

**Summary of views expressed at the Workshop
for the Committee on Social Development and Quality of Life
of the Commission on Strategic Development
held on 24 January 2007**

Further to the discussion of the Committee meeting held on 30 November 2006, the workshop was organized to provide a platform for Members to further exchange views on income inequality and social mobility issues.

2. Two speakers gave a presentation on the following topics:

Professor Nelson CHOW of the University of Hong Kong	“Income inequality and social mobility”
Professor LUI Tai-lok of the Chinese University of Hong Kong	“The changing opportunity structure”

Presentation materials have been distributed to Members for reference.

3. Salient points of discussion at the workshop were summarised in the ensuing paragraphs.

(a) Gini Coefficient

- The Gini Coefficients of Hong Kong and other major countries were not strictly comparable since their methods of calculation were different. Whilst the Coefficient in other countries was calculated based on disposable income, it was based on income before tax in the case of Hong Kong. Also, Hong Kong had excluded other sources of income, e.g. public subsidies and welfare, and income from relatives, etc in the calculation.
- The Gini Coefficient should be used as a very broad indicator of income disparity in a society. However, the continued increase in the Coefficient values in

Hong Kong over years indicated that income disparity was a real issue for the society.

(b) Income Disparity

- Some Members pointed out that the social security and welfare systems in Hong Kong should be able to protect people from abject poverty. However, it was cautioned that a group of “working poor” were living in a rather difficult situation which might be worse than some welfare recipients. Although this group of people were eligible, they chose not to rely on the social security or welfare system. The government and the community should respect their choice and render support to them, as appropriate, to live in a dignified way.
- Members generally noted that under globalisation and the economic restructuring of Hong Kong, income disparity would likely continue to prevail. Some Members considered that it was important to promote a caring culture in the community to help the less fortunate members of the society.
- Another Member opined that the Government should have a role in improving the general living environment that could be enjoyed by all members of the society regardless of income.

(c) Social Mobility

- In response to a Member’s enquiry, a speaker stated that education was one of the most important factors in influencing social mobility. His view was shared by a number of Members with education background. It was generally agreed that for a developed and knowledge-based economy like Hong Kong, education and training played an important role in enhancing one’s creativity and technical skills to pursue a successful career. In parallel, the society

should provide an open and level-playing field for all people to compete on the basis of meritocracy.

- Members were generally supportive in providing opportunities and incentives for young people to develop their talents and skills. It was suggested that the Government should continue its efforts in strengthening the various training and retraining programmes for young people. The community and the Government should also work together in helping young people from low-income families or less-advantaged background to minimise their chance of inter-generational poverty.
- A speaker cautioned that the economic restructuring process of Hong Kong might lead to shrinkage of the conventional middle-class. It would have a negative effect on the opportunities of upward social mobility in Hong Kong. Similar social change also appeared in other advanced economies such as Japan. A number of Members considered that the Government should closely monitor the situation and review the relevant social policies e.g. public housing, medical and social welfare services, to cope with the situation as appropriate.
- It has been pointed out that there might be a difference between the reality and the public perception on social mobility. A speaker suggested that in order to preserve social harmony, the Government should devote more efforts in assessing the public perception on social mobility.

Concluding Remarks

4. Head of CPU expressed gratitude to the speakers and all Members for their comments. He welcomed further comments from Members through email or fax to the Secretariat for distribution to other Members. The Secretariat would prepare a summary of views expressed at the workshop for Members' reference.

5. The attendance list of the participants is at Annex.

Secretariat to the Commission on Strategic Development
February 2007

策略發展委員會
社會發展及生活質素委員會工作坊
2007 年 1 月 24 日

Workshop for
the Committee on Social Development and Quality of Life
of the Commission on Strategic Development
24 January 2007

出席名單

Attendance List

主持人

Convener

Head, Central Policy Unit

中央政策組首席顧問

委員

Members

Dr CHAN Kin-keung, Eugene
Mr CHAN Siu-hung
Prof CHANG Hsin-kang, G.B.S., J.P.
Mr CHEUNG Kwok-che
Prof CHIU Wing-kai, Stephen
Dr HUI Ka-wah, Ronnie
Ms KAO Ching-chi, Sophia, J.P.
Mr LAI Kwong-tak, Albert
Dr LAW Chi-kwong, S.B.S., J.P.
Mr LAW Kin-chung, Christopher
Mrs LAW SHING Mo-han, Yvonne
Ms LAW Suk-kwan, Lilian
Prof NG Ching-fai, G.B.S.
Dr NG Cho-nam, B.B.S.
Mr PUI kwan-kay, M.H.
Mr PUN Tin-chi
Mr SHIH Wing-ching, J.P.
Mr TAI Hay-lap, B.B.S., J.P.

陳建強醫生
陳紹雄先生
張信剛教授, G.B.S., J.P.
張國柱先生
趙永佳教授
許家驊醫生
高靜芝女士, J.P.
黎廣德先生
羅致光博士, S.B.S., J.P.
羅健中先生
羅盛慕嫻女士
羅淑君女士
吳清輝教授, G.B.S.
吳祖南博士, B.B.S.
貝鈞奇先生, M.H.
潘天賜先生
施永青先生, J.P.
戴希立先生, B.B.S., J.P.

Ms TAM Siu-ying, Iris, J.P.
Mr WONG Kwok-kin, B.B.S.
Mr YUNG Wing-ki, Samuel, M.H.

譚小瑩女士, J.P.
黃國健先生, B.B.S.
容永祺先生, M.H.

列席
In Attendance

Mr KWOK Kwok-chuen, B.B.S., J.P.
Government Economist

政府經濟顧問
郭國全先生, B.B.S., J.P.

Mr CHING Chung-cham, Dennis
Administrative Officer (Employment)
Labour Department

勞工處政務主任(就業)
程中湛先生

因事未能出席
Apologies

Ms CHAN Yu
Dr CHAN WONG Lai-kuen, Anissa, M.H.
Mr CHENG Wai-sun, Edward, J.P.
Mr DING Wai-chuen, Raphael
Mr HEUNG Cheuk-kei, Daniel, S.B.S., J.P.
Miss KI Man-fung, Leonie, J.P.
Prof LAM Shun-chiu, Dennis, J.P.
The Hon LAU Kong-wah, J.P.
Mr LEE Chung-tak, Joseph, B.B.S., J.P.
The Hon LEUNG Yiu-chung
Dr LO Wing-lok, J.P.
Ms LOH Kung-wai, Christine
Ms MAR Yuet-har, B.B.S., M.H.
Prof POON Chung-kwong, G.B.S., J.P.
Mr SO Kam-leung, Gregory, J.P.
Mr SZE, Kyran
Mr TIK Chi-yuen, J.P.
Mr WONG Kwok-keung, Peter, J.P.
Mr WONG Sau-ching, M.H.
Mr WONG Ying-wai, Wilfred, J.P.

陳瑜女士
陳黃麗娟博士, M.H.
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