next step is for the Government to consider the Council recommendations and prepare its Population Policy in view of the challenges ahead.

3. We all should appreciate that the Population Policy (and indeed many other sustainability issues) impacts upon the livelihood, lifestyle, behaviour as well as choices of all members of the community. In order to leave a mark on the long-term development of our city and put a sustainable Population Policy into action, we need the concerted efforts of all individual members and sectors of society, and recognize that the Government is only one of the many stakeholders in this change process.

4. We need to look to ourselves to see what we can undertake as individuals to improve the quality of our own lives, as well as that of fellow members of the community. Our enhanced well-being will also contribute positively to the economic, social and environmental aspects of Hong Kong.

5. The Council for SD will continue to review the engagement process and consider whether and how the process may be further enhanced in its next exercise on the priority area of Better Air Quality. The Council looks forward to your continued participation in the engagement process.

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<sup>#</sup> Please refer to Chapter 1 for the five stages of the engagement process.

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## Annex

### **Terms of Reference and Membership of the Council for Sustainable Development**

#### Terms of Reference -

- a. To advise the Government on the priority areas it should address in promoting sustainable development;
- b. To advise on the preparation of a sustainable development strategy for Hong Kong that will integrate economic, social and environmental perspectives;
- c. To facilitate community participation in the promotion of sustainable development in Hong Kong through various means, including the award of grants from the Sustainable Development Fund; and
- d. To promote public awareness and understanding of the principles of sustainable development.

#### Membership -

Chairman: Chief Secretary for Administration

Vice-chairman: Dr. Edgar Cheng, G.B.S., J.P.

Members: Dr. Lily Chiang  
The Honourable Choy So-yuk, J.P.  
Mr. Barrie Cook  
Ms. Christine Fang, J.P.  
Mr. Hans Michael Jebsen, B.B.S.  
Mr. Thomas Kwok, J.P.  
Mr. Michael Lai, M.H., J.P.  
Professor Lam Kin-che, S.B.S., J.P.  
Ir. Otto Poon, B.B.S.  
Mr. Tai Hay-lap, B.B.S., J.P.  
Professor Tsui Lap-chee, J.P.  
Secretary for Economic Development and Labour  
Secretary for the Environment, Transport and Works  
Secretary for Health, Welfare and Food  
Secretary for Housing, Planning and Lands

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## **Terms of Reference and Membership of the Strategy Sub-committee**

### Terms of Reference -

- a. To assist the Council for Sustainable Development with the formulation of a Sustainable Development Strategy for Hong Kong;
- b. To engage stakeholders and the community and implement a consultation programme as agreed by the Council for Sustainable Development with a view to ensuring that the Sustainable Development Strategy is inclusive and widely accepted by the community; and
- c. To report regularly to the Council for Sustainable Development on progress with the formulation of the Sustainable Development Strategy.

### Membership -

Chairman: Ir. Otto Poon, B.B.S.

Members: Dr. Lily Chiang  
The Honourable Choy So-yuk, J.P.  
Mr. Hans Michael Jebsen, B.B.S.  
Professor Lam Kin-che, S.B.S., J.P.  
Dr. Chan Wai-kwan, J.P. \*  
Ms. Anne Copeland Chiu \*  
Mr. Chua Hoi-wai \*  
Mr. Albert Lai \*  
Mr. Chandran Nair \*  
Mr. Ali Tuet \*  
Ms. Luciana Wong \*  
Professor Wong Siu-lun, B.B.S., J.P.\*

\* Co-opted Members

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## **Terms of Reference and Membership of the Support Group on Population Policy**

### Terms of Reference -

- a. To identify key issues relevant to Hong Kong's long-term sustainability in the priority area, with appropriate reference to international experience and best practice.
- b. To collect relevant background information (with reference to local and international experience) and compile an Invitation and Response document.
- c. To design and implement the public involvement stage of the engagement process for public discussion of the Invitation and Response document and related issues.
- d. To present the Invitation and Response document to the public and to encourage and facilitate interactive discussion by stakeholders with a view to building consensus among major groups.
- e. To receive and collate responses from stakeholders, with a view to making proposals to the Strategy Sub-committee and Council for Sustainable Development.

### Membership -

Convenor: Professor Wong Siu-lun, B.B.S., J.P.

Members: Dr. Chan Wai-kwan, J.P.  
Mr. Chua Hoi-wai  
Dr. Sue Lo  
Miss Alice Mak Mei-kuen  
Dr. Peter K.S. Pun, S.B.S.  
Mr. Wong Wang-tai  
Dr. Paul Yip  
Representative from Central Policy Unit  
Representative from Health, Welfare and Food Bureau  
Representative from Security Bureau  
Representative from Home Affairs Bureau

**Independent Analysis and Reporting  
for the  
Second Engagement Process of the  
Council for Sustainable Development:  
Enhancing Population Potential for a Sustainable Future**

**Final Report**

Submitted by

Public Policy Research Institute  
The Hong Kong Polytechnic University

7 February 2007

## **EXECUTIVE SUMMARY**

In June 2006, the Council for Sustainable Development (SDC) of the Hong Kong Special Administrative Region (SAR) Government commissioned the Public Policy Research Institute (PPRI) of The Hong Kong Polytechnic University to carry out a consultancy on “Enhancing Population Potential for a Sustainable Future – Independent Analysis and Reporting for the Second Engagement Process of the Council for Sustainable Development”. This Executive Summary presents the key findings of the study.

### **Background**

Hong Kong has witnessed significant economic development and population growth in the past decades. Hong Kong’s population will, however, grow at a much slower rate than before, and undergo changes due to a combination of factors such as declining fertility rate, longer life expectancy, ageing of the population, changing dependency ratio, and population movements. Without a sustainable population policy, Hong Kong may face possible situations such as a shrinking labour force, over-dependency on the working population, and a possible loss of valuable human capital.

The SDC has, therefore, decided to engage the community in discussion on an appropriate population policy for Hong Kong. The process is known as the Second Engagement Process which took place from June to October 2006. (The first engagement process took place during 2004 and 2005, where three pilot areas were discussed: solid waste management, renewable energy and urban living space). Views and comments collected up to December 2006 were analyzed and are presented in this Report.

During the Second Engagement Process, the SDC published an Invitation and Response Document outlining the facts and concerns associated with demographic changes in Hong Kong. An abridged version was produced in a pamphlet, together with a Comment Card containing 13 close-ended questions and 11 open-ended questions. The public could also access the SDC website to fill in Comment Cards electronically. In addition, the SDC also organized 10 exhibitions and 24 regional forums/workshops.

The public made 84 written submissions to Government. The SDC also combed through relevant media reports and commentaries. A total of 364 media reports and commentaries were collected.

### **This Consultancy**

Under this Consultancy, the PPRI was required to conduct an analysis of public views contained in the Comment Cards, records of the discussion forums, written submissions, letters, faxes and emails sent to the SDC, and in media reports and commentaries received during the Second Engagement Process period.

The Consultancy can be divided into two major parts:

Part 1: Qualitative Data Analysis

Part 2: Quantitative Data Analysis

## **Part 1: Qualitative Data Analysis**

A Grounded Theory approach\* is adopted for analyzing qualitative data. The data comes from the following sources: 1,691 Comment Cards with written comments, 26 records of forums, workshops and meetings, 132 items of media commentaries, 232 news reports, and 84 written submissions from organizations and individuals. Five themes – demographic issues, workforce issues, subgroup issues, living & lifestyle issues, political issues, and other issues, and 23 categories emerged from the data. NUDIST (Non-numerical Unstructured Data Indexing Searching and Theorizing), a qualitative data analysis computer software, was employed to analyze, organize and summarize the verbal data.

Based on content analyses and frequency counts, the views expressed are summarized below:

### **Demographic Issues**

Issues cover declining fertility rate, gender imbalance, ageing population, and age-dependency ratio.

On declining fertility rate (ranked 2 in public attention) many people believe that it could lead to a shrinking workforce and fewer people paying taxes. However, the majority disagree and believe that there are too many people in Hong Kong and that before deciding on child-bearing, economic burdens, work pressure and childcare support will have to be considered before deciding on child-bearing.

Not many people consider gender imbalance (ranked 21) important whereas many consider Hong Kong's ageing population (ranked 8) a major problem as it would entail greater health care expenditure.

Age-dependency ratio receives considerable attention (ranked 11) where people point out that greater support for the elderly and children is required.

### **Workforce Issues**

Issues cover immigration and emigration, manpower, education and training, and skills mismatch.

On immigration and emigration (ranked 9) people agree that there is a trend for the working population to move back to the Chinese Mainland. The right of abode of Mainland residents in Hong Kong is also considered problematic as it entails additional economic burdens.

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\* A method of inquiry in which the observed data are allowed to influence the structure and process of the study

Manpower problems are widely discussed (ranked 3) and people believe that the existing workforce mix is not desirable. Other people are concerned that a family-friendly workplace and a better work-life balance may affect Hong Kong's competitiveness. Most people believe that there is a lack of local talent and that Hong Kong is unable to attract enough Mainland and overseas talent.

On education and training (ranked 10), many people criticize the existing education system as confusing. On skills mismatch (ranked 14) people attribute the cause to an over-supply of low-skilled workers. They believe that greater control over the quality of Mainland immigrants is needed.

### **Subgroups Issues**

Issues include singleton/elderly households, the chronically ill and disabled, women, young people, children, and ethnic minorities.

Many agree that singleton/elderly households (ranked 4) without social support are a very serious problem as these people tend to withdraw themselves from society. Only a few do not consider it a problem, believing that living singly is a personal choice. Some suggest home visits and surveys be conducted to assess their needs. The issue about the chronically ill and disabled (ranked 22) receives rather scanty attention.

On women as a subgroup (ranked 12) many believe that society has expected too much from women, creating difficulties in balancing their work, family and child-bearing responsibilities. It is suggested that a gender-equal society should be created.

On young people (ranked 15), some believe that jobs may be threatened by an influx of outside talent and an extension of the retirement age. There is also concern over the disadvantaged youth. Many point out that children (ranked 13) often have to face harmful social influences, single-parent-family situations and excessive parental expectations.

The problems facing ethnic minorities (ranked 18) also receive some attention.

### **Living and Lifestyle Issues**

Issues cover family values, flexible life horizon, quality of life, and planning and environmental concerns.

The issue of family value is widely discussed (ranked 6) and many believe that family values are not strong in Hong Kong because people do not spend enough time with their families. Most people want Government to promote a family-first policy.

Flexible life horizon (ranked 5) is a much preferred notion which strikes a balance between study, work and leisure. It is suggested that a greater individual choice of lifestyle can lead to greater social harmony.

Quality of life (ranked 1) is the most widely debated issue. Many people do not consider Hong Kong a good place to live and work because they have to face high living costs, poor environment, and heavy work pressure. Many, however, are quite happy with the quality of life in Hong Kong.

Planning and environment concerns (ranked 7) also receive considerable attention. The focus is on city planning, environmental control and air quality.

### **Political and Other Issues**

Political issues include SDC's concept of sustainable development, the independence of the SDC and other political factors. Other issues include discussions on the population policies of other countries and other miscellaneous comments.

The concept of sustainable development (ranked 17) is widely debated. Some query whether the SDC has a pre-conceived stand or not. Some suggest that Government should consider the population policies of other countries (ranked 20) for reference. On political factors (ranked 19) some consider Government's lack of an independent population policy as problematic. Many are concerned about the abuse of the Comprehensive Social Security Assistance (CSSA) System (ranked 16). A few question the independence of the SDC (ranked last).

### **Other Surveys and Reports**

Surveys and Reports submitted by a number of organizations tend to echo many of the above-mentioned concerns.

### **Population Policy Strategy Summit**

On 20 December 2006, the SDC invited individuals who participated in the various workshops and forums organized under this Engagement Process to a special Population Policy Strategy Summit meeting. The Summit reiterated the desirability of promoting a better balance of work, family and leisure, better environmental protection, better urban planning, and a healthier lifestyle. The Meeting urged Government to provide tax/financial incentives for parents, more childcare assistance, policies promoting a family-friendly workplace, and more diverse education and development support for children. Participants favoured nurturing local talents, creating new job opportunities, creating more part-time jobs, and encouraging upper-end immigrants. They also believed that there should not be a preset retirement age. The Meeting also advocated more elderly-friendly housing and urban design, with more activities and better healthcare and more education opportunities for the elderly.

## **Part 2: Quantitative Data Analysis**

The following summarizes responses to the close-ended questions in the 2324 Comment Cards collected.

### **Question 1: Are you satisfied with the quality of life in Hong Kong?**

- Yes: 51.14%
- No: 48.86%

### **Question 2: What would affect your own decision on childbearing? (can choose more than one)**

- Financial considerations: 27.77%

- Education and development support for children: 19.70%
- Availability of childcare support: 17.46%
- Your own age: 15.62%
- Your work pressure: 14.30%
- Others: 5.16%

**Question 3: What would be useful to promote parenthood? (can choose more than one)**

- Financial incentives: 22.31%
- More diverse education & development support for children: 21.15%
- Childcare assistance: 19.80%
- Family-friendly workplace: 17.21%
- Gender equality at work and at home: 15.57%
- Others: 3.96%

**Question 4: Do you think there is a need to promote the importance of family and the intangible benefits associated with parenthood?**

- Yes: 81.91%
- No: 18.09%

**Question 5: Do you think a family-friendly working environment and work-life balance culture would enhance or impair the economic competitiveness of Hong Kong?**

- Would enhance: 61.22%
- No effect on the economic competitiveness of Hong Kong: 27.93%
- Would impair: 10.85%

**Question 6: In Hong Kong, there are more and more singleton households, including old people and young adults, who have minimal family network. Do you think there is a need to address their social needs?**

- Yes: 81.40%
- No: 18.60%

**Question 7: How would you like to enjoy your elderly life? (can choose more than one)**

- Spend more time with family: 30.24%
- Explore new interests: 28.47%
- Join voluntary work: 24.98%
- Work for more years: 10.90%
- Others: 5.42%

**Question 8: If you would like to stay in the labour market, would you prefer**

- Freelance work: 45.55%
- Full-time job: 27.14%
- Part-time job: 23.12%
- Multiple responses: 4.20%<sup>1</sup>

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<sup>1</sup> Respondents who chose multiple answers on hard copies of the Comment Card are counted as "Multiple responses". Respondents could not choose more than one answer on the electronic version of the Comment Card.

**Question 9: Do you think there is need to advocate extending the working life of the population or raising the retirement age?**

- Yes: 54.79%
- No: 45.21%

**Question 10: What is the suitable age for retiring from work?**

- No pre-set retirement age: 45.58%
- 65 years old: 26.49%
- 60 years old: 23.98%
- Others: 3.95%

**Question 11: Do you agree with the notion of a “flexible life horizon”, so that each individual can choose his or her own life pattern?**

- Yes: 93.08%
- No: 6.92%

**Question 12: What should be the more important emphasis?**

- Nurture local talent and attract overseas-trained Hong Kong students to return: 88.65%
- Attract talent from the Mainland and abroad: 8.95%
- Both: 2.40%<sup>2</sup>

**Question 13: How can we promote Hong Kong as a hub for talent? (can choose more than one)**

- More diverse education and development opportunities: 37.62%
- More attractive living environment: 32.99%
- More cultural diversity and ethnic inclusiveness: 24.83%
- Others: 4.56%

The above results are summarized below:

**On Living and Lifestyle Issues**, around half of the respondents are satisfied with the quality of life in Hong Kong, while the other half are not.

An overwhelming majority agree with the notion of a “flexible life horizon.”

A large majority think that there is a need to promote the importance of family and parenthood. They think that financial considerations, education and development support for children, and availability of childcare support are the three most important considerations affecting childbearing and parenthood.

**On Workforce Issues**, the majority of the respondents think that a family-friendly working environment and a better work-life balance would enhance Hong Kong’s competitiveness.

A majority also think that there is a need to advocate extending the retirement age. The most popular option is not to have any pre-set retirement age. Spending more time with family, exploring new interests and doing voluntary work are the three most

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<sup>2</sup> Respondents who chose both answers on hard copies of the Comment Cards are counted as “Both”. Respondents could not choose more than one answer on the electronic version of the Comment Card.

popular ways to enjoy elderly life. Freelance work is the most popular choice for those who wish to continue working.

A large majority favour nurturing local talent and attracting overseas Hong Kong students to return rather than attracting talent from the Mainland or abroad. More education and development opportunities and more attractive living environment are cited as the two most important factors in promoting Hong Kong as a hub for talent.

**On Subgroup Issues**, a large majority think that there is a need to address the social needs of singleton and elderly households.

## **Analysis of Key Issues**

This Section attempts to integrate the findings of both Qualitative and Quantitative Data Analyses. Key issues that are prominent and about which great concerns are expressed are discussed with associated evidence.

### **Demographic Issues**

Declining fertility rate ranks number two in terms of text unit frequency in the qualitative data. However, the majority of responses do not consider that the declining fertility rate is a major problem. They are of the opinion that there are already too many people in Hong Kong, and a smaller population is not undesirable. Financial considerations and the rather unsatisfactory education system are the two most frequently cited factors affecting childbearing decisions in both the qualitative and quantitative data. Other considerations include work pressure and the lack of childcare support.

Gender imbalance is not a major concern expressed in the written submissions and meeting records, despite the relative prominence it receives from the media.

The ageing population and the resulting increase in the age-dependency ratio is a major concern from the qualitative data. Promoting the concept of “active ageing” is recommended in the majority of responses in this category. There appears to be consensus that Government should address the financial, housing and health care needs of the elderly, and encourage proper retirement planning.

### **Workforce Issues**

Comments on and suggestions for manpower problems in Hong Kong rank number three in terms of frequency count in the qualitative data. In the responses from the questionnaire survey, there is strong support for Government to nurture local talent, and only a small minority support for attracting talent from non-local sources. More diverse education and development opportunities and more attractive living environment are considered by questionnaire survey respondents as the more important factors in promoting Hong Kong as a hub for talent. This is also corroborated by comments in the qualitative data. From the qualitative data, there is also general support for discouraging “low-end” immigration and some support for attracting “high-end” immigration. A related issue, pointed out by many at the forums and in their written submissions, is the problem of skills mismatch, which many believe is caused, at least partially, by immigration from the Mainland.

There is overwhelming support, from both the qualitative and quantitative data sets, for implementing more family-friendly policies and having a more balanced work-life lifestyle in Hong Kong. The majority also feel that it will not impair the competitiveness of Hong Kong.

The responses from the questionnaire survey show that the majority tend to support raising the retirement age or having no pre-set retirement age. Freelance work after retirement is the most popular preference of the respondents.

A large body of opinion from the qualitative data set considers that the existing education and training systems need to be enhanced. This is corroborated indirectly by the responses to the questionnaire survey regarding parenthood and Hong Kong as a talent hub.

### **Subgroups Issues**

There is great concern, in the qualitative data set, over the needs of the elderly residing alone. This is corroborated by the responses to the questionnaire survey regarding the needs of singleton/elderly households. There is consensus that more financial, housing and health care assistance should be provided. Greater community support is also advocated. Respondents appear to be less concerned over the needs of younger singleton households. It is suggested that a survey be conducted to assess the needs of singleton/elderly households.

The needs of women are prominently raised in forums and written submissions. The respondents feel that society places too much burden on women, whereas their contribution to family is not adequately recognized, and discrimination by employers is still not uncommon.

While the special needs of other subgroups such as ethnic minorities, children, young persons, the chronically ill and the disabled are also raised, the frequency count is relatively low. This is probably due to the fact that these groups do not participate in large numbers in this engagement process.

### **Living and Lifestyle Issues**

Quality of life issues rank number one in terms of frequency count in the qualitative data. Almost half of the Comment Card respondents are not satisfied with the quality of life in Hong Kong. From the qualitative data, the deduced reasons are poor air quality, work stress and high property prices. The other half of the Comment Card respondents are, however, satisfied with the quality of life in Hong Kong. This division of opinion is also evident in the qualitative data.

Better urban planning and more effective environmental protection measures feature prominently in the qualitative data set.

A large majority of the Comment Card respondents favour promoting the concepts of family and parenthood. Financial incentives, better education, and childcare assistance are the top three choices in terms of ways to promote parenthood. There is also overwhelming support for family-friendly policies to be implemented. This is

corroborated by the written comments in submissions and forums. It has been suggested that Government and major business groups should take the lead.

From the questionnaire survey, spending more time with family, exploring new interests, and doing voluntary work are the three most popular choices for activities during elderly life.

There is strong support for the “flexible life horizon” concept from both the qualitative and quantitative data sets. However, there is a dearth of suggestions as to how that can be comprehensively and effectively implemented in Hong Kong. Some regard that this notion is applicable only to the high-income earners and is irrelevant to the majority of the working population.

### **Political and Other Issues**

There is some concern expressed, in the qualitative data, over immigration policies, governance in general, and the role of the SDC. There is also a suggestion that experiences in other countries can be used as reference.

### **The Way Forward**

The Consultancy Team noted the specific nature of the SDC’s Engagement Process, as opposed to other surveys using randomized sampling procedures, and considered it a worthwhile effort to involve the community during the strategy formulation stage. The Council had also effectively utilised the stakeholder network in its partner organisations in reaching out to different sectors and subgroups in the community.

Based on the findings of this Public Engagement Exercise, this final Chapter presents a series of recommended actions and suggestions for further investigations and engagements.

### **Recommended Actions**

The results of this public engagement exercise suggest that actions are warranted in the following areas which command the greatest enthusiasm and consensus among respondents:

- i. More can be done to improve the quality of life through improvement of the physical environment, air quality in particular.
- ii. Family-friendly policies need to be more widely adopted, and a more work-life balanced lifestyle should be promoted.
- iii. The education system needs to be enhanced.
- iv. The needs of the elderly should be addressed.
- v. The concepts of family and parenthood should be promoted.
- vi. Some concrete measures should be proposed to support the notion of flexible life horizon.
- vii. Policies aiming at attracting talent from non-local sources must proceed with great caution.

### **Possible Further Engagements**

This is not to suggest that the other issues are not of high priority. There are issues in which respondents in this particular exercise have no consensus, but are generally regarded by demographers as critical. An example is the declining fertility rate. More evidence-based communication with the public on some of these issues can be considered.

### **Possible Further Investigations**

It is noted that the objective of the Engagement Process is to involve the public in an interactive dialogue to promote awareness of sustainability issues and build consensus on the way forward, as opposed to randomized polls or surveys seeking a representative view of the Hong Kong general population. It is recognised that engagement process of this nature may not be able to gauge the views of the silent majority. When specific measures are to be considered and thrashed out for selected issues, such as retirement age, they can be posed to the general public through telephone polls or face-to-face questionnaire surveys using randomized sampling procedures.