REPORT SUBMITTED TO THE COMMISSION ON YOUTH

YOUTH IN HONG KONG STATISTICAL PROFILE 2005

(APPENDIX)

Policy Research and Advocacy

The Hong Kong Council of Social Service

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Summary of key findings

This report is a commentary section of *Youth in Hong Kong: A Statistical Profile 2005* which focuses on six topical youth issues, including poverty, unemployment, substance abuse, as well as human, social and cultural capital formation. There is also an additional chapter aims as putting local youth poverty situation in the international context. The objectives of this report are, first, to update the statistics based on existing framework and second, to analyse the situation of youth based on available data. The key findings are summarized below.

Human Capital

The indicators of human capital focus on the dimensions relating to youth's education, economical productivity and health conditions. Several phenomena can be observed:

- School attendance rate of youth aged 17-18 has increased sharply from 72.3% in 1996 to 82.4% in 2005 of youth aged 19-24 has increased sharply from 23.4% in 1996 to 35.2% in 2005.
- The percentage of youth population with matriculation or tertiary educational level increased from 22.7% in 1991 to 38.9% in 2001 and further to 42.5% in 2004.
- The dropout rate at primary and lower secondary level decreased from 0.282% in 1997/98 to 0.165% in 2002/03 but slightly bounced back to 0.177% in 2004/05.
- The government increased its total public expenditure on education in recent years. Total public expenditure on education as a percentage of GDP increased from 3.5% in 1997/98 to 4.6% in 2003/04 but it dropped back to 3.9% in 2005/06. This level is comparatively higher than some developed countries in Asia but lower than many of those in the west. Furthermore, the average unit cost spent on sub-degree students and undergraduate students has decreased since 2000/01.
- Private consumption expenditure on goods and services for educational use increased by 35.8% which almost doubled the growth on public expenditure on education (14.7%) between 1997 and 2004.
- Youth suicide rate of Hong Kong is lower than that of other age groups, as well as the youth suicide rate in other Western and Asian countries/regions. The self rated health condition and the in-patient

staying in hospital rate also reflects that the youth have better health condition than the general population.

• The unemployment rate of youth with lower secondary and below increased sharply from 11.9% in 2001 to 16.8% in 2003 and dropped back to 13.4% in 2004, while the unemployment rate of youth with tertiary educational level (degree) fluctuated slightly between 4.5% and 5.5% in the 2001 to 2004 period.

Unemployment

The findings indicate that youth unemployment has generally been worsening in the past 10 years. The obtained data illustrates the seriousness of youth unemployment, particularly for those aged 15-19. In addition, particular attention should be paid to the prevailing issue of "Status Zero Youth". Key findings are as follows:

- The situation of youth unemployment has intensified since the late 1990s and has been slightly relieved in recent years. The youth unemployment rate remained one time higher than the total unemployment rate between 1997 and 2005. Unemployment is worst among youth aged 15 to 19. The unemployment rate of the youth aged 15 to 19 reached 30.7% in 2002 and came down to 21.8% in 2005.
- The issue of high number of economically inactive youth has been prevailing in Hong Kong. The number of non-engaged youth increased from 16,500 in 1997 to 21,500 in 2005. Combining with the unemployed youth, the number of youth (15-24) who were neither studying nor working accounted for 4.2% of the total youth population in 1997 and 7.2% in 2005.
- In addition, part-time employment rate of those aged 15-19 has been higher than that of the overall population at least since 1999.
- In 2005, only 4.1% of the working youth in "manufacturing industry", and 90.1% in "wholesale, retail and import/export trades, restaurants and hotels industry" and "community, social and personal services industry", "transport, storage and communication industry" or "financing, insurance, real estate and business services industry".
- There was an increasing proportion of youth working as "managers and administrators", "professionals" and "associate professionals" after 1991. The percentage of youth working in either of these occupations increased from 16.0% in 1991 to 20.0% in 2005.

- The proportion of youth worked as "service workers and shop sales workers" or "elementary workers" also increased gradually. More than two-fifth (46.0%) of working youth worked as "service workers and shop sales workers" or "elementary workers" in 2005, compared to 30.9% in 1991.
- Youth aged 15-29 who had worked in "manufacturing" industries experienced lower unemployment rate than that of the total population. However, the unemployment rate of those youth who had worked in "wholesale, retail and import/ export trades, restaurants and hotels" industry, i.e. the industry expanded rapidly in the past decade and was mostly stuck by the recent economic recession, was 1.3 times higher than that of the total population.
- The gender gap of unemployment among the youth (15-19) was widening. The unemployment rate of male was 1.3 times of the female.

Poverty

Based on the obtained data on youth poverty, several trends can be observed as follows:

- There has been an increasing proportion of youth living in low-income households. The percentage of youth aged 15 to 19 living in low-income households increased from 16.7% in 1991 to 24.7% in 2000 and further increased to 25.8% in 2005
- The number of young CSSA recipients increased more than 70% between 2001 and 2005. The proportion of youth receiving CSSA increased from 4.2% in 2001 to 7.4% in 2005.
- The percentage of primary and secondary students receiving full grant under School Textbook Assistance Scheme has increased in the past eight years. The growth rate was higher among secondary students (increased more than 9 times between 1997/1998 and 2004/2005) than amongst the primary students (increased more than 5 times between 1997/1998 and 2004/2005).
- The percentage of working youth with monthly income less than \$4,000 increased from 7.4% in 1997 to 14.9% in 2001 and further to 22.9% in 2005.
- A survey indicated that youth in low income family tended to consider their families' financial situation bringing harm to their health condition, life experience and learning opportunities when compared to the youth from non-low income family.

Substance abuse

After analyzing the collected data on youth substances abuse, several trends can be observed as follows:

- There has been a decreasing trend of reported substance abuse among youth since 2001 but the figure slightly increased in 2005. The number of young drug abusers aged under 21 dropped from 3,902 in 2001 to 2,184 in 2004 and slightly increased to 2,255 in 2005.
- There has been a constant decrease in the number of young heroin abusers. The number decreased from 1,855 in 1997 to 426 in 2001 and further dropped to 85 in 2005.
- Ketamine and MDMA(Ecstasy) are prevailing among the youth. In 1999, there were only 14 reported abuser of Ketamine and 290 abusers of MDMA (Ecstasy) among youth under 21, the number increased to 1357 and 1180 in 2005.
- Drugs, especially psychotropic substances, are mainly distributed through the peers' networks. Peer influence is found to be one of the major reasons for abusing drugs among youth. Further more young people usually take drug in venue where they can associate with their peers groups, such as close friend's home, Karaoke/disco, etc.
- It is alarming that young heroin abusers reported that school were their most common venue for consuming heroin. It was also reported that only few students preferred taking anti drug message from school and very few drug abusers felt that teachers had gave them the greatest help.
- Drug taking students tend to have worse relationship with their family than non drug taking students
- Drug abusers aged under 21 tend to be less engaged in school or labor market than non drug taking youth.

Cultural Capital

The key findings of the discussion on the generation of cultural capital among the youth are summed up as follows:

- Most of the youth has registered as public libraries borrowers and developed reading habit in Hong Kong.
- The proportion of youth who attended the program organized by the Leisure and Cultural Services Department was higher than that of adult.

- Most of the youth spent the largest part of their pocket money on food and drink and there were gender differences in their consumption habit.
 Furthermore, some of the youth regarded consumption as a media of identity building.
- In 2005, the top three types of creative industries that the youth engaged in were: "miscellaneous amusement and recreational services", "printing, publishing and allied industries" and "miscellaneous business services".
- The identity of being Chinese has enhanced slightly in recent years among the youth in Hong Kong. However, their identity of being Hong Kong people was still stronger than that of being Chinese.
- The number of youth aged 15-24 who had used Internet service in the past twelve months increased gradually from 64.5% in 2000 to 96.2% in 2005.

Social Capital

The key findings of the discussion on the generation of social capital among youth are summed up as follows:

- There has been an increasing trend of youth participating in volunteer services.
- Although more than half of the youth participate in certain kind of organizations in school, the participation rate of organization out of school is still low among the youth in Hong Kong.
- The sense of civic engagement among the youth has been increasing in recent years, but most of them feel powerless in influencing the government.
- Most of the youth have sense of belonging towards their local community, but they have negative feeling towards the government.
- The youth tend to have the strongest social networks with their friends and classmates, followed by their family member and relatives and have weak social networks with their teachers and boss.
- Youth tend to have higher level of acceptance towards different social groups in the society.

Poverty (International Comparison)

The key findings of putting the youth poverty situation of Hong Kong in the international context are as follow:

 Compared to other developed countries, youth poverty rate of Hong Kong is quite serious. However, as the poverty rate of the general population is also high in Hong Kong, we suggest that unlike many other developed countries where youth are specifically vulnerable to poverty, the poverty problem faced by the youth in Hong Kong tends to be part of the poverty problem faced by the general population.

- The youth unemployment problem of Hong Kong is moderate and part time employment rate of Hong Kong is low when compared to the countries we study.
- The rate of early school leavers is higher than most of the countries we study in this chapter.
- Although there are much fewer youth abused drugs in Hong Kong, compared to the western community, the youth in Hong Kong tend to report their health condition as fair or bad.
- Digital divide is not a serious problem among the youth in Hong Kong. The internet penetration rate among the youth in Hong Kong is similar to that of the countries with advance IT development, such as Finland and is higher than most of the developed countries we study.

Chapter 1 Introduction

In 1988, the Central Committee on Youth first produced the Statistical Profile of Youth in Hong Kong. Since its establishment in 1990, the Commission on Youth has been conducting regular updating in 1992, 1997, 2002 and 2003. The Social Sciences Research Center of the University of Hong Kong (SSRC) and the Hong Kong Council of Social Service (HKCSS) were invited to work on this project in 2002 and 2003. The SSRC was responsible for collecting statistics and writing a descriptive report and the HKCSS was responsible for commenting on the statistics. In these two reports, condition of youth was analyzed under a theme work of three capital, namely, human capital, cultural capital and social capital, and three problems, namely, unemployment, poverty and substance abuse.

In 2005, SSRC and HKCSS were again invited to work on the project in order to keep track to the trend of youth development. This book is the appendix part of the *Youth in Hong Kong- A Statistical Profile 2005* and aims as commenting on the statistics of the main report.

1.1 Scope of the research and methodology

The present study continued to adopt the framework¹ developed in previous reports to address the following six youth issues:

- three youth problems that are often of top concern to policy makers, social advocates and the public – namely poverty, unemployment and substance abuse; and
- three broadened notions of capital which are considered to be crucial in the well-being of the youth and that have lately generated much interest among policy makers, social advocates and researchers – namely human capital, social capital and cultural capital.

Besides the six issues stated above, there is a new chapter about youth poverty problem in this statistical profile. Poverty has been an issue we have analyzed since the 2002 report, but this additional chapter of poverty aims at putting local situation into international context and developing indicators of youth poverty to make it internationally comparable.

¹ The criteria for the development of the existing framework were as follows: (1) clarity and comprehensive in coverage; (2) positive and negative outcomes; (3) common interpretation; (4) consistency over time; (5) forward-looking; and (6) scientifically rigorous data collection methods.

1.2 Data collection and limitations of the study

Statistics about youth conditions in the seven issues (three problems, three capital plus one special topic) within the past 3-4 years will be collected in this exercise. In most of the cases, youth will be defined as those who aged between 15 and 24. If possible, we will also provide the statistics break down into "15-19" and "20-24" groups. However, due to unavailability of data, we sometimes use other similar life cohort as substitutes, such as the 15-30 age groups, or students studying F.1 to F.7 etc.

Most of Hong Kong data are collected from the 2001 Census² and the General Household survey of the Census and Statistics Department. Some of the data are collected from surveys conducted by the Hong Kong Federations of Youth Groups, the Breakthrough Youth Achieves or other NGOs and research institutions. International data are mostly collected from the online data base of foreign countries or international organizations, such as the Social Indicators data base of U.N. or the EuroStat database of the European Union.

Some data collected in the pervious exercise have not been updated before we finish this exercise. If possible, similar data from recent researches will be obtained to provide some general idea about the trend of development. If there is no similar data, we will not include those issues in this exercise. On the other hand, some new issues raised in ad hoc survey in recent years are also discussed in this updating exercise.

1.3 Organization of the report

The report is composed of nine chapters. This chapter is an introductory chapter on the scope, the methodology and limitations of the study, as well as the organization of this report. The subsequent seven chapters are the main contents about the three capital and the three problems, plus the special topic of poverty. Literature review and the conceptual framework of the concerned topic will be presented in each chapter. Then, examples of indicators will be listed, followed by discussions on the availability of data. Key findings of each topic will be examined. The key findings will also be summarized and issues of concerns in future studies will also be raised. Finally, the concluding chapter will discuss the limitations of the study and the future research directions.

² As data obtained from the 01 Census are quite outdated, we tend not to use more updated General Household Survey data as substitutes. However, as some of the data collected by the 01 Census are not collected in the General Household Survey, we still use data from the 01 Census in some cases.

Chapter 2 Human Capital

2.1 Definition of human capital

The measurement of human capital can help determine the level of productivity among individuals of society. Human capital can be defined as "the knowledge, skills, competences and other attributes embodied in individuals that are relevant to economic activity" (OECD, 1998). Human attributes refer not just to the level to which an individual has been educated, but also the degree to which he or she can put a wide range of skills to productive use. In addition, the scope of 'economic activity' is not only restricted to the involvement of individuals in paid work, but also extends to non-market ones (e.g. voluntary and household work) (OECD 1998:9; Schuller, 2000).

This chapter discusses what kinds of knowledge and skills are required by the labor market and which the youth can equip themselves for the keen competition.

2.2 Measurement of human capital

There is an increasing awareness of the importance of lifelong learning in a knowledge-intensive economy where socio-economic and technological changes call for adaptation and learning throughout life. Thus, simplified proxies for human capital formation, such as completed years and levels of schooling, are not sufficient to provide a reference for policy-makers. Participation in formal education is only a proxy for the acquisition of economically-relevant knowledge, skills and competencies, under the fact that learning is different in terms of quality and objectives. Furthermore, it is evident that demand for different skills is changing in the knowledge-based economies. There is an increasing demand for inter-personal communication, teamwork and problem-solving skills which are not reflected in completed educational levels. Moreover, the narrow focus on completed educational level and qualifications neglects the matter of depreciation of human capital through lack of use. Besides, it is recognized that human capital formation takes places in various settings including schools, organizations, labor market, communities, national institutions and cultures (Barro & Lee, 2000; Healy, *et al.*, 2001; Laroche & Merette, 2000; OECD, 1998). Therefore, human capital should be measured in broader perspectives (Healy, *et al.*, 2001:18; OECD, 1998:12) and it includes:

- learning within family and early childcare setting;
- formal education and training at different levels, such as early childhood, school-based compulsory education, tertiary education, vocational training;
- workplace training and informed learning at work through specific activities, such as Research and Development or taking part in different professional networks; and

• informal learning 'on-the-job' and in daily living and civic participation.

The above perspectives although extend the measurement of human capital from training through formal educational institutions to much broader area, it only focuses on the culmination of skills or knowledge for a person, but have not consider the capability for ones to use such knowledge or skills. As ones' health condition is one of the major factors that constraining utilization of their knowledge and skills, we will also include it in our definition of human capital.

On the international level, the OECD and World Bank have made considerable efforts to constitute a common framework so as to enhance the comparability of data over time and across countries. The OECD conducted the International Adult Literacy Survey (IALS) and the Program for International Student Assessment (PISA) in order to identify and measure the skills and competence in an international context. The IALS identifies literacy skills to cover demands at work, in the home and in the community. Literacy domains are composed of Pros literacy³, document literacy⁴ and quantitative literacy⁵ and each literacy domain is divided into 5 different task levels (OECD, 1998:23). The PISA focuses on 15-year-olds' capabilities in reading literacy, mathematics literacy, and science literacy. It also includes measures of general or cross-curricular competencies, such as learning strategies. The PISA is being implemented on a 3-year cycle starting in 2000 (Lemke, M, *et al.*, 2001).

The above discussion of measuring human capital by ones' education attainment, by direct measurement or by ones' health condition focuses on the stock of human capital ones obtained. Besides, human capital can be measured in term of the public and private investment on human capital and also in term of return to investment in human capital. Table 2.1 summarizes example of indicators of human capital.

³ The knowledge and skills that are required to understand and use information from newspapers, fiction and expository text.

⁴ The knowledge and skills that are required to locate and use the information contained in official forms, timetables, maps and charts.

⁵ The knowledge and skills that are required to apply mathematical operations in printed materials.

Table 2.1: Indicators of human capital Dimensions Sub-dimensions

Dimensions	Sub-dimensions	Examples of Indicators	
Stock	EDUCATIONAL ATTAINMENT		
Indicator	Educational attainment	 Percentage of the population completed level of education (primary, secondary and tertiary education) 	
	University graduates as a	• Those in the labor force that hold	
	proportion of the labor force	university degrees	
	High school drop-out	• Dropout rate for secondary school students	
	DIRECT MEASURES OF HUMA	AN CAPITAL	
	Proficiency on Information Technology (IT)	 Competence in and experience with IT 	
	Problem-solving and teamwork skills	 Skill assessment results 	
	HEALTH CONDITIONS		
	Average number of disability days per person	 Total days lost due to illness/ disability 	
	Individual lifestyles	 Frequency of heavy drinking and smoking prevalence 	
		 Drug use Montal health conditions 	
	Teen suicide	Youth suicide rate	
Investment	PUBLIC & PRIVATE INVESTM	ENT ON HUMAN CAPITAL	
Indicator	Share of national income devoted to education and training	 Total public and private spending on education as a percentage of Gross Domestic Product (GDP) 	
	Average spending per student by educational level	 Amount spent on each student 	
	Spending on job-related	 Public expenditures on labor market 	
	training programs for youth	training programs	
	Average duration of	Annual hours of training undertaken for	
	job-related training	each person with any training; and average for all employees	
	Family computer ownership (for education and informal	 Percentage of households with personal computer (PC) 	
	Household expenditure on education	 Consumption expenditure in the domestic market on educational goods and services 	

Dimensions Sub-dimensions

Examples of Indicators

Indictors of Return to	MARKET VALUE OF HUMAN CAPTIAL (INDICATORS OF RETURNS TO INVESTMENT IN HUMAN CAPITAL)			
Investment in Human Capital	Earning differentials associated with level of educational attainment	 Ratio of earnings at different levels of education 		
	Unemployment associated with level of educational attainment	 Unemployment rate by educational attainment and by gender 		

2.3 Data availability

Data on dimensions of "educational attainment", "direct measures", "health condition", "public and private investment" and "market value on human capital" are available for this updating exercise. Data of "educational attainment", "public and private investment" and "market value on human capital" are mainly obtained from the Census and Statistics Department and the Education and Manpower Bureau.

For the dimension of "direct measure", data of PISA are used for internationally comparing the academic ability of students and data on "IT proficiency" are collected from the thematic report of the Census and Statistics Department.

Data of "Health condition" are obtained from the report of Hospital Authority, and we also make trend analysis of youth suicide with the record of Corner's report.

Furthermore, the development of human capital of the South Asian ethnic minority youth in Hong Kong had been discussed in the last exercise. Since the data was generated from the thematic report conducted by Census and Statistics Department in 2001, no updated statistics are available for this updating exercise to keep track of the latest development. However, the situation of the ethnic minorities in Hong Kong should not be overlooked as the percentage of the South Asian ethnic minorities in total youth population increased from 1.6 % in 1991 to 4.7% in 2001. Anyone who wants to get further understanding about their situation can refer to the concerned analysis in the last report.

Dimensions	Obtained Indicators	Sources
EDUCATIONAL ATTAIN. Educational attainment	 MENT School attendance rate (1991-2003) Youth by educational attainment (Highest level attended) (1991-2003) Dropout students aged between 6 	Census and Statistics Department Census and Statistics Department Education Department
	and 15 (1997/98-2002/03)	
DIRECT MEASURES OF	' HUMAN CAPITAL	
Proficiency on IT	 Percentage of youth having knowledge of computer usage and Chinese input method (2001-2005) 	Census and Statistics Department
Direct measurement of academic abilities	 Mathematical Literacy, Scientific Literacy, Reading Literacy and Problem Solving Literacy (2000,2003) 	PISA
HEALTH CONDITION		
Frequency of heavy drinking and smoking prevalence Drug use	 (See Chapter 5 Substance Abuse) 	
Teen suicide	 Youth aged 10-19 and 20-29 suicide rate (1996-2002) 	Hong Kong High Court
Health Condition	 Number of In-patients staying in Hospital Authority Hospital (1998-2005) 	Hospital Authority
	 Self rated health by youth (2003/04) 	Hospital Authority
PUBLIC & PRIVATE INV	ESTMENT ON HUMAN CAPITAL	
Share of national income devoted to education and training	 Total government/public expenditure on education as a percentage of GDP (1997/98-2005/06) Total public expenditure on education as a proportion of GDP in different countries (for international comparison) (1998-2000) Amount spent on each student 	Census and Statistics Department Education and Manpower Bureau OECD; Census and Statistics Department
	(1997/98-2002/03)	

Table 2.2: Obtained indicators on human capital

Dimensions	Obtained Indicators	Sources		
Private Investment on human Capital	 Consumption expenditure in the domestic market on educational goods and services (1996-2002) Average household expenditure 	Census and Statistics Department		
	on educational goods and service	Census and Statistics Department		
THE MARKET VALUE OF	HUMAN CAPTIAL			
Unemployment associated with level of educational attainment	 Unemployment rate of youth aged 15-29 by educational attainment (1997-2003) 	Census and Statistics Department		
	 Projected manpower resource balance by educational attainment in 2005 and 2007 	Education and Manpower Bureau		

2.4 Discussion

2.4.1 Educational attainment

Education attendance rate

According to the General Household Survey, education attendance rate of youth aged 17-18 and 19-24 increased sharply from 1996 to 2005. The school attendance rate of those aged 17-18 increased from 72.3% in 1996 to 82.4% in 2005 and the school attendance rate of those aged 19-24 also increased from 23.4% in 1996 to 35.2% in 2005. It was mainly the result of the expansion of post secondary education in recent years. On the other hand, there was slight increase in the school attendance rate on secondary education (aged 12-16) and nearly reached full attendance. The attendance rate increased from 98.2% in 1996 to 99.1% in 2005.







Education attainment

The education attainment level among youth in Hong Kong has been increasing gradually since 1991. According to the General Household Survey, the percentage of youth (aged 15-24) population with matriculation or above educational level rose from 22.7% in 1991to 38.9% in 2001 and further increased to 42.5% in 2004. The increase was mainly from tertiary education. The proportion of youth with tertiary or higher educational level increased from 14.8.% in 1991 to 30.3% in 2004. In addition, the proportion of youth who have only obtained primary or lower education level has decreased steadily. In 2004, 98.9% of the youth population obtained at least lower secondary level or above, compared with 96.3% in 1991 and 98.4% in 2001 (figure 2.2).



Figure 2.2: Youth aged 15-24 by educational attainment (highest level attended) (1991-2004)

Source: Census and Statistics Department, General Household Survey

School dropout rate

The school dropout rate has decreased gradually in recent years. The school dropout rate at primary and lower secondary level decreased from 0.282% in 1997/98 to 0.181% in 2000/01. Although the pace of decrease slowed down afterwards, it further decreased to 0.165% in 2002/03 (Figure 2.3). However, the dropout rate bounced back to 0.180% and 0.177% in 2003/04 and 2004/05 respectively. This issue should not be overlooked because youth unemployment is closely linked to low education. Detail discussions on the situation of youth employment will be presented in section 2.4.4.



Figure 2.3: Dropout students aged between 6 and 15 (1997/98- 2004/05)

- Note: (1) Dropout Cases: Students leaving school School Transfers Those left HK – Those admitted to Boys' and girls' Home
 - (2) Dropout rate: Dropout Cases/ Enrolment x 100%



Gender difference in post secondary and tertiary education

The proportion of female enrolment in post secondary and tertiary education has been increasing. In 1996/97, the male and female proportion of students enrolled to UGC-funded programs was almost equal. In 2004/05, 55.2% of the students enrolled in UGC-funded program were female while only 44.8% were male (figure 2.4e). However, it should be noted that there were higher proportion of male enrolment in research postgraduate programs (57.1% of the students were male and 42.9% were female in 2004/05), although the proportion of female enrollment has increased even rapidly in recent years. (Figure 2.4d)

Figure 2.4a Gender proportion of students enrolled in sub-degree programs (1996/97-2004/05)



Figure 2.4b Gender proportion of students enrolled in undergraduate programs (1997/97-2004/05)



Figure 2.4c Gender proportion of students enrolled in taught postgraduate programs (1996/97-2004/05)



Figure 2.4d Gender proportion of students enrolled in research postgraduate programs (1996/97-2004/05)



Figure 2.4e Gender proportion of students enrolled in all UGC-funded programs (1996/97-2004/05)



Source: University Grant Committee 2006

2.4.2 Direct measures of human capital

PISA

The Program for International Students Assessment (PISA) provides a universal assessment scheme for international comparison of the academic ability of 15 years old students.

The performance of Hong Kong students in mathematical literacy and scientific literacy was outstanding in 2000. The mean scores were 560⁶ and 541 respectively and Hong Kong ranked the first and the third in these two areas among the 41 regions that joined PISA. In 2003, Hong Kong students kept its outstanding performance. The mean scores of mathematical literacy, problem solving skill⁷ and scientific literacy were 550, 548 and 539 respectively and they made Hong Kong the first, second and the third rank among 40 regions that joined PISA. However, the performance of Hong Kong students in reading literacy was not as good although it was still better than the OCED average. The mean score was 525 in 2000 and 510 in 2003 and ranked the 6th and the 10th respectively.

⁶ The score was set 500 as the OCED's average and 100 as the OCED's standard deviation.

A newly developed assessment item in PISA 2003.

	Mathematical Literacy		Scientific Literacy		Reading Literacy		Problem Solving	
							Literacy	
	Mean		Mean		Mean		Mean	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank
Year	(S.E.)		(S.E.)		(S.E.)		(S.E.)	
2000	560	1	541	3	525	6	NA	NA
	(3.3)		(3.0)		(2.9)			
2003	550	1	539	3	510	10	548	2
	(4.5)		(4.3)		(3.7)		(4.2)	

Table 2.3 Mean score and rank of Hong Kong students in PISA

Source: PISA 2004

IT competence

Proficiency in IT is also an important element of human capital for youth to compete in the labor market. According to the statistics of Census and Statistics Department, there are more youth with knowledge of using personal computer. In 2001, there were 89.2% of the youth aged 15-24 reported to have knowledge in computer usage. The figure increased to 95.4% in 2003 and further increased to 97.9% in 2005.

On the other hand, the proportion of youth aged 15-24 with the knowledge of using Chinese input method has increased even more rapidly. The percentage of youth having knowledge of using Chinese input method changed from 77.5% in 2001 to 88.3% in 2003, and to 94.5% in 2005 (Figure 2.5). It should be noted that although there are more youth having knowledge of computer usage and Chinese input method, the rate of increase is decreasing. It may reflect that there are more obstacles in the penetration of I.T. knowledge to the remaining youth population. As lacking of IT knowledge may put the youth in a more disadvantaged position under increasing popularization of computer usage, bridging the digital gap for these remaining youth population becomes an important issue of concern in the future.





Source: Census and Statistics Department

2.4.3 Health conditions

Mental Health and Suicidal Problem

According to the statistics of the Corners' Report, the suicide rate of youth aged 10 to 19 was lower than that of the total suicide rate in recent ten years. It fluctuated between 2.89 and 4.30 per 10,000 population from 96 to 04 and drastically decreased to 1.49 in 2005. On the other hand, the suicide rate of youth aged 20-29 was more serious. It was about 2 to 5 times higher than the suicide rate of youth aged 10-19, but was stiller lower than the total suicide rate except in 2003 and 2004. In 1999, it was 7.63 and only half of the suicide rate of the total population. It increased to 19.22 and outran the overall suicide rate in 2003. The figure has gone down in the recent two years to 6.7 in 2005.





Source: Corner's report

To a certain extent, adolescent suicide can not be described as prevalent in Hong Kong. It is not only because the suicide rate of youth aged 10-29 is lower when compared to other age groups, but Hong Kong's youth suicide rate is also lower than that of some western and Asian countries/regions (Table 2.4).

However, the suicidal case actual happens may not completely reflect the potential seriousness of the problem. According to the survey conducted by the Christian Family Service Center in 2004(CFSC. 2004), about 4.2% of the students aged 12-20 showed symptoms of depression, and among them, 60% had thought about committing suicide. These figures showed that the adolescent suicidal problem should not be overlooked.

Year	1995	1996	1997	1998	1999	2000
U.K.	6.7	0.1	0.8	0.9	0.7	0.3
U.S.A.	13.3	12.0	11.4	11.1	12.7	/
Canada	15.0	14.4	13.7	/	/	/
Republic of Korea	9.5	11.8	10.3	24.9	19.9	17.3
Japan	8.4	8.5	8.5	/	/	/
Singapore	11.9	9.0	8.8	/	/	/

Table 2.4: Suicide rate for the 15-24 age bracket in different places (1995 - 2000)

Year	1995	1996	1997	1998	1999	2000
Taiwan	3.9	4.2	/	4.2	/	/
Hong Kong	8.9	9.7	8.7	10.3	6.1	7.7

Note: Suicide rate was calculated by the number of suicide per 100, 000 youth population. Source: Shek and Tang (2003)

Number of In-patients Staying in Hospital Authority Hospital

Although the number of hospitalised youth can be affected by factors other than their health conditions, such as the availability of beds, the risk of being victims of accidents etc, we still use it as a proxy for indicating the health condition of youth due to unavailability of other data.

Statistics from Hospital Authority shows that the number of youth aged 15-19 staying in Hospital Authority hospitals fluctuated between 0.75 and 0.64 per thousand people from 1998 to 2005. The rate of youth aged 20-24 staying in hospital was higher than that of the 15-19 age group, and it went down steadily in recent years. It decreased from 1.31 per thousand people to 0.92 (Figure 2.7).

Figure 2.7 Number of in-patient staying in Hospital Authority Hospital per thousand people (1998-2005)



Source: Hospital Authority

Self-rated Health

According to the Population Health Survey 03/04, the youth generally reported themselves to have good health, which was better than that of the general population. 5.2% of the youth rated their health conditions as excellent. 35.2% rated their health condition as very good and 37.4% of them rated as good. The percentages of the total population who rated their health conditions as excellent, very good and good health were 2.7%, 20% and 36% respectively. (Figure 2.8)





Source: Report on Population Health Survey 03/04

2.4.4 Public and private investment on human capital

Public investment on human capital

The government has increased its total expenditure on education. As shown in figure 2.9, the total amount of government expenditure on education had been increased steadily until 2003/04. It increased from 47,027 millions in 1997/98 to 56,948 millions in 2003/04. In 2005/06, it slightly decreased to 55,576 millions. In terms of public spending on education as a percentage of GDP, it rose from 3.5% in 1997/98 to 4.6% in 2003/04 and turned down to 3.9% in 2005/06. (Figure 2.9)

With the recent increase in total public expenditure on education, Hong Kong Government spent a higher proportion of GDP on education than various developed countries in Asian, but lower than many of the western countries. As shown in table 2.5, total public expenditure on education as a proportion of GDP in Hong Kong was 4.4% in 2002, which was higher than the Republic of Korea (4.2%), Singapore (4.1%) and Japan (3.5%). However, it was lower than that in France (5.7%), the U.S.A. (5.3%) and the U.K. (5.0%) (Table 2.5).

Year	France	Australia	U.S.A.	U.K.	Hong	Republic	Singanora	Ianan
					Kong	of Korea	Singapore	Japan
2002	5.7%	4.4%	5.3%	5.0%	4.4%	4.2%	4.1%	3.5%

Table 2.5: Total public expenditure on education as a proportion of GDP in different countries in 2002

Sources: OCED; Singapore: Ministry of Education, Education and Manpower Bureau

Figure 2.9: Total public expenditure on education as a percentage of GDP (1997/98 – 2005/06)



Sources: Education and Manpower Bureau

Further analysis of public expenditure on education will find that government expenditure cut most sharply on the tertiary level in recent years. According to the average unit cost spent on students of different educational level⁸, the average unit cost of aided primary school slightly increased from 21,840 in 2000/2001 to 23,713 in 2004/2005. The average unit cost of aided secondary school slightly fluctuated between about 32,982 to 34,470 in this period. However, in this period, the average unit cost decreased from 161,000 to 122,000 for sub-degree students and decreased from 247,000 to 205,000 to undergraduate students. It means that in the 2000/2001-2004/2205 period, there has been on average a 24.2% cut in the government spending on every unit of sub-degree students and a 17.0% cut in government spending on every unit of undergraduate (Figure 2.10).

⁸ In order to simply our analysis, we only show the average unit cost for aided school in the primary and secondary level. As about 90% of the government expenditure on primary and secondary education are spent to aided school, it is suitable for using this figure to get a general trend of government spending on primary and secondary education.



Figure 2.10: Government expenditure on educational institutions per unit (2000/2001-2004/2005)

Source: Education & Manpower Bureau (2006)

Private Expenditure on Education

On the other hand, private expenditure on education has increased significantly in the past 10 years. As shown in figure 2.11, there was 51.3% increase in the consumption expenditure in the domestic market on education from 1996 (11,170) to 2000 (16,897). From 2000, in spite of the economic downturn, there was still 6.4% increase in private expenditure on education from 2000 to 2004 (17,975).

Results of the Household Expenditure Survey also show the same increasing trend. Households in Hong Kong spent \$839 on average on school fee and other educational charges per month in 1999/00, and it increased to \$875 in 2004/05. It accounted for 3.8% of the total household expenditure in 1999/00, and accounted for 4.6% of the total household expenditure in 2004/05.





Source: Census and Statistics Department (2006)

2.4.5 Market value of human capital

As shown in Figure 2.12, youth with lower educational level are more likely to be unemployed. The differentiation of unemployment rates among youth with different educational attainment widened especially when the overall employment condition was bad. In 1997, the unemployment rate of youth with different educational attainment ranged from 2.3% to 5.4%. In 1999, the unemployment rate of those with secondary educational level or below increased to 15.8% and it further increased to 16.8% in 2003, while that of youth with tertiary degree level only increased to 6.0% in 1999 and 5.5% in 2003. The employment condition improved in 2004, and the gap narrowed down but was still much wider when compared to 1997. This may imply that human capital has becomes increasingly important to the employability of the youth.
Figure 2.12: Unemployment rate of youth aged 15-29 by educational attainment (1997 – 2004)



Source: Census and Statistics Department

As shown in figure 2.13, manpower supply at post-secondary level and degree level is projected to fall short by 65,300 and 82,600 respectively in 2007. On the other hand, there is a projected surplus of manpower at the educational levels of lower secondary and below (+133,500), upper secondary (+82,500), and craft (+15,600) in 2007. This reflects that the labor market in Hong Kong will continuous to demand working population with higher level of educational attainment by 2007. Youth with lower educational level and working experience will find difficulties in looking for jobs in the future.





Note: (+) Surplus in manpower supply against requirement.

(-) Shortfall in manpower supply against requirement.

The figures excluded foreign domestic helpers and Hong Kong residents working and employed by business outside Hong Kong.

Post-secondary and First degree and above included attainment through continuing education.

Post-secondary included matriculation, technician and sub-degree education.

Source: Financial Services Bureau, Education and Manpower Bureau, Census and Statistics Department and Labour Department (2007)

2.5 Summary

The indicators of human capital focus on the dimensions relating to youth's education, economical productivity and health conditions. Several phenomena can be observed:

- School attendance rate of youth aged 17-18 has increased sharply from 72.3% in 1996 to 82.4% in 2005 and that of youth aged 19-24 has increased sharply from 23.4% in 1996 to 35.2% in 2005.
- The percentage of youth population with matriculation or tertiary educational level increased from 22.7% in 1991 to 38.9% in 2001 and further to 42.5% in 2004.

- The dropout rate at primary and lower secondary level decreased from 0.282% in 1997/98 to 0.165% in 2002/03 but slightly bounced back to 0.177% in 2004/05.
- The government increased its total public expenditure on education in recent years. Total public expenditure on education as a percentage of GDP increased from 3.5% in 1997/98 to 4.6% in 2003/04 but it dropped back to 3.9% in 2005/06. This level is comparatively higher than some developed countries in Asia but lower than many of those in the west. Furthermore, the average unit cost spent on sub-degree students and undergraduate students has decreased since 2000/01.
- Private consumption expenditure on goods and services for educational use increased by 35.8% which almost doubled the growth on public expenditure on education (14.7%) between 1997 and 2004.
- Youth suicide rate of Hong Kong is lower than that of other age groups, as well as the youth suicide rate in other Western and Asian countries/regions. The self rated health condition and the in-patient staying in hospital rate also reflects that the youth have better health condition than the general population.
- The unemployment rate of youth with lower secondary and below increased sharply from 11.9% in 2001 to 16.8% in 2003 and dropped back to 13.4% in 2004, while the unemployment rate of youth with tertiary educational level (degree) fluctuated slightly between 4.5% and 5.5% in the 2001 to 2004 period.

In this updating exercise, statistics dimensions of 1) educational attainment, 2) direct measure of human, 3) health condition, 4) public & private investment on human capital and 5) market value of human capital are obtained to reflect the development trend of human capital of youth in Hong Kong.

On the other hand, since statistics about actual loss of productivity due to health problems and income difference by education attainment was not available for this updating exercise, it is not comprehensive enough to reflect the development of human capital of youth in Hong Kong and it is therefore suggested to collect data on these areas in future studies.

Chapter 3 Unemployment

The economic downturn and high unemployment rate has been recorded in many countries after 1997. (OCED 2003) The deterioration of labor market conditions affected different population groups to different extent. In fact, youth unemployment has been a major challenge to labor market policy for many years. Hong Kong is no exception. The youth unemployment rate remained two times or more than the overall unemployment rate in Hong Kong and in other countries (OCED, 2002). Although the economy of Hong Kong seems to have regained its prosperity in recent years, but the employment situation still has not recovered to the pre 1997 level.

Lacking opportunities for the youth to participate in the labor market not only hampers their economic betterment, it also affects the social engagement of youth in society. In the long run, it will distort the generation of human capital, such as accumulation of working experience and improvement of competency among the youth themselves, and it will also hinder the development of the whole society (Gordon, et al., 2000). The aim of this chapter is to examine the latest statistics related to youth employment issue with reference to the existing framework.

3.1 Definition of employment and unemployment

Unemployed persons are those people who are able and willing to work at a prevailing wage rate yet are unable to find a paying job, while employed persons are those people who are engaged in performing work for pay or profit. According to the Census & Statistics Department (2006), the operational definition of unemployed persons and employed persons are as follows:

Unemployed person: person aged 15 and over who has (i) not had a job and has not performed any work for pay or profit during the seven days before enumeration; (ii) has been available for work during the seven days before enumeration; and (iii) has sought work during the thirty days before enumeration.

Employed person: person aged 15 and over who has (i) been at work for pay or profit during the seven days before enumeration; or (ii) has had formal job attachment during the seven days before the enumeration.

The unemployed plus the employed persons compose the economically active population in Hong Kong. On the other hand, the economically inactive persons refer to those persons who have not had a job and have not been at work during the seven days before enumeration, excluding persons who have been on leave/holiday during the seven-day period and persons who are unemployed. Persons such as home-makers, retired persons, full-time students, as well as those people who have no work and do not pursue to find jobs are thus included. Youth who do not have the intention or are discouraged to find jobs after they leave schools will be classified as economically inactive rather than unemployed. Statistics of economically inactive youth will help to grasp the full picture of the employment situation of the youth in Hong Kong.

Unemployment can be divided into cyclical, frictional and structural. Cyclical unemployment is unemployment caused by economic fluctuation under business cycle. Frictional unemployment is temporarily unemployment caused by jobs transition. Structural unemployment is unemployment caused by structural changes in the overall economy, as in demographics, technology, or industrial organization. While frictional unemployment influences the employment situation of the labor force as a whole, studying the employment constraints of youth under cyclical unemployment and structural unemployment will help us investigate why youth is vulnerable in the employment market.

The employment barriers under cyclical unemployment focuses on the personal attributes which wakens the youth's employability when labor demand decreases. Indicators used for measurement include the unemployment rates by sex, age or other social attributes.

Structural unemployment focuses on the fundamental changes in production structure that leads to a mismatch between labor supply and demand. It can be reflected by the jobs done by youth previously, currently and their desire industry to the next employment and the size of total employment in the related industry.

Our indicators of youth unemployment include three dimensions (i) employment status; (ii) structural constraints to youth employment status; (iii) youth employment barriers. Details are shown in table 3.1:

Dimensions	Examples of Indicators			
Employment Status	Employed youth populations and rate			
	Underemployed youth populations and rate			
	Unemployed youth populations and rate			
	Part-time employment rate of youth			
	Economically inactive youth (not in school)			
	population and rate			
	Availability for work			
	Health conditions of working youth			
	Number of working hours per week			
Structural constraints of	Youth job-seekers by desired industry of next			
youth employment status	employment			
	Youth unemployment in relation to pervious job in			
	industry			
	Youth unemployment in relation to pervious			
	occupation			
	Reasons for losing jobs			
	Reasons for long-term unemployment based on the judgment of the unemployed youth themselves			
	Present industry of employed youth			
	Present occupation of employed youth			
Youth employment	Ratio of youth to adult unemployment			
barrier				
	Ratio of youth to adult underemployment			
	Youth employment status by age and sex			
	Duration of unemployment			

Table 3.1 Indicators of youth unemployment

3.2 Data availability

Table 3.1 shows obtained indicators on youth unemployment. For the dimension of "employment status", discussions will focus on "unemployment rate", "economically inactive youth population", "underemployment rate" and "part time employment rate". Statistics on the indicators related to the number of working hours are still not available for this updating exercise.

For the dimension of "structural constraints of youth employment status", data on three indicators are still unavailable for this updating exercise, including "reasons for losing jobs", "duration of unemployment" and reason for long term unemployment based on the judgment of the unemployed youth themselves". Therefore, our discussions will focus on "youth unemployment rate by pervious industry" and "working youth by occupation". The obtained data illustrate the trend of the structural changes of youth employment by occupation and industry.

For the dimension of "youth employment barrier", we will focus on "youth unemployment rate by sex" and the "ratio of youth unemployment to adult". Data of "youth underemployment rate by sex" and "the ratio of youth to adult underemployment" are still unavailable. International comparison on this indicator will also be discussed with reference to data from data bank of the Department of Economic and Social Affair of the United Nations.

Dimensions	Obtained Indicators	Sources
Employment status	 Number of underemployed persons and underemployment rate (1997-2005) 	C&SD
	 Number of unemployed persons and unemployment rate (1997-2005) 	C&SD
	 Part time employment 	C&SD
	 Economically inactive population 	C&SD
	 Labor force participation rate by age group (1997-2005) 	C&SD
Structural constraints to	 Unemployed persons and unemployment rate aged 15-29 by pervious industry (1996-2005) 	C&SD
status	 Working youth by industry and occupation (1996-2005) 	C&SD
Youth employment barrier	 Ratio of youth to adult unemployment 	C&SD Department of Economic and Social Affair of UN
	 Youth unemployment population and rate by sex 	C&SD

Tables 3.2: Obtained indicators on youth unemployment

3.3 Discussion

3.3.1 Employment Status

Unemployment rate

The total unemployment rate increased sharply from 2.2% in 1997 to 7.9% in 2003 and decreased to 5.6% in 2005, whereas the youth unemployment rate (aged 15-24) followed the same trend. It was 5.0% in 1997, 15.0% in 2003 and 10.8% in 2005. In fact, the youth unemployment rate has always one time higher than the total unemployment rate in the past 9 years (Figure 3.1)

Unemployment problem of youth aged 15 to 19 was even more serious. As shown in figure 3.1, unemployment rate for those aged 15 to 19 increased from 10.0% in 1997 to 30.2% in 2003 and came down to 21.8% in 2005. As discussed in chapter 2, it illustrates that those young school leavers who have limited working experiences have difficulty in finding jobs. In addition, it reflects that lower secondary education level is no longer sufficient to compete for jobs in the knowledge-based society.





Source: Census and Statistic Department and Commission on Poverty

Number of non-engaged youth

Analysis of the non-engage youth will give a more comprehensive picture of the youth unemployment problem in Hong Kong. Some of the youth who do not pursue any further study do not have the intension to find jobs. They are not counted in the statistics of youth unemployment. However, they tend to be even more detached from the labor market than unemployed youth.

There has been an increase in the number of the non-engaged youth (15-24 age)

since 1997. In 1997, there were 16,500 non-engage youth. It increased to 22,600 in 2004 and slightly decreased to 21,500 in 2005.

Combining the figures of non-engaged youth and unemployed youth will get the total number of youth who were neither working nor studying (Status Zero). In 1997, there were 39,200 youth (15-24 age) neither studying nor working. The number came to the top at 80,100 in 2002 and 2003 and decreased to 64,200 in 2005. It accounted for 4.2% of the total youth population in 1997, 9.0% in 2003 and 7.2% in 2005 (Figure 3.2).





Source: Census and statistics department and Commission on Poverty

Underemployment and part-time employment

Youth in Hong Kong do not only suffer from high unemployment rate but are also situated at a more marginalized position in the labor market. Even though they can find a job in the labor market, they have high chance of being underemployed or only being employed part-time. However, the trend of underemployment had greatly decreased in the recent two years. The underemployment rate of youth aged 15-19 increased from 1.8% in 1997 to 6.4% in 2003 but it sharply decreased to 2.0% in 2005. It has been higher than the underemployment of the whole population in the last 7 years until 2004 (which was 1.1% in 1997, 3.5% in 2003 and 4.4% in 2005) (Figure 3.3).

On the other hand, the percentage of young workers (age 15-19) work as part-time workers was still increasing. There were 7.5% working part-time in 1999, 14.6% in 2003 and 17.9% in 2005 (Figure 3.4). It was about 1-2 times higher the percentage of part-time employment in the whole population. (4.2% in 1999, 4.7% in 2003, and 5.2% in 2005)











Note: Data of 2001 and 2004 are unavailable Source: Census and Statistics Department

Labor force participation rate of the youth

The labor force participation rate among the youth has decreased gradually since 1997, whereas the total labor force participation rate has been stable (Figure 3.5). One of the reasons for the increase of the number of economic inactive youth is that there have been more youth who do not engage in the labor market after finish their study. Another reason is that more youth study for longer duration.

As shown in figure 3.5, the percentage of youth who were students increased from 47.5% in 2001 to 53.8% in 2005 and the labor participation rate of youth decreased from 48.5% in 1997 to 43.0% in 2005(Figure 3.5)





Source: Census and Statistics Department

3.3.2 Structural constraints to youth employment status

Chapter 2 has discussed that part of the youth unemployment problems are the result of the change in the human capital requirement in our economic structure. Under this trend, youth with low education qualification find it hard to engage in the more knowledge-based economy. In this sense, unemployment problem faced by youth with low educational attainment can be considered as structural. In this chapter, we will focus on the unemployment caused by the change in industrial structure.

Structural change in youth employment pattern (Industry)

There has been structural change in the employment pattern among the youth. Youth employment has shifted from secondary industry to tertiary industry. The percentage of youth (15-29) working in manufacturing industry decreased from 25.6% in 1991 to 8.7% in 2001 and further decreased to 4.1% in 2005. Manufacturing industry is no longer the main industry employing the youth in Hong Kong. Following the economic restructuring, the proportion of youth working in tertiary service industry has been expanding. The percentage of youth working in the "whole sale, retail and import/export trades, restaurants and hotels" sector increased from 26.6% in 1991 to 29.8% in 2001 and 39.7% in 2005, while that of the "community, social and personal service" sector increased from 19.3% in 1991 to 28.8% in 2001 and 29.7% in 2005.(Figure 3.6).





Source: Census and Statistics Department (2005)

Structural change in youth employment pattern (Occupation)

According to Population Census and General Household Survey⁹, the proportion of working youth (15-29) as "manager and administrators", "professionals" and "associate professionals" has increased since 1991 and slightly decreased after 2001. The proportion of working youth in either of these occupations increased from 16.0% in 1991 to 21.4% in 2001, but slightly decreased to 20.0% in 2005.

On the other hand, the proportions of youth working as "service workers and shop sales workers" increased from 21.0% in 1991 to 23.6% in 2001, and further increased to 29.7% in 2005, while youth working as "elementary service workers" also increased from 9.9% in 1991 to 15.7% in 2001, and 16.3% in 2005.

Contrary to the increase in youth working in the above occupation, there have been fewer people working as "clerk", "craft and related worker" and "plant and

⁹ Statistics of 1991 and 2001 are obtained from 91 and 01 census and statistics of 2005 are obtained from GHS.

machine operators and assemblers". In 1991, there were 30.5%, 14.0% and 7.8% working in these three occupations respectively. In 2001, the percentage changed to 27.1%, 9.8% and 2.2%, and they further decreased to 24.9%, 7.0% and 2.0% in 2005. (Figure 3.7)





Source: Census and Statistics Department

Youth structural unemployment

If we look into the unemployment problems under the restructuring economy, we find that those youth (15-29) who had worked in "manufacturing industry" experienced relatively lower unemployment rate compared to the general population. The unemployment rate of youth who had worked in manufacturing industry was 5.2% in the fourth quarter of 2005 while that of the general population was 7.5%. On the other hand, the unemployment rate of those youth who had worked in the "wholesale, retail and import/export trade, restaurants and hotels" sector was 47.0 %, which was much higher than that of the whole population (35.7%). The unemployment rate of youth was also higher in other tertiary industries (Figure 3.8).

Figure 3.8 Unemployment rate of youth aged 15-19 and the total population by pervious industry (2005 Q4)



Source: Census and Statistics Department

The above figure shows that 1) while the youth unemployment rates in secondary industries were lower than the general population, the youth unemployment rates in the tertiary industry were higher than that of the general population. 2) The youth unemployment rate was 1.3 times higher than the general unemployment rate in the "wholesales, retail and import/export trade, restaurants and hotels" industry, which was one of the most rapidly expanding industries since 1991, and also the mostly struck industry during the economic depression. It suggests that compared to the general population, the youth face even more serious problems of unemployment in the industry which is more subjected to economic fluctuation.

3.3.3 Youth employment barrier

Unemployment rate by age

Age is one of the barriers in youth employment. According to the Department of Economic and Social Affair of the United Nations, the unemployment rate of youth aged 15-24 was 2.6 times to the total unemployment rate in Hong Kong in 2001, which was similar to the figures of other western countries(Table 3.3).

Australia	Macau	United	United States	Hong Kong
		Kingdoms		
2.5	1.7	2.8	2.9	2.6

Table 3.3 Ratio of Youth Unemployment to Adult (2001)

Source: United Nation (2004)

Unemployment rate by gender

Gender is also another important perspective in studying youth employment barriers. In Hong Kong, the youth (aged 15-19) unemployment rate of male is higher than that of the female and the gap has widened in recent years. In 1997, the youth unemployment rate of male was 10.9%, while that of the female was 9.4%. In 2001, they were 25.1% and 21.4% respectively and in 2005, 24.3% and 18.7% respectively. The ratio of youth unemployment rate of two sexes was 1.16 in 1997, 1.17 in 2001 and 1.30 in 2005 (Table 3.4).

Table 3.4Ratio of young (aged 15-19) male unemployment rate to young femaleunemployment rate (1997, 2001, 2005)

	Yong male (aged 15-19)	Young female (aged 15-19)	
	unemployment rate	unemployment rate	(1): (2) Ratio
	(1)	(2)	
1997	10.9%	9.4%	1.16: 1
2001	25.1%	21.4%	1.17:1
2005	24.3%	18.7%	1.30:1

Source: Census and Statistics Department

3.4 Summary

The findings indicate that youth unemployment has generally been worsening in the past 10 years. The obtained data illustrates the seriousness of youth unemployment, particularly for those aged 15-19. In addition, particular attention should be paid to the prevailing issue of "Status Zero Youth". Key findings are as follows:

• The situation of youth unemployment has intensified since the late 1990s and has been slightly relieved in recent years. The youth unemployment rate remained one time higher than the total unemployment rate between 1997 and 2005. Unemployment is worst among youth aged 15 to 19. The unemployment rate of the youth aged 15 to 19 reached 30.7% in 2002 and came down to 21.8% in 2005.

- The issue of high number of economically inactive youth has been prevailing in Hong Kong. The number of non-engaged youth increased from 16,500 in 1997 to 21,500 in 2005. Combining with the unemployed youth, the number of youth (15-24) who were neither studying nor working accounted for 4.2% of the total youth population in 1997 and 7.2% in 2005.
- In addition, part-time employment rate of those aged 15-19 has been higher than that of the overall population at least since 1999.
- In 2005, only 4.1% of the working youth in "manufacturing industry", and 90.2% in "wholesale, retail and import/export trades, restaurants and hotels industry" and "community, social and personal services industry", "transport, storage and communication industry" or "financing, insurance, real estate and business services industry".
- There was an increasing proportion of youth working as "managers and administrators", "professionals" and "associate professionals" after 1991. The percentage of youth working in either of these occupations increased from 16.0% in 1991 to 20.0% in 2005.
- The proportion of youth worked as "service workers and shop sales workers" or "elementary workers" also increased gradually. More than two-fifth (46.0%) of working youth worked as "service workers and shop sales workers" or "elementary workers" in 2005, compared to 30.9% in 1991.
- Youth aged 15-29 who had worked in "manufacturing" industries experienced lower unemployment rate than that of the total population. However, the unemployment rate of those youth who had worked in "wholesale, retail and import/ export trades, restaurants and hotels" industry, i.e. the industry expanded rapidly in the past decade and was mostly stuck by the recent economic recession, was 1.3 times higher than that of the total population.
- The gender gap of unemployment among the youth(15-19) was widening.
 The unemployment rate of male was 1.3 times of the female.

In this updating exercise, we have collected data for the adopted indicators, such as unemployed youth population, working youth by industry and occupation, the ratios of youth to adult unemployment and youth unemployment by educational attainment, which are very useful indicators to measure the seriousness of youth unemployment at present. However, the obtained data is still insufficient to identify the working conditions and barriers of youth employment. It is because some useful indicators we proposed in Table 3.1, such as the health conditions of working youth, the reasons for losing jobs and duration of unemployment, are still unavailable to be collected at this moment. As these indicators may help us understand the limitation and obstacles of the youth in the labor market, it is recommended to collect these indicators so as to make the future studies on youth employment/unemployment issues more comprehensive and systemic.

Chapter 4 Poverty

Although Hong Kong has recovered from the earlier economic downturn, many of the youth are still living in poverty. On the one hand, youth poverty problems are caused by the deterioration of the financial conditions of the households that the youth are living in. On the other hand, as stated in chapter 3, youth poverty has become more serious under the high youth unemployment rate in the past few years, particularly for those aged 15-19, who has lower educational attainment level and limited working experience. In this chapter, we would adopt the existing framework to identify the extent of youth poverty in terms of financial aspects, labor market participation and social networks. Our discussion will focus on the domestic poverty problem. In chapter 8, we will compare the youth poverty problem of Hong Kong with other developed countries.

4.1 **Poverty approaches**

According to the Combat Poverty Agency (CPA) of Ireland "A person is considered poor if either income or spending falls below some minimum level that represents basic needs in each society." However, there are different approaches of defining such threshold of minimum levels. The most common approaches of defining the poverty threshold are as follows:

Budget Standards studies

This follows the essence of Rowntree approach, which defines poverty threshold as the income required to purchase mere physical necessities. However, recent studies have extended to 'low cost and modest but adequate budgets' (Bradshaw, 1993; Saunders *et al.*, 1998).

Relative Income or Expenditure thresholds

The US poverty line follows this tradition and is on the basis of an income threshold where the family of four spent more than one-third of their budgets on food (Ruggles, 1990). In addition, taking a point, such as 40%, 50% or 60% of mean or median income is commonly adopted by the national governments and international organizations, such as OECD, as poverty threshold.

Relative Deprivation Indicators

Townsend's work pioneered the use of social indicators to establish a poverty threshold and a relative deprivation was defined as a family did not have three or more deprivation indicators (Townsend, 1979). Mack & Lansley (1983) and Gordon & Pantazis' (1997) studies recognized the matter of taste and choice when adopting

Townsend's approach. The questions included 'what the general population considered to be "socially perceived necessities"", 'items that were lacking because they could not afford' and 'items that were lacking because they did not want'. The recent study on *Poverty and Social Exclusion in Britain*, further included a wider range of items which concerned issues of poverty and social exclusion (Gordon, *et al.*, 2000). Poverty thresholds not only cover the subsistence level of living, but also include socially determined or relative lack of resources. Besides, it does not only focus on exclusion from income/resources, but also concerns about labor market exclusion, service exclusion, as well as exclusion from social relations. We will have further discussion of social exclusion in chapter 8.

Subjective measures

The poverty thresholds have been established on the basis of self-perceived or subjective methods. Townsend's study on *Absolute and Overall Poverty*¹⁰ *in Britain* (1997), was to operationalize these poverty thresholds empirically.

Table 4.1 summarizes examples of indicators of poverty (Gordon, et al, 2000; Ruggles, 1990).

Dimensions	Examples of Indicators		
Youth in low income households	 Number of youth living in households whose median household income below or equivalent to 50% in respective of household size 		
Households with youth receiving Comprehensive Social Security Allowance (CSSA) Scheme	 Number of youth living in CSSA households 		

 Table 4.1:
 Indicators of youth poverty

¹⁰ The Absolute poverty was defined by the United Nations (UN) as 'a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but also on access to services'. The Overall poverty was defined as a condition characterized by 'lack of income and productive resources to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments and social discrimination and exclusion. It is also characterized by lack of participation in decision-making and in civil, social and cultural life. It occurs in all countries: as mass poverty in many developing countries, pockets of poverty amid wealth in developed countries, loss of livelihoods as a result of economic recession, sudden poverty as a result of disaster or conflict, the poverty of low-wage workers, and the utter destitution of people who fall outside family support systems, social institutions and safety nets' (UN, 1995:57).

Dimensions	Examples of Indicators
Number of students receiving full textbook allowance	 Number of students receiving full textbook allowance
Labor market participation*	Working youth populationUnemployed youth populationLabor force participation rate
Participation in common social Activities *	Extracurricular activitiesAfter school activitiesLeisure activities
Contact with friends and family*	 Frequency of contact
Availability of and participating in public/private services*	 Libraries Public sports facilities Museums Transportation
Affordability of public/private Services*	Public sports facilitiesMuseumsTransportation

Note:*dimensions of exclusion (including labor market exclusion; service exclusion and exclusion from social relations).

4.2 Data availability

Table 4.2 shows obtained indicators on youth poverty. Data on "youth in low-income household", "households with youth receiving CSSA" and "students under School Textbook Assistance Scheme" are discussed in this updating exercise. The dimension of "labor market participation among the youth" is discussed in chapter 3.

However, most of the proposed relative deprivation indicators in the dimension of exclusion are not available for this updating exercise, including "contact with friends and family", "availability of and participating in public/private services", and "affordability of public/private services". We can only use self-perceived implication of poverty as substitute for these indicators in measuring social exclusion.

Dimensions	Obtained Indicators	Sources
Youth in low income households	 Percentage of youth aged 15-19 in low-income households (1996-2005) 	Hong Kong Council of Social Service
Households with youth receiving CSSA	 Youth aged 15-24 receiving CSSA (2001-2005) 	Social Welfare Department
Number of students receiving full textbook allowance	 Percentage of primary and secondary students receiving Full Grant under School Textbook Assistance Scheme (1997/98-2004/05) 	Student Financial Assistance Agency; Census and Statistics Department
Labor market participation	 Working youth population (see Chapter 2) Number of unemployed youth (see Chapter 2) Labor force participation rate (see Chapter 2) Monthly income from main employment of working youth (1997-2005) 	Census and Statistics Department
Implication of poverty	Implication on health conditionImplication on enhancing life experience	HKFYG HKFYG
	 Implication on learning opportunities 	HKFYG

Table 4.2: Obtained indicators on youth poverty

4.3 Discussion

4.3.1 Youth in low-income household

As shown in figure 4.1, there has been an increasing proportion of youth living in low-income households¹¹. The percentage of youth aged 15 to 19 living in low-income households increased from 16.7% in 1996 to 24.7% in 2000, and further increased to 25.8% in 2005. On the other hand, the corresponding percentage of the total population was 15.0% in 1996, 18.3% in 2000 and 17.7% in 2005. These figures show that even though the poverty rate of the general population decreased mildly in recent years, that of the youth population was still in an increasing trend.

¹¹ Low-income households refer to those domestic households with monthly household income less than or equal to half of the median monthly domestic household income of the corresponding household size.



Figure 4.1: Percentage of youth aged 15-19 in low-income households (1996-2005)

Source: Census and Statistics Department

4.3.2 Youth receiving CSSA

The Comprehensive Social Security Assistance Scheme (CSSA) provides financial assistance to those families whose monthly household income and capital assets are insufficient to meet the recognized needs. Since there is no official poverty line in Hong Kong, measuring the number of the youth living in CSSA households is an important indicator for identifying youth poverty in Hong Kong.

As shown in figure 4.2, there were 46,400 young CSSA recipients (aged 15-21) in 2005, as compared with 26,300 in 2001. The number of young CSSA recipients increased by 76.4% between 2001 and 2005. In addition, the percentage of youth receiving CSSA increased from 4.2% in 2001 to 7.4% in 2005. However, when comparing this figure with the 25.8% of the youth (aged 15-19) living in low income households, it may suggest that many youth living in low income household are not supported by CSSA.

Figure 4.2: Youth aged 15-21 receiving CSSA (2001-2005)



Source: Social Welfare Department

4.3.3 Students under School Textbook Assistance Scheme

Primary and Secondary students with family financial hardship can apply for the School Textbook Assistance Scheme (the Scheme) from the Student Financial Assistance Agency. The Scheme was extended to cover senior secondary students with effect from 1998/99 school year. Measuring the number and the percentage of students receiving full grant of the School Textbook Assistance Scheme can also reflect youth poverty in Hong Kong.

As shown in figure 4.3, the percentages of primary and secondary students ¹²receiving full grant increased in the past eight academic years. The percentage of primary students receiving full grant increased from 2.0% in 1997/1998 school year to 7.8% in 2001/2002 and further to 10.0% in 2004/2005. It increased by about 400% between 1997 and 2005. The percentage of secondary students receiving full grant increased from 1.5% in 1997/1998 school year to 10.3% in 2001/2002 and further to 13.8% in 2004/05. It increased by more than 800% between 1997 and 2005. The findings indicate that there are increasing number of young students who received financial assistance from government, particularly for those secondary students.

¹² The Scheme has been extended to cover senior secondary students since the 1998/1999 school year.

Figure 4.3: Percentage of students receiving full grant under School Textbook Assistance Scheme (1997/1998 – 2004/2005)



Note: 1. Enrollment includes both full-time and part-time students

- 2. Enrollment includes students attending special education.
- 3. School Textbook Assistant Scheme was extended to cover Senior Secondary Students w.e.f. 1998/1999 school year.

Source: Student Financial Assistance Agency

4.3.4 Deprivation on labor market participation among youth

Exclusion from the labor market is one of the key indicators which contribute to living in poverty. As mentioned in Chapter 3, unemployment rate of youth aged 15-24 dropped to 10.8% in 2005. However, being employed not necessarily mean they have adequate income/resources as some of them might be in low-paid jobs. As shown in figure 4.4, among the youth who were employed, the percentage of those earning less than \$4,000 per month increased from 7.4% in 1997 to 22.9% in 2005. On the other hand, the percentage of employed youth (aged 15-24) with monthly income more than 10,000 decreased from 30.4% in 1997 to 12.2% in 2005.



Figure 4.4: Monthly Income from main employment of working youth (aged 15-24) (1997-2005)

Source: Census and Statistics Department, General Household Survey

4.3.5 Social Exclusion

The foregoing discussions imply that there is an increasing number of youth living in poverty in Hong Kong. Insufficient income may mean losing of more life chances for development. An ad hoc study conducted by the HKFYG in 2003 (Mok and Chan, 2005) provides some idea about how poverty may have reduced the life chances of youth in different aspects.

According to this survey, 13.9% of the youth from low income family considered the economic condition of their families brought negative effect to their health, while only 4.1 % of the youth from non-low income family considered so. There were also 45.5% of the youth considered their family's financial condition would decrease their chance of getting life experience, while the corresponding figure of the youth from non-low income family was 18.9%. Finally, 45.8% of the youth from low income family thought that the financial condition had reduced their chance of learning, compared to 18.9% of the youth from non-low income family (Table 4.3).

		1	
		Youth from low income	Youth from non low income
		family	family
-	Brought negative impact to	13.9%	4.1%
	their health		
-	Reduced their opportunities	45.5%	18.9%
	of enhancing life experience		
-	Reduced their learning	45.8%	18.9%
	opportunities		
	$\mathbf{C}_{\mathbf{r}}$)5)	

 Table 4.3 Youth who considered their family's financial condition would reduce their chance of difference aspects.

Source: Mok and Chan (2005)

4.4 Summary

Based on the obtained data on youth poverty, several trends can be observed as follows:

- There has been an increasing proportion of youth living in low-income households. The percentage of youth aged 15 to 19 living in low-income households increased from 16.7% in 1996 to 24.7% in 2000 and further increased to 25.8% in 2005
- The number of young CSSA recipients increased more than 70% between 2001 and 2005. The proportion of youth receiving CSSA increased from 4.2% in 2001 to 7.4% in 2005.
- The percentage of primary and secondary students receiving full grant under School Textbook Assistance Scheme has increased in the past eight years. The growth rate was higher among secondary students (increased more than 9 times between 1997/1998 and 2004/2005) than amongst the primary students (increased more than 5 times between 1997/1998 and 2004/2005).
- The percentage of working youth with monthly income less than \$4,000 increased from 7.4% in 1997 to 14.9% in 2001 and further to 22.9% in 2005.
- A survey indicated that youth in low income family tended to consider their families' financial situation bringing harm to their health condition, life experience and learning opportunities when compared to the youth from non-low income family.

These findings illustrate that the number of youth living in poverty has increased significantly and that the issue of youth poverty should be alerted.

However, the discussion on youth poverty mainly focuses on the financial aspect because of data availability. Measuring youth poverty in terms of social exclusion was only ad hoc in nature. In order to grasp a comprehensive picture of the issue of youth poverty in future studies, it is recommended that data proposed in the existing framework be collected on regular basis. They include: (i) participation in common social activities by socio-demographic characteristics, such as extracurricular activities, after school activities and leisure activities; (ii) frequency of contact with friends by socio-demographic characteristics; (iii) participation in public/private services by socio-demographic characteristics; and (iv) affordability of public/private services

Chapter 5 Substance abuse

There has been a decreasing trend of reported substance abuse among youth in Hong Kong and in other western countries.²⁶ However, the negative impact of drug on people should not be overlooked²⁷.

According to Narcotics Division, drug abuse is defined as taking any drugs except under proper medical guidance. The prevalence of substance abuse among youth and its related problems, as well as the risk and protective factors for the youth will be examined with reference to the existing framework. It will, first, review the existing framework.

5.1 Nature and extent of substance abuse and their related consequences

The World Health Organization (WHO) provides a ready-to-use framework in its publication *Guide to Drug Abuse Epidemiology* for identifying existing data pertaining to trends of substance abuse. A list of indicators and methods are identified to measure the prevalence of substance abuse and its related consequences, such as health problems and crime. These indicators are summarized in table 5.1.

5.2 Risk²⁸ and protective factors for adolescent substance abuse

5.2.1 Simple model of substance abuse

However, the framework in the *Guide to Drug Abuse Epidemiology* does not explain factors that drive people to take drug. Hawkins, Catalano and Miller (1992) developed a simple model of adolescent substance abuse that incorporated social, contextual, interpersonal and individual factors of drug abuse. These factors can be categorized into 5 domain areas, namely family, school, peer, community and individual. Empirical study proves that there are links between these 5 domains of substance abuse and protective factors may decrease the likelihood of substance abuse (Delaronde, 1999). Figure 5.1 illustrates the inter-relationships between these 5 domains and substance abuse (World Health Organization, 1997).

²⁶ Information on drug abuse can be found in the webpage of World Health Organization. (<u>http://www.who.int/substance_abuse/facts/</u>), access on 10/06/2004.

²⁷ For the details of the harms of drug abuse, please refer to <u>http://www.drugabuse.gov/Infofax</u> (access on 10/06/2004).

²⁸ All factors which may increase the likelihood of substance abuse are regarded as risk factors (Delaronde, 1999)



Figure 5.1: A simple model of substance abuse

Referring to the simple model of adolescent substance abuse, the 1997 National Household Survey on Drug Abuse (NHSDA) undertaken by the Substance Abuse and Mental Health Services Administration (SAMHSA) of USA, provided a useful guidance to estimate the factors for substance abuse. The findings of the NHSDA reflected that there were associations between reduction in substance use and well-planned prevention programs. Risk and protective factors for adolescent substance abuse were classified into five domains, including community, family, peer/individual, school and general domains. These indicators are summarized in table 5.2 (National Household Survey on Drug Abuse 1997).

Table 5.1: Indicators of risk and protective factors for the youth

Dimensions	Examples of Indicators
COMMUNITY DOMAIN	
Drug availability	 Difficulty in obtaining drugs
FAMILY DOMAIN	
Family management (Parenting)	 Parental disciplinary approach on children
Family conflict	 Frequency of arguing with parents
Parental attitudes toward substance abuse	 Youth perception of parental feeling about substance use
Prevention measure	 Anti-drug prevention activities that seeks to increase the youth's perception of the risk of harm of substance use
PEER/INDIVIDUAL DOMA	AIN
Friends' use of drugs	 Attitudes of close friends toward substance use
Friends' attitudes toward substance abuse	 Attitudes of close friends regarding substance use
Delinquent behaviour	 Involvement in the delinquent activities
Perceived risk of drug use	 Perceived risks of drug use from close friends, according to racial, gender and age differences
SCHOOL DOMAIN	
Commitment to school	 Current enrolment status
Academic failure	 Academic performance level
Prevention measure	 Anti-drug prevention activities that seeks to increase the youth's perception of the risk on harm of substance use
GENERAL DOMAIN	
Social support	 Accessibility of socio-emotional support

- Involvement and participation of activities
- Frequency of attendance at religious services,

Participation in social /

Religious beliefs and practices

recreational activities

Dimensions	Examples of Indicators
	perceptions of importance of religious beliefs, etc.
Prevention measure	 Anti-drug prevention activities that seeks to increase the youth's perception of the risk or harm of substance use

5.3 Data availability

In this updating exercise, we will combine the indicators of the WHO and NHSDA. The statistics on 'consumption pattern of substance use' of the youth are collected from the Central Registry of Drug Abuse (CRDA)

¹⁶. In addition, the findings of studies concerning "risk and protective factors to the youth" are obtained from "*The 2004 survey of drug use among students*" (Fung & Chan, 2005). However, statistics related to "drug-related health problems" and "drug-related legal/crime problems" are not available and hence the obtained data on drug-related problems are not comprehensive enough to identify significant trends.

The obtained indicators are listed in table 5.3.

Table 5.2:	Obtained	indicators	on s	ubstance	abuse	of the	youth
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Dimensions	Obtained Indicators	Sources
CONSUMPTION PAT	TERN OF SUBSTANCE USE	
Consumption of drugs, alcohol and tobacco	 Statistics on drug abusers aged under 21 reported to the CRDA by types of drug abused (1997-2003) 	Narcotics Division, Security Bureau
	 Previously reported persons aged under 21 from CRDA (1997-2003) 	Narcotics Division, Security Bureau
	 Percentage of alcohol, tobacco, heroin and psychotropic substance users (1992, 1996, 2000 and 2004) 	Fung & Chan (2005)
RISK AND PROTECT	TIVE FACTORS	
Community domain	 Venue for consumption of heroin/psychotropic substances (2004) 	Fung & Chan (2005)

¹⁶ It is the Narcotic Division which collects, collates and analyzes information of drug abusers provided by 34 reporting agencies, including law enforcement and treatment agencies, welfare organizations, hospitals and clinics.

Dimensions	Obtained Indicators	Sources
	 Sources of heroin/psychotropic substances (2004) 	Fung & Chan (2005)
Peer/individual domain	 Reason for first heroin abuse/ psychotropic substance abuse (2004) 	Fung & Chan (2005)
	 Reasons for drug use among the reported individuals aged under 21 (2006) 	Narcotics Division Security Bureau
School domain	 Main source of anti-drug messages 	Fung & Chan (2005)
	 Self-perception of students 	Fung & Chan (2005)
	 Proportion of students ever experienced behavioral and school problems in the six months before survey 	Fung & Chan (2005)
Family domain	 Relationship with family members 	Fung & Chan (2005)
General domain	 Things to do with friends in leisure time 	Fung & Chan (2005)

5.4 Discussion

5.4.1 Consumption pattern of substance abuse

The number of young drug abusers fluctuated in recent years. The number of young drug abusers aged under 21 reported to the CRDA for all types of drug abuse bounced from 2,482 in 1999 to 4,019 in 2000 and dropped gradually to 2,207 in 2003. In 2005, it slightly increased to 2,255.

Although the number of young drug abusers has fluctuated, the number of heroin and Methyl amphetamine abuser has steadily decreased since 1997. They decreased from 1,855 and 415 in 1997, to 426 and 348 in 2001 and further decreased to 85 and 180 in 2005. The number of Cannabis abuser also slightly decreased from 628 in 1997 to 564 in 2005. However, the decreasing number of these abusers was offset by the emergence of the Ketamine and MDMA (Ecstasy) abusers. In 1997, there was 0 Ketamine abuser and 49 MDMA (Ecstasy) abusers. In 2000, the numbers increased to 1,279 and 1,948 respectively and became the two most common types of drug abused. The number of Ketamine abusers and MDMA (Ecstasy) abusers started to turn down to 1153 and 635 in 2003 respectively, but bounced back to 1357 and 1180 in 2005. (Figure 5.2 and 5.3)









Source: Statistics Unit, Security Bureau, Government Secretariat (1997-2005)

Fung's study (2005) examined the consumption pattern of students ¹⁷in substance use. As shown in Figure 5.4, the consumption of alcohol was the most prevalent substances used among the students. There were 79.7% of the students who were ever alcohol users in 2000 although it dropped to 67.4% in 2004. The percentage of ever tobacco users was decreasing since 1992. In 1992 there were more than one forth of the students who were ever tobacco users and it dropped to 16.3% in 2004. The findings also indicated that the percentage of the psychotropic substance abuse and heroin abuse among the students fluctuated between 1992 and 2004. The percentage of heroin abusers increased from 0.4% in 1992 to 2.6% in 2000 and decreased to 1.6% in 2004, while the percentage of psychotropic substances abusers increased from 3.1% in 1992 to 4.1% in 2000 and decreased to 2.7% in 2004.

¹⁷ Students refers to students studied in ordinary secondary school, international school and IVE.





Note: Psychotropic substances include MDMA (Ecstasy), Cannabis, Ketamine, Cough medicines, Solvents and Myethylamphrtamine.

Source: Fung & Chan (2005)

5.4.2 Risk and protective factors for the youth

Community domain

Consumption on drugs among the youth is highly related to their participation in entertainment activities. The 2004 Survey of Drug Use among Students (2005) indicated that karaoke/disco was the most common venue for consumption of psychotropic substances (22.0%). Combining this figure with the figure of party/rave party, public playground/ park and other place of public entertainment, we find that 40.5% of surveyed drug users chose such venue of public entertainment as their usual venue of substance consumption, while close friends' home accounted for 16.9%.

For the most common venue of heroin consumption, it was alarming that the most common venue was school (15.9%). It may reflect the schools do not have enough sensitivity towards the heroin abuse problems in campus. Other two usual venues for consuming heroin were abusers' home (13.8%) and karaoke/disco in Hong Kong (12.5%).

Cross boundary consumption of substances among the youth was also an alarming issue. There were 7.1% and 4.2% of the psychotropic substances and heroin abusers reported that the mainland China (both private place and entertainment venue) was the most common venue of their drug consumption (Figures 5.5).



Figure 5.5: Venue for consumption of heroin (2004)



The survey also indicates that psychotropic substance and heroin abusers have different distributive channels for their student abusers.

For psychotropic abusers, most of them got drugs from their peer networks. 51.8% of them got drug from their close friends or other friends. Only 10.4% of them got drug from drug pushers and 3.8% got drug from drug stores.

For heroin abusers, their most common channel for getting drugs was through purchasing from drug pushers (32.7%). However, there were also 14.0% of them getting drugs from their close friends and 11.4% from their other friends. (Figure 5.6)


Figure 5.6: Person who usually supplied drug to users (2004)

Source: Fung & Chan (2005)

Peers/ Individual Domain

The findings of *the 2004 Survey of Drug Use among Students* (2005) indicated that curiosity was the most common reason for the first use of drug for both heroin and psychotropic abusers. 21.4% of the heroin abusers and 34.9% of the psychotropic abusers claimed "curiosity" as their reason of first use of drug. Further more, many of the students took drugs because of personal emotional problems. 12.7% of the heroin abusers and 16.8% of psychotropic abusers first time took drugs as a relief of boredom/depression/anxiety and to relieve pressure.

Peer influence/ pressure was also reported to be a common reason in their first use of drugs. 10.0% and 15.4% of the heroin and psychotropic substances considered this was their reason for first taking drug. (Figure 5.7)

Another survey conducted by the CRDA in 2005 shown that among drug abusers who aged under 21, the most prominent reasons of taking drugs were "peer influence/ to identity with press" (68.3%). Followed by "To seek euphoria or sensory satisfaction" (43.4%) and "Relief of boredom/Depression/Anxiety" (40.5%). Curiosity was the fourth common reasons for taking drug (35.9%) (Figure 5.8).

It should be noted that the "2004 Survey of Drug Use among Students" asked students' reason specifically for their "first time" of drug taking, while the survey conducted by CRDA asked youngster reasons of taking drug generally. Difference in sampling methods and research subject made direct comparison inappropriate. However, the different results in these two surveys may suggest that although youth are most commonly driven by curiosity in their first time of taking drug, after they start their habit, their drugs taking behaviors are most commonly driven by peer influence.



Figure 5.7 Reason for first use of drugs

Source: Fung & Chan (2005)

Figure 5.8: Statistics on drug abusers (age<21) reported to the CRDA by reason for current drug use (2005).



* Respondents can choose more than one answer. Source: Statistics Unit, Security Bureau (2006)

School Domain

According to the 2004 Survey of Drug Use among Students (Fung & Chan 2005) most of the non-drug taking students (74.5%) considered mass media as their main source of anti-drug message. Schools were the next common source of anti-drug message (20.3%). There were also some students considered voluntary youth agencies (2.4%) and Internet (1.0%) as the main source.

Although more than one fifth of the students mainly got anit-drug message from schools, majority of the students did not consider schools as their most preferred channel of getting anti- drug message. The most favorable channel of delivering anti- drug message were ex-drug abusers (32.2%), followed by TV movie stars or pop stars (24.3%) and medical professionals (14.5%). Only 5.5% of the students prefer teachers to deliver anti-drug message to them.



Figure 5.9 Main source of anti drug message (2004)

Source: (Fung and Chan 2005)



Source: (Fung and Chan 2005)

Fung's survey (2005) also asked the abusers about whom they thought to have given them the greatest help. For both the heroin and psychotropic substance abusers, closer friends were the most prominent people in offering help. (15.8 % for the heroin abusers and 26.8% for the psychotropic substance abusers). Only 4.6% of the heroin abusers and 6.6% of the psychotropic substance users thought that teachers had given them greatest help.

The statistics of the school domains reflect that schools are neither effective in promoting anti-drug message nor in giving support to help students who have ever used drugs.



Figure 5.11 Persons who gave the greatest help (2004)

Source: Fung & Chan (2005)

Family domain

The survey indicates drug abusers usually have bad relationship with their family. There was lower percentage of heroin (65.3%) and psychotropic (62.8%) abusers reported to get along well with their family when compared to the non-drug taking students (83.0%). There was also lower percentage of heroin (62.2%) and psychotropic (57.1%) abusers think that their parents care about their feeling (compared to 74.2% for non-drug taking students). At the same time, there was larger percentage of heroin and psychotropic substance abusers thought that they were not understood by their parents (Figure 5.12).

Figure 5.12 Relationship with family among the drug taking students and the non drug taking students (2004)



Source: Fung & Chan (2005)

General domain

According to the statistics of the narcotic division, 33.4% of the drug abusers aged under 21 were neither studying nor working¹⁸(Figure 5.13). Although we did not obtain this statistics for the general population in this life cohort, we can use the 15-19 life cohort as proxy.¹⁹ According to the statistic of the Commission on Poverty, only 11% of the youth aged 15-19 were neither studying nor working. It suggests that the drugs abusers were much more disengaged to school and the labor market when compared to the non-drug taking population.

¹⁸ Include those people who were home-makers and were economically inactive because of other reasons.

¹⁹ Among the drug abusers aged under 21, 82% of them were aged 16-20, so it is reasonable for us to use the 15-19 life cohort as proxy.

Figure 5.13 Reported drug abusers aged under 21 by activities (2005)



Source: Security Bureau, Narcotic Division

5.5 Summary

After analyzing the collected data on youth substances abuse, several trends can be observed as follows:

- There has been a decreasing trend of reported substance abuse among youth since 2001 but the figure slightly increased in 2005. The number of young drug abusers aged under 21 dropped from 3,902 in 2001 to 2,184 in 2004 and slightly increased to 2255 in 2005.
- There has been a constant decrease in the number of young heroin abusers. The number decreased from 1,855 in 1997 to 426 in 2001 and further dropped to 85 in 2005.
- Ketamine and MDMA(Ecstasy) are prevailing among the youth. In 1999, there were only 14 reported abuser of Ketamine and 290 abusers of MDMA (Ecstasy) among youth under 21, the number increased to 1357 and 1180 in 2005.
- Drugs, especially psychotropic substances, are mainly distributed through the peers' networks. Peer influence is found to be one of the major reasons for abusing drugs among youth. Further more young people usually take drug in venue where they can associate with their peers groups, such as close friend's home, Karaoke/disco, etc.
- It is alarming that young heroin abusers reported that school were their most common venue for consuming heroin. It was also reported that only few students preferred taking anti drug message from school and very few drug abusers felt that teachers had gave them the greatest help.

- Drug taking students tend to have worse relationship with their family than non drug taking students
- Drug abusers aged under 21 tend to be less engaged in school or labor market than non drug taking youth.

The foregoing discussion reflects that psychotropic substances abuses, such as Ketamine and MDMA (Ecstasy) are still prevailing among the youth, even though the overall number of young drug abusers has decreased gradually. The potential dangers of taking psychotropic substances may be under-estimated by the youth. Also statistics shows that schools are ineffective in protecting the youth away from drug.

Neither statistics of the proposed dimension on "drug-related health problems", nor the statistics of dimension on "drug-related legal/crime problems" are available for this updating exercise. Therefore, the obtained data on drug-related problems is not comprehensive enough to identify significant trends.

Chapter 6 Cultural Capital

Besides human capital, the building up of cultural and social capital of youth has aroused public concern in recent years. According to Bourdieu (1986) culture capital can be translated into other social resources (such as wealth, power, status). As a result, culture capital is an important factor influencing the development of the youth. In this chapter, we will focus on the development of different aspect's of cultural capital among the youth in recent years.

6.1 Definitions of culture and cultural capital

6.1.1 Definition of culture

The definitions of culture are not universal, which are considered as elusive concepts. According to *Dictionary of Modern Sociology*, 'Culture is the total, generally organized way of life, including values, norms, institutions, and artifacts, that is passed on from generation to generation by learning alone' (1969: 93). Kroeber & Kluckhohn (1952) took a even broader concept of culture and clamed that there were 160 different definitions of culture. A diversity of specific culture concepts were grouped into different categories and shown in table 6.1 as follows.

Definitions		
Topical	:	Culture consists of everything on a list of topics, or categories, such as social organization, religion, or economy
Historical	:	Culture is social heritage, or tradition, that is passed on to future generations
Behavioral	:	Culture is shared, learned human behavior, a way of life
Normative	:	Culture is ideals, values, or rules for living
Functional	:	Culture is the way humans solve problems of adapting to the environment or living together
Mental	:	Culture is a complex of ideas, or learned habits, that inhibit impulses and distinguish people from animals
Structural	:	Culture consists of patterned and interrelated ideas, symbols, or behaviors
Symbolic	:	Culture is based on arbitrarily assigned meanings that are shared by a society

Table 6.1: Different definitions of culture

On the other hand, Huxley categorized culture into 3 components, including mentifacts, artifacts and sociofacts:

Mentifacts

It is the ideological subsystem, consisting of ideas, beliefs, and knowledge of a culture and of the ways in which these things are expressed in speech or other forms of communication. They relate to the human mental ability to think and forgo ideas.

Artifacts

It is the technological subsystem, composing of material objects, together with the techniques of their use, by means of which people are able to live. These materials and techniques provide basic needs for human to live, such as food and tools.

Sociofacts

It is the sociological subsystem, composing of the sum of the expected and accepted patterns of interpersonal relations that find their outlet in economic, political, military, religious, kinship, and other associations. These aspects of culture determine the communication and interaction between individuals and groups. At individual level, it includes family structures and child rearing. At group level, it includes institutions, laws and rules of society.

6.1.2 Definition of cultural capital

According to Bourdieu (1986), cultural capital is "forms of knowledge; skill; education; any advantages a person has which give them a higher status in society, including high expectations." In other words, this concept of culture capital presumes culture attributes as a kind of asset and can influence ones' development. Bourdieu further defined cultural capital as "the attitudes and ways of behaviour accepted and even expected by the dominant groups of society. These are internalized values, which manifest themselves in suitable manners, good taste, language use, special skills, abilities and competence". It means that what is defined as cultural "valuable" is originated from the shared meaning of the value system that determines a group's way of life. The individual acquires this cultural capital primarily through socialization in family and is reinforced through schooling.

This updating exercise will discuss cultural capital in a broader sense, including cultural participation, cultural identity and values, as well as factors and resources for participation.

6.2 Measurement of cultural capital

The measurement framework of the Australian Bureau of Statistics is adopted and modified accordingly for the current study to measure the cultural capital. (Australian Bureau of Statistics, 2001). In this framework, all activities, behaviors involved **heritage**, the arts, sports and spirituality will be classified as cultural activities and we will use the followings aspect of measurement to measure the nature and magnitude of culture capital.

- **Participation and attendance measures** They quantifies the extent of involvement in culture and leisure activities by measuring either participation or attendance. Attendance can be measured for culture and leisure venues, cultural or leisure events, or sports events.
- Work measures Work measures quantify the amount and value of work done in the culture and leisure sectors.
- **Time use measures** Time use measures record the average time spent during the day on cultural or leisure activities
- **Expenditure and output measures** They records private and public expenditure on culture and leisure goods, services and activities.
- **Belief, values and knowledge measures** They measures the qualitative and quantity of people's spiritual/cultural belief, values and knowledge.
- Other Measures

Dimension	Measures	Examples of Indicators
Arts, Sports, Heritage and Spirituality	 Attendance and participation measure Time Use measures 	 Youth in culture, leisure, sports, religious, and civic groups / organizations Youth usage and participation pattern (including frequencies) of culture, leisure, sports, religious, and civic venues / activities Time spending on culture, leisure, sports, religious, and civic activities
Arts	 Attendance and participation measure 	 Public library youth borrowers registered Public library materials borrowed and/or consulted Attendance of public library extension activities Types of cultural/ leisure venues youth most frequently visit and activities participate in

Table 6.2: Indicators of cultural capital

Dimension	Measures	Examples of Indicators
		 Types of cultural products such as music/ movies/ TV program /books/ newspapers/ periodicals youth listen to, watch and read
	 Work measures 	 Youth working in the creative industry Youth studying full-time and part-time in the areas related to culture, leisure sports, and religions
	 Expenditure and output measures 	 Ownership of cultural and leisure equipment/facilities (TV sets, radios, VCRs, computers, etc.) by households with youth Number of cultural, leisure products (CDs, books, paintings, etc.) owned by households with youth
Heritage	 Belief, values and knowledge Measure 	 Ethnical Identity Attitudes toward social institutions and practices (e.g. government, society, religions, family, school, mass media, arts and culture, youth subculture, etc.) Number of language spoken and fluency
Spirituality	 Belief, values and knowledge Measure 	Religious faith

6.3 Data availability

Since data on the measurement of cultural capital among youth are mainly based on ad hoc studies, only few trend data are available to identify changes in this updating exercise. Further more, there are no data about youth participation in cultural, sports, or religious organizations and we could not obtain information about youth consumption and ownership of cultural product.

However, since internet become an increasingly important media for acquiring cultural capital, we add indicators about internet usage, such as percentage of youth who has used internet services in the past twelve months, to supplement our discussion.

Dimension	Measures	Obtained Indicators	Source
Arts (Mass Culture)	Participation and attendance measures	 Percentage of youth registered in public libraries borrowers (2001-2005) Profile of audience 	 Leisure and Cultural Services Department Leisure and Cultural
		analyzed by program typeReading Culture	 Services Department Hong Kong Federation of Youth Group
	Time use measure	 Number of time spent on TV 	 Breakthrough
		 Number of time spent on pop music 	 Breakthrough
	Work Measure	 Youth working population (aged 15-24) by creative industries (1998-2003) 	 Census and Statistics Department
	Expenditure and output measures	 Consumption culture 	•
Sports	Participation and attendance measures	 Participation of Youths Aged 15 to 24 in Recreation and Sports Programmes organized by the LCSD 	 Leisure and Cultural Services Department
		 Motivation of Sport Participation 	 Hong Kong Federation of Youth Group
Heritage	Belief, values and knowledge measures	 Sense of cultural identity (2001-2005) 	 Hok You Club
	niowiedge measures	 Youth able to speak selected languages/ dialects, 1991, 1996 and 2001 	 Census and Statistics Department
Spirituality	Belief, values and knowledge measures	 Religious Faith 	 Breakthrough
Others		 Persons aged 15-24 who had used Internet service in the past twelve months (2001-2005) 	 Census and Statistics Department

Table 6.3: Obtained indicators of cultural capit	al
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6.4 Discussion

6.4.1 The Arts (and pop culture)

Reading Habit

Reading is one of the most important media for culminating cultural capital. However, most of the statistics about reading habit of the youth are conducted by different organizations, with different research methods, and for different research subjects. We can hardly compare the change in reading habit throughout years. As a result, we use the number of youth registered to be borrowers of public libraries as an indirect measure for the trend of youth reading habit.

There were 76% and 62 % of the youth aged 15-19 and 20-24 years old registered as public libraries borrowers in June 2001. It increased to 82% and 81% in December 2005 (Figure 6.1). It means that more youth has been registered as borrowers in recent years. However, it should be noted that the percentage of registered borrowers stop increasing after it reached about 80%. Furthermore, since the number of youth registered as public libraries borrowers does not reflect the intensity of their usage of public libraries, it is insufficient to interpret the change in habit of the youth in Hong Kong.

A survey conducted by the Hong Kong Youth Federation in 2005 showed that, 27.5% of the youth aged 12-34 claimed that they always read books; 45.4% claimed that they often read books; 11.7% claimed that they not so often read books and 15.3% claimed that they never read books. In other words, more than 70% of the youth in Hong Kong have developed some forms of reading habit. The survey also showed that the youth read for 65.7 minutes per day in average.





Notes: Data from Jan 01 to Dec 03 is not available Source: L&CSD (2006)





Source: Hong Kong Youth Federation

Arts activities

Another measure of cultural capital of the youth is their participation of cultural activities. According to the LCSD, among all the participants of the cultural program held by LSCD in 2003, 32.7% were youth aged 15-29. Since youth aged 15-29 only composed about 20% of the total population in 2003, youth were still over represented among different age groups of the cultural programs audiences in Hong Kong. Among all types of culture programs, theater was the program with the largest proportion of youth audience. 48.4% of the theater audiences were youth aged 15-29 in 2003 (Figure 6.3).



Figure 6.3 Profile of audience analyzed by program type (2003)

Source: Leisure and Cultural Services Department (2006)

Mass culture

According to a survey conducted by the Breakthrough in 2002, 39.8% of the youth aged 10-24 spent 3-4 hours on television per day. (Figure 6.4) The average was 3.3 hours. Another survey conducted by the Hong Kong Federation of Youth Groups in 2004 reported that 55.7% of the youth aged 15-24 spent more than 1 hour to listen to radio program per day. The average time spent on listening radio was 124 minutes. (Figure 6.5).





Source: Breakthrough

Figure 6.5 Number of hours youth (aged 10-24) spent on listening radio per day (2004)



Source: HKFYG

Consumption habit

According to a study conducted in 2005 (Chan, 2005), most of the youth (65%) spent the largest part of their pocket money on food and drinks. The second common area in which the youth spent most of their pocket money was clothing and hairdressing. When comparing gender difference in consumption habit, we could find that more female spent most of their pocket money on consumption about their appearance, such as clothing (68%), decorations (38%) and cosmetics (22%),etc. (Compared to 38%, 8% and 2 % of male). On the other hand, more male spent most of their pocket money on consumption about virtual entertainment, such as buying video games (24%), going to net café (13%) or buying online games credit (16%) (compared to 4%, 2% and 3% of the female). Furthermore, the percentage of male spent most of their pocket money on football gambling was ten times more than that of the female (Figure 6.6).

Figure 6.6 Items which F.4-F.7 Students spent most of their pocket money on. (Maximum 5 items) (2004)



Figure 6.6 (Continued...)



Source: Chan (2004)

In this survey, respondents were also asked what mostly made them feel satisfactory after consumption. Besides feeling that they owned something (64%) or owned something durable (16%), 13% of the youth felt that they become more confidence and 12% felt that they split away from their old image. It means that consumption is a significant media of identity building for some of the youth. (Figure 6.7)

Figure 6.7 After consumption, what mostly made the youth feel satisfied (2004)



Source: Chan (2004)

Youth working in creative industries

Based on the data from the Population Census, there were totally 45,995 youth aged 15-24 working in the creative industries²⁰ and it accounted for 10.4% of the whole youth working population (aged 15-24) in 2001. Further statistics about the trend of employment in different sectors of creative industries can be obtained by the General Household Survey. As shown in figure 6.8, there has been fewer youth employed in the printing publishing and allied industries and the manufacturing industries, n.e.c.. The number of youth employed in the printing, publishing and allied industries decreased from 7,000 in 1999 to 4,800 in 2005 and that of the manufacturing industries decreased from 1,300 to 600 in this period. On the other hand, there has been a sharp increase in the number of youth employed in miscellaneous amusement and recreation industries. The number of youth employed in this sector increased from 4,400 in 1999 to 7,900 in 2005 and it became the largest sector of creative industries in term of employing young people. Another trend worth mentioning is that the number of young people employed in data processing and other tabulation industries increased from 3,700 in 1999 to 6,200 in 2001. However, it dropped back to 3,400 in 2005. It may related to the creation and then burst of IT

²⁰ Scope of Creative industries include: advertising and related services such as advertising, public relations services, market research, convention and exhibition services; architecture (architectural design services); arts and antiques markets, crafts (auctioneers, galleries, arts and antiques traders; manufacturers of metal, jewellery, wood, plastic products); design (fashion, graphic, interior and product design); film and video (film production, film studios, motion and video pictures production and allied entertainment services); music (music production and allied entertainment services); television and radio (TV and radio productions and related services); Interactive leisure software such as software and computing services (data processing, and tabulating services—for example, data processing services, computer programming, the Internet application, network system design, web design, tabulating and charting services, etc.); performing arts; publishing (printing, publishing and allied services)

business bubble during this period.





Source: Census and Statistics Department, General Household Survey

6.4.2 Sports

Sport can be an important media for construction and representation of personal identity and for building up prestige, so sport should be considered as a kind of cultural capital. According to the statistics of the Leisure and Culture Service Department, there has been more youth participated in government organized recreation and sport activities. The percentage of youth aged 15-19 participated in recreation and sport activities organized by the L&CSD increased from 29% in 01/02 years to 36% in 04/05 years. However, the percentage of youth aged 20-24 remained fluctuated around 12% to 15% from 01/02 years to 04/05 years. The above figure may reflect that the L&CSD has been more successful in promoting their sports program among youth aged 15-19 in recent years. (Figure 6.9)

According to a study conducted by the Hong Kong Federation of Youth Group in 2004, the most popular reason of participation in sporting activities was to enhance physical fitness, selected by 71.1% of the youth. The second popular reason was to make friends (32.1%). Followed by "to relax/reduce stress" (26.5%) and to "keep fit" (21.4%) (Figure 6.10).

Figure 6.9 Participation of Youths Aged 15 to 24 in Recreation and Sports Programs organized by the LCSD (2001/02 - 2004/05)





Figure 6.10 Top five common purposes of participating in sporting activities for youth(aged 15-24) (2005)



Source: L&CSD (2006)

6.4.3 Heritage

The national and cultural identity of Hong Kong people has been a hot topic for studies in recent years. Since 2001, the Hok Yau Club has conducted a series of studies about the senses of belonging among the secondary students in Hong Kong. The survey showed that both the sense of belonging of being Hong Kong people and being Chinese has been slightly enhanced in recent years, but the students' identity of being Hong Kong people was still much stronger than that of being Chinese. In the 1-6 points scale measuring the identity of Hong Kong youth (6 point meant mostly agree and 1 point meant mostly disagree), the average score of "I think that I am a Hong Kong people" and "I think that I love Hong Kong" was 5.17 and 4.70 respectively in 2005, but the average score of "I think that I am Chinese" and "I think that I love China" was only 4.59 and 3.90. (Figure 6.11)





Source: Hok Yau Club

Language proficiency is very vital for the transmission of cultural values among the youth. According to the data from Population Census in 2001, the proportion of spoken language capability of the youth in English and Putonghua increased. The percentage of spoken language capability of the youth in English rose from 56.6% in 1991 to 67.6% in 2001, while the proportion of spoken language capability in Putonghua increased from 15.8 % in 1991 to 37.8% in 2001 (Figure 6.12). However, since Population Census is only conducted every five years, it is hard to keep track of the most recent development in the language proficiency of youth in this updating exercise.



Figure 6.12: Youth able to speak selected languages/dialects (1991, 1996, 2001)

Source: Census and Statistics Department, Population Census

6.4.4 Spirituality

According to the survey conducted by the Breakthrough in 2004, majority (72.7%) of the youth aged 10-24 did not have any religious belief where 21.2% of them were Protestants, 3.7% of them were Catholics, 2.3% of them were Buddhists or Taoists.(Figure 6.13) This finding was similar to other surveys conducted by the Breakthrough in recent years.





Source: Breakthrough 2004

6.4.5 Computer and internet usage

Although using computer and accessing internet may not necessarily mean engaging in cultural activities, computer and internet became one of the most important media for accessing and processing cultural product nowadays.

According to the survey conducted in GHS, the proportion of youth aged 15-24 who had used Internet service in the past twelve months increased gradually from 64.5% in 2000 to 91.9% in 2003 and to 96.2% in 2005. Although internet usage has become more popular among the youth, the rate of popularization is slowing down. It may be difficult to bridge the digital gap of those remaining 4% of the youth who do not access or do not have the chance to access internet.

According to the survey, communicating with others was the most common (89.4%) reason for the youth to access internet and browsing web page was the second largest (73.0%). It should be noted that, about 60.6% of the youth access internet for online entertainment and there were much fewer people in the older age groups used internet for entertainment. In other word, online entertainment was a relatively youth orient leisure activity.





Figure 6.15: Top five common purposes of using Internet service via non-mobile web device in the past twelve months by age (2005)



Note: Respondents can select more than one answer

Source: Census and Statistics Department

There are not only more youth accessed internet, but the youth have also spent more time on internet in recent years. According to the survey carried out by the Census and Statistics Department, the average hours of accessing internet per week among those youth (aged 15-24) who had used internet increased from 13.6 hours per week in 2001 to 19.8 hours per weeks in 2004 and it slightly went down to 17.6 hours in 2005 (Figure 6.6).





Source: Census and Statistics Department

6.5 Summary

The key findings of the discussion on the generation of cultural capital among the youth are summed up as follows:

- Most of the youth has registered as public libraries borrowers and developed reading habit in Hong Kong.
- The proportion of youth who attended the program organized by the Leisure and Cultural Services Department was higher than that of adult.
- Most of the youth spent the largest part of their pocket money on food and drink and there were gender differences in their consumption habit.
 Furthermore, some of the youth regarded consumption as a media of identity building.
- In 2005, the top three types of creative industries that the youth engaged in were: "miscellaneous amusement and recreational services", "printing, publishing and allied industries" and "miscellaneous business services".
- The identity of being Chinese has enhanced slightly in recent years among the youth in Hong Kong. However, their identity of being Hong Kong people was still stronger than that of being Chinese.
- The number of youth aged 15-24 who had used Internet service in the past twelve months increased gradually from 64.5% in 2000 to 96.2% in 2005.

As the findings in this updating exercise are mainly based on ad hoc studies, even though some of the trend can be generated, it can not provide a comprehensive picture about the trend of the cultural value attached to and the culture activities that the youth participated in. It is advised that statistics about the participation pattern of different kinds of cultural activities and the cultural value of the youth in Hong Kong should be collected on regular basis.

Chapter 7 Social Capital

Measuring social capital can enhance our understanding of the kind of attitudes and behaviours of youth that will generate trust and social cohesion in society. It also helps indicate the degree of social inclusion of youth in society. However, data relate to the indicators proposed for the measurement of social capital of youth are not available on regular basis. Therefore, in this chapter, the discussion is mainly based on some ad hoc survey conducted by HKFYG or Breakthrough from 2002 to 2006.

7.1 Definitions of social capital

Social capital is defined 'in terms of networks, norms and trust, and the way these agents and institutions to be more effective in achieving common objectives' (Schuller, 2000:4). Uphoff had identified two dimensions in measuring social capital: *objective construct* and *subjective construct* (Quoted in Grootaert and Bastelaer, 2002: 6).

Objective construct is identified as structural social capital. It is argued that the established roles, social networks and other social structures supplemented by rules, procedures and precedents could facilitate information sharing, collective action and decision making among the people involved. The structural social capital consists of three levels, namely, micro, meso and macro.

Putnam defined social capital in terms of micro level which means '*features of* social organization, such as networks, norms and trusts that facilitate coordination and cooperation for mutual benefit' (Spellerberg, 2001:11). In other words, it puts emphasis on horizontal associations between people as 'networks of civic engagement' which mediates norms and operational rules of society and generated and reinforced trust in the credibility of these rules and in social relationships (Grootaert, 1998:2; Spellerberg, 2001:11).

Coleman defined social capital in terms of meso interpretation, including horizontal and vertical associations. He defined social capital as 'a variety of different entities, with two elements in common: they all consist of some aspect of social structure and they facilitate certain actions of actors (whether personal or corporate) within the structure' (Spellerberg, 2001:11). Vertical associations are characterized by hierarchical relationships and an unequal power distribution among members (quoted in Grootaert, 1998:3; Grootaert and Bastelaer, 2002:5; Spellerberg, 2001:11).

The third and most encompassing view of social capital includes social and political macro environment that shapes social structure and enables norms to develop. Besides the horizontal and vertical associations, this includes the macro-level formal institutional relationships and structures, such as political regime, the rule of law, the court system, as well as civil and political liberties (Grootaert, 1998:3; Grootaert and Bastelaer, 2002:6).

Uphoff identified subjective nature of social capital as cognitive social capital, which referred to share norms, values, trust, attitudes and beliefs (quoted from Grootaert and Bastelaer, 2002:6). As one of the important elements of social capital is trust and reciprocity, it is necessary to look into the quality of the social relations. In other words, it can be measured by the level of expressed trust in other people and the behaviours and attitudes towards oneself and towards others, including giving to strangers, as well as time giving to, relationships and social interaction people have with others on both formal and informal basis.

Thus, both structural and cognitive aspects should be taken into account and used in conjunction so as to grasp a full meaning of social capital. The measurement of the structural aspect helps us identify the nature of network participation, while attitudes and behaviours help identify how the norms and trusts are generated among the social networks.

7.2 Measurement of social capital

Many researchers in the western countries has developed indicators for measuring social capital. There are two comprehensive reviews concerning social capital in Australia and the UK.

The study conducted by Bullen & Onyx (1998) measuring social capital in five communities in New South Wales (NSW) suggested that there were eight distinct elements defining social capital. Four of the elements are about participation and connections in various aspects, including *participation in local community, neighbourhood connections, family and friends connections, and work connections.* Whereas the other four elements are the building blocks of social capital, which includes *proactivity in a social context, feelings of trust and safety, tolerance of diversity, and value of life.*

The survey (2002) conducted by the Office of National Statistics (ONS) in UK summarized the key aspects of social capital. The main themes of this study included: *(i) participation, social engagement, commitment; (ii) control, self-efficacy; (iii) perception of community level structures or characteristics; (iv) social interaction, social networks, social support;* and *(v) trust, reciprocity, social cohesion.* As Bullen & Onyx's study was a community based study, we will follow the themes developed by the ONS study in our following discussion. The list of indicators measuring social capital is summarized as follows (Bullen & Onyx, 1998; Hong Kong Federation of Youth Groups, 2002; Krishna & Shrader, 1999; Social Analysis and Reporting Division, the Office of National Statistics, 2002).

Dimensions Examples of Indicators Participation, social Donation (Money, in kind, Blood, etc.) engagement, **Voluntary Services** commitment Types of organizations participated in and their membership status Participation in activities organized by family members, neighbours, relatives, schoolmates, workmates Time spend on reading newspapers, magazines, . books, watching TV, listening to radio and types read, watched or listened Number of youth arrested by types of offence Control, self-efficacy Voting in elections (voting behaviours) Whether feel valued by society Perceived ability to change personal life situation Perceived ability to influence politics or making claims on officials Perceived control over community affairs Perceived control over own health Perceived rights and responsibilities of citizens

Table 7.1:Indicators of social capital

Dimensions	Examples of Indicators
Perception of community level structures or characteristics	 Satisfaction/enjoyment of living in local area Views about the Government Rating of socio-economic inequality Views about corruption Perceived freedom to speak out in opposition to a commonly-accepted norm Views towards the future of Hong Kong Attitudes towards social institutions and practices
Social interaction, social networks, social support	 Propensity to discuss with family members, relatives, neighbours, schoolmates or workmates Doing favours for family members, neighbours, schoolmates or workmates Perceived norms of social support Extent of borrowing from neighbours, family members, relatives, schoolmates or workmates (Help seeking behaviours) Attachment to family members, relatives, neighbourhood, school or workplace
Trust, reciprocity, social cohesion	 Trust in family members, relatives, neighbours, schoolmates or workmates Attachment to family members, relatives, neighbourhood, school or workplace Trust in family members, relatives, neighbours, schoolmates or workmates Whether feeling safe at family, neighbourhood, school or workplace Number of youth arrested by types of offence Violence against others Drug abuse Suicide Optimism about others' motivation
	 Views about discrimination (fears of people who are different, such as ethnicity, in religion or in sexual orientation) Tolerance towards marginalised people (such as mentally disabled) Whether you would claim a benefit to which you were not entitled

Dimensions	Examples of Indicators		
Demographic characteristics of youth participated in variety of social networks	 Sex Age Nationality Household composition Length of residence Geographical distribution Birth place 		
	 Employment situations (such as place of employment, types of employment, income level and hours of work) Religion 		
	 Communication Capacity (including Language spoken; Education level; Health conditions; Presence of computer/Internet access) 		

7.3 Data availability

Since most of the indicators for measuring social capital in Hong Kong are ad hoc data, only few trend data are available for use in this updating exercise. Although data are obtained for all the five dimensions of social capital, they are insufficient for making a comprehensive study. Especially for the dimension of "trust, reciprocity and social cohesion", only data about discrimination are obtained.

14010 7.2.	obtained indicators of social capital	
Dimensions	Obtained Indicators	Source
Participation, social	 Participation in voluntary services (2001, 2002 and 2003) 	 HKFYG
engagement, commitment	 Number of registered volunteers aged 13-25 under Volunteer Movement (1998-2005) 	 Social Welfare Department
	 Participation in organizations (2002) Willingness of youth doing voluntary service (2002) 	■ HKFYG ■ HKFYG
Control, self-efficacy	 Voting turn out rate of Legislative Council election (1998, 2000, 2004) 	 Registration and Electoral Office
	 Voting turn out rate of District Council election (1999, 2003) 	 Registration and Electoral Office
	 Reason of voting (2003) 	 Breakthroug
	• Youth's (aged 18-29) self regarded capability of influencing the government (2003)	 Breakthroug h
Perception of community	 Youth (aged 15-34) perception about their community (2006) 	■ HKFYG
level structures	 Youth perception about Hong Kong government 2003 	 Breakthroug
characteristics	 Youth perception about Hong Kong government 97-03 	■ HKFYG
Social	• Youth (12-25) capability of communication with different social groups (2003)	 Breakthroug
social networks, social support	 Number of people that the youth consider trustful among different social group (2003) 	■ HKFYG
	 Number of true friends among the youth (P5 Post grad) (2006) 	 HKFYG
	 Youth (10-24) friendship building within the internet (2005) 	 Breakthroug h
Trust,	• Youth (18-24) attitude towards homosexuals	■ HAB
social cohesion	 Youth (18-24) attitude towards MEs and MIs 	■ HWFB

 Table 7.2:
 Obtained indicators of social capital

7.4 Discussion

7.4.1 Participation, Social engagement, Commitment

One of the key indicators regarding the social cohesion of the youth to society is their degree of "giving to strangers". According to the Social Welfare Department, the number of youth as registered volunteers increased from 78,277 in 1998 to 115,615 in 2001 and further to 240,279 in 2005. It should be noted that this figures did not count those youth who had participated in voluntary service without registration. The survey of HKFYG in 2003 directly asked the youth whether they had participated in voluntary service. It also showed that youth participation in voluntary services was 25.4% in 2001, 31.0% in 2002 and 34.7% in 2003(Figure 7.2).. According to another survey of the HKFYG in 2005, 89.7% of the youth aged 15-39 claimed that they were willing to do voluntary service if they had time. On the other hand, only 9% of the youth regarded participating in service without payment was stupid.

Figure 7.1: Number of Registered Volunteers aged 13-25 under Volunteer Movement (1998-2005)



Source: Social Welfare Department

Figure 7.2: Youth who have participation in voluntary services in past year (2001, 2002 and 2003)



Source: The HKFYG (2004)

Another indicator of measuring participation, engagement and commitment to the society is their participation in different organizations. Due to lacking of updated information, our discussion will only focus on the finding of the *Study on Social Capital with Regard to Giving, Volunteering and Participating* conducted in 2001. According to this survey, 54.5% of the youth aged 15-24 had participated in organizations. However, it should be noted that most of them participated in organizations at schools. The participation rate of organizations out of school were much lower (Figure 7.3a & 7.3b)²¹. Another survey conducted by HKFYG in 2002 showed that, among the youth aged 15-39, 32.6% of them had been members or committee members of certain organizations in the past year.

Figure 7.3a Youth aged 15-24 who had participated in organizations at school in last year (2002).



Source: The HKFYG (2003)

²¹ The figures presnted were the percentage of youth participated in different organizations at school or out of school among the 54.5% of youth who had participated in organizatins

Figure 7.3b Youth aged 15-24 who had participated as committee members or members of organizations out of school in past year (2002)



Source: The HKFYG (2003)

7.4.2 Control, self-efficacy

An indicator of the self efficacy of the youth is their political participation rate.

The voting turnout rates of those aged 18 to 30 in Legislative Council elections decreased sharply from 49.5% in 1998 to 37.3% in 2000 but increased to 49.2% in 2004. The voting turnout rate of those aged 18-30 in District Board elections increased from 26.3% in 1999 to 35.4% in 2003. The sharp increase of turnout rate in 2003 might be related to the effect of 1 July demonstration on 2003. However, the voting turnout rates of young people were consistently lowered than other age groups in the past years. The voting turnout rate of the overall population in the 98, 00 and 04 Legislative Council Election was 53.3%, 43.6% and 55.6%.respectively, and the overall voting turnout rate of 99 and 03 District Council elections was 35.8% and 44.1% respectively .(Figure7.4)

Figure 7.4 Voting turnout rate of youth (aged 18-30) and the total population (1998-2004)



Source: Registration and Electoral Office

Most of the youth who voted consciously perceived voting to be their civil responsibility. According to the survey carried out by the Breakthrough in 2003, 62.5% of the youth who had voted considered it to be their civil responsibilities. Also 27.9% of the youth regarded "support democracy" and 16.1% regarded "want to change the society" as their reason of voting. (Figure 7.5)

Figure 7.5 Reason of voting of youth aged 18-29 (2003)



Source: Breakthrough 2003

However, the above survey also showed that most of the youth perceived themselves to be powerless in influencing the government. More than 70% of the youth (aged 15-29) agreed or very agreed that they do not have the ability to influence government's decision. (Figure 7.6)





Source: Breakthrough 2003

7.4.3 Perception of community level structures or characteristics

In the "What is the youth's perception about their community?" conducted by the HKFYG in 2006, most of the youth (aged 15-34) had positive feeling about their community. When evaluating their degree of fondness towards their community, the average score of the youth was 7.01 (10 was the maximum score). Also 84.7% of the youth answered that they had not thought of moving out of their community.

As only few surveys focus on youth's perception of their local community, we will focus on the youth attitudes towards the structures and characteristics of Hong Kong as a whole in this updating exercise.

According to the survey of the HKFYG in 2003, the level of trust to the government was decreasing among the youth aged 15-39 in recent years. The percent of youth who felt the government was trustworthy decreased from 65.9% in 1997 to 46.6% in 2003 (Figure 7.7).
Figure 7.7: Youth who consider the government to be trustworthy (2004)



In the survey of Breakthrough (2004), the average score of youth gave to the democratic development in Hong Kong was 5.37 (while full mark was 10). It meant that the youth perceived Hong Kong's democratic development as only barely pass. It could explain the reason that many of the youth feel powerless in influencing government's decision making.

The survey also asked the youth whether the government was open to different opinions. About half of the youth gave positive answers and half of the youth gave negative. However, people with higher age tended to have more negative attitude.

The youth perception about whether government policies were made based on the interests of citizens also showed similar pattern. The percentages of youth having positive and negative answers were quite equal. However, older youth tended to give more negative answer. (Figure 7.8, Figure 7.9)

Figure 7.8: Youth who agreed that the government was open to different opinions (2003)



Source: Breakthrough (2004)





Source: Breakthrough (2004)

7.4.4 Social interaction, social networks, social support

Pattern of social interaction among the youth is showed by their capabilities of communication with different social groups. According to the survey of Breakthrough in 2003, 79.8% of the youth (aged 12-25) considered that had good communication with their friends, followed by classmates (77.3%) and colleagues(54.8%). There were less people (37.4%) considered they had good relation with their boss. (Figure 7.10)

Figure 7.10 Youth (aged 12-25) communication with difference social groups (2003)



Source: Breakthrough (2003)

Another survey conducted also by HKFYG in 2002 asked the number of people that the youth (aged 15-24) considered trustworthy within different social groups. It indicated that the youth on average had 6.3 classmates they considered to be trustworthy, followed by relatives (4.3), family members (3.5), teachers (2.9), and boss or colleague (2.8) (Figure 7.11). In a more updating survey of 2006(HKFYG 2006), it showed that among the youth studied from primary five to post graduate, they had 7 true friends on average. The difference categorization of social groups and sampling frame made direct comparison between different surveys inappropriate. However, we could still found that the youth tended to have relatively better social relationship with their friends and classmates, fair social relationship with their family or relatives and have the worst social relation with their teachers and boss.





Source: HKFYG (2002)

Under the popularization of computers and internet usage among the youth in recent years, the characteristics of social networks in the cyber space become an issue worth studying.

According to the survey conducted by the Breakthrough in 2005, when asked about who they often talked to in the internet, 83.7% of the youth usually talked to those who are familiar with. Only 3.5% of them usually talked to someone they knew through the internet (Figure 7.12). Further more, when asked whether they had talked to someone they did not know in the internet, 40.1% of the respondents reported that they never talked to someone they did not know and only 6.0% of the youth often or always did so (Figure 7.13). It showed that making friends through internet was sill not very popular among the youth in Hong Kong.





Source: Breakthrough 2006

Figure 7.13: Whether the youth ever talked to someone they did not know in internet (2005)



Source: Breakthrough 2006

Among those who had ever made friend through the internet (about 23% of the total respondents), they on average had 5.93 net friend whom they were still stably contacting. They also reported that, more than 40% of them could only maintained their relationship with their net friends on average less than 4 months (Figure 7.14)

Figure 7.14 The average duration of relationship that the youth maintained with the friends they knew in internet (2006)



Source: Breakthrough 2006

7.4.5 Trust, reciprocity, social cohesion

The degree of acceptance and tolerance towards others is an important dimension of measuring the generation of trust and cohesion of youth in society. According to the survey conducted by the HAB (HAB, 2005), the youth (18-24) tended to be more acceptance towards homosexuals when compared to other age group. 89.4% of the youth very accepted or accepted to make friend with homosexual. 66.9% of them very agreed or agreed that our society had to ensure that the homosexuals had equal opportunities. The respective figures were lower in other age groups (Figure 7.15, Figure 7.16).





Source: HAB (2005)





Source: HAB (2005)

A survey conducted by the Health Welfare and Food Bureau in 2002 also found that youth tended to show more acceptance towards people with mental handicap (MH) or with mental illness (MI). Only 3.8% of the youth (18-24) minded talking with MHs and 8.2% minded talking with MIs. 1.9% of them minded being neighbors of MHs and 19.6% minded being neighbors of MIs. General speaking, the 18-24 age group was the one with the lowest proportion of people having negative attitudes towards the MHs and MIs in general (Figure 7.17).

Figure 7.17 Percentage of people who had negative attitude towards MHs or MIs (2002)



Source: Health, Welfare and Food Bureau, 2002.

7.5 Summary

The key findings of the discussion on the generation of social capital among youth are summed up as follows:

- There has been an increasing trend of youth participating in volunteer services.
- Although more than half of the youth participate in certain kind of organizations in school, the participation rate of organization out of school is still low among the youth in Hong Kong.
- The sense of civic engagement among the youth has been increasing in recent years, but most of them feel powerless in influencing the government.
- Most of the youth have sense of belonging towards their local community, but they have negative feeling towards the government.

- The youth tend to have the strongest social networks with their friends and classmates, followed by their family member and relatives and have weak social networks with their teachers and boss.
- Youth tend to have higher level of acceptance towards different social groups in the society.

As the above discussions in this updating exercise are based on the findings of ad hoc studies between 2002 and 2005, the picture is not holistic enough. It seems that a holistic approach as well as a longitudinal data collection practice should be developed to capture different dimension of social capital, especially about the trust, reciprocity and social cohesion dimension in future.

Chapter 8 Special Topic: Poverty

In chapter 4, we have focused on the youth poverty problem in Hong Kong, and in this chapter we will put the subject in the international context to investigate the seriousness and nature of the youth poverty problem. In order to fulfill this purpose, we will first define the concept of poverty. In this chapter, we will extend the concept of our analysis from "poverty" to "social exclusion". Second, in order to make international comparison possible, we will adopt a series of indicators which are also used in some different countries and different social systems. Third, we will analyse and discuss the statistics of youth poverty problem in Hong Kong in the international context.

8.1 Concept of youth poverty

Discussions of poverty usually focus on the problem of lacking of monetary income. However, this narrow concept of poverty can not capture the complex dynamic of being deprived in different aspects of life. In recent years, western countries, as well as the academic fields, have extended the concept of poverty into a more progressive concept, that is, social exclusion. According to the Social Exclusion unit of the British government, "Social exclusion happens when people or places suffer from a series of problems such as unemployment, discrimination, poor skills, low incomes, poor housing, high crime, ill health and family breakdown. When such problems combine, they can create a vicious cycle." (Social Exclusion Unit). Rene Lenoir, the one who is given the credit of the authorship of this concept, considered the social excluded to be those who are "mentally and physically handicapped, suicidal people, aged individuals, abused children, substance abusers, delinquents, single parents, multi-problem households, marginal, asocial people and other social "misfit".(Amartya,2000).

However, the above definition is just an extended list of indicators of social disadvantages. Amartya Sen wanted to limit it use in a more accurate and rigorous way. He pointed out that the key difference between social exclusion and poverty was that the former was a relational concept. Social exclusion should be used to describe the situation that people were excluded from certain social relation, and this might lead to other from of deprivations, such as lacking of employment opportunity, education opportunity or opportunity of accessing public services (Amartya, 2000). Under this definition of social exclusion, 1) social or personal characteristics that might lead to deprivation in social relation, 2)deprivation in social relation itself, 3)other deprivations caused by deprivation in social relation, should be considered as part of the problem of social exclusion.

8.2 Measurement of youth poverty

The reason of developing indicators for youth poverty is to make youth poverty comparable over time and over countries. In order to make international comparison possible, in this chapter, we will browse and collect the related indicators used in the international community and select the relevant ones to be our indicators. According to a working paper published by the Combat Poverty Agency of Ireland in 2002 (Palmer & Rahman 2002), there were four criteria of selecting an indicator of poverty:

- 1. Have something to do with poverty (social exclusion):
- 2. Relate to something that one wants to monitor:
- 3. Be quantifiable on regular and repeatable basis
- 4. Others (Understandable, robust to changes in government administrative rules).

We develop our indicators by referring to similar indicators of the international community, which includes the EU Structural Indicator (Social Cohesion sub-theme), EU Leaken Indicator of Social Inclusion, the Poverty Reduction indicators from the Combat Poverty Agency of Ireland, the EU Sustainable Development Indicators (Poverty and Social Exclusion sub-theme), the Trend in the Well Being of the America Youth indicators, the Sustainable Development Indicators of Taiwan, and the UN social Indicators.

The indicators developed by EU and Ireland aims at studying the problem of social exclusions and include many indicators related to our concerned issue. The Sustainable Development indicators of Taiwan are indicators mainly focusing on environmental issues and the UN social indicators mainly focus on the poverty/social exclusion problem faced by the developing countries, but some of their indicators are still relevant to our study. However, these indicators usually study problems of the general population rather than specifically for the youth population, although breakdown of different age groups is also available in some of these indicators.

It should be noted that one of the main problems that makes developing youth poverty indicators complicate is that youth are under the transitional period from being child to adult, or from being dependent to independent. At a result, sometimes we have to regard the youth as dependent on their family when measuring their situation and sometimes should regard them as independent. For example, even the youth earn low income from their jobs, if their families support their living, they are not necessarily poor. On the other hand, even the parents of the youth trap in long term unemployment, it may not necessarily mean the youth are in poverty. It means that directly adopting either the indicators used on adult or child for the youth is not suitable. On the other hand, the trend in well being of the America Youth indicators are indicators tailor made for the youth. However, the issue that the indicators address is "well being" instead of "poverty" or "social exclusion".

We have adopted 17 indicators of youth poverty after referring to the above framework. We further categorize these 17 indicators into 3 levels. In the first level, its meaning is restricted to the most typical concept of poverty, that is, the lacking of monetary resources. In the second level, the meaning of poverty/social exclusion is extended to the lacking of opportunities to acquire monetary resources, which usually means the chance of accessing the labor market. In the third level, the meaning is further extended to being excluded from the opportunities to engage in the society, which include lacking of social capital or lacking of educational opportunities etc. Details about our indicators are as follows:

Level of	Sub theme	Indicators	Reference Indicators
analysis			
Lacking of	Monetary	 Number of youth whose 	PSI,EUSI,LI,ISD,UNSI,YI.,
monetary	Poverty	income (family income)	TSDI
resources		below relative thresholds	
		 Number of youth 	PSI, EUSI,LI
		persistently on Low Income	
		family	
		 Supported by benefit 	PSI,UNSI
		 Financial Difficulties: Self 	PSI, YI
		Report	
Lacking of	Access to	 Unemployment rate 	PSI,ISD,UNSI,YI,TSDI
opportunities of	Labor Market	 Long term Unemployment 	PSI,EUSI,UN
accessing the		 Low pay at work: below X% 	PSI
labor market		of average	
		 Quality to work: access to 	PSI
		training	
		 Quality of work: Insecurity 	PSI
Lacking of	Education	 Disrupted Education: Early 	PSI,EUSI,YI
opportunities to		School Leavers	

Table 8.1: Relation between the level of analysis and sub-theme

Level of	Sub theme	Indicators	Reference Indicators
analysis			
engaged in the		 Disrupted Education: 	PSI
society		Excluded from school	
	Health	• Healthy Lifestyles: Drug Use	PSI, YI
		 Mental Health: Mental 	PSI
		Illness	
		• Self Define Health Status by	LI, YI
		Income Level	
	Housing	 Homelessness 	CPA
		• Quality: Overcrowding	PSI,UNSI
	Others	 Access to internet service 	EUSI

Note: The full name of the indicators are as follows:

PSI: Poverty-related Social Indicator (Ireland), EUSI: EU Structural Indicator, LI: Leaken Indicator (EU), ISD: Indicator of Sustainable Development (EU), UNSI: United Nations Social Indicators, YI: Youth Indicators (Trend in the Well Being of American Youth)

8.3 Availability of data

According to the above framework of indicators, we collect data from the statistics of different countries. All statistics of Hong Kong has been shown with reference in pervious chapters and we do not quote the sources again in this chapter. The international statistics are collected from the online database of the Eurostat , Trend in the Well Bing of American 2006, the Japan Statistical Year Book , the database of the Combat Poverty Agency of Ireland, the web site of the Australian Bureau of Statistics, and the web site of National Statistic R.O.C (Taiwan) . The following table shows the availability of data of different countries for each of the indicators.

Indicators	Data availability (Countries/Regions)				
(Number of youth with)					
• Income (family income) below	HK, EU, USA, AUS				
relative thresholds					
• Persistently on Low Income family	AUS				
 Supported by benefit 	HK, AUS				
 Financial Difficulties: Self Report 	USA				
 Unemployment rate 	HK,EU,USA,AUS,JAP				
• Long term Unemployment	EU				
• Low pay at work: below 50% of	НК				
average					
• Quality to work: access to training	NA				
• Quality of work: Insecurity	HK,EU, AU				
Disrupted Education: Early School	HK,EU				
Leavers					
• Disrupted Education: Excluded from	FII				
school	EU				
 Healthy Lifestyles: Drug Use 	HK,USA, AUS,EU				
 Mental Health: Mental Illness 	HK,EU,USA				
 Self Define Health Status 	USA,HK				
 Homelessness 	UK, IE				
Housing Quality: Overcrowding	NA				
 Access to internet service 	HK,EU				

Table 8.2: Availability of indicators

We cannot collect statistics for all the indicators we propose. There are not any statistics for the indicators of the "Quality to work: access to training" and "number of youth live in overcrowding housing". For the "number of youth supported by benefit", and the "number of youth earning an income lower than 50% average", only statistics of Hong Kong are obtained. On the other hands, no Hong Kong statistics are obtained for the indicators of "number of youth persistently on low income family", "long term unemployment", "number of youth in self reported financial difficulty" and "homelessness". As the purpose of this exercise is to compare the situation of Hong Kong with the international situation, we cannot analyse the above indicators. Our discussion will focus on the remaining 10 indicators.

8.4 Discussion8.4.1 Lacking of monetary resources

Poverty Rate

The most commonly used indictors to measure monetary poverty is the number (percentage) of people living under relative income threshold (it is usually 60%, 50% or 40% of the median income and we used 50% in this exercise).

Comparing the problem of youth poverty with different developed countries, we can categorize the countries into three levels according to their youth poverty rate, i.e. the low level (5%-8%), the mid level (10%-14%) and the high level (16-17%). Hong Kong, like Italy, UK, and Australia, has high level of youth poverty rate. However, we should note that the general poverty rate of Hong Kong is much higher than all of the countries we study. If we further analyse the relationship between the general poverty rate and the youth poverty rate, we can find that in Hong Kong, the youth poverty rate is only 0.9 times of the total poverty rate. While the youth poverty rate of Italy, UK and Australia is 1.5times higher than the total poverty rate. Actually, among all the countries we studied, only the youth poverty rate of Belgium, Ireland, Portugal and Hong Kong is equal to or smaller than the total poverty rate. Hence, unlike other countries (such as Finland or France) where the youth are distinctively vulnerable to poverty, the problem of youth poverty in Hong Kong should be regarded as part of the problem of the poverty problem facing by the general population.



Figure 8.1 International comparison of youth and total poverty rate (2000)

Reliance on Benefit

As only those people living under certain income and asset threshold are eligible for applying social benefit, it can be used as an indicator to estimate the youth poverty situation in Hong Kong. According to Social Welfare Department, 6.3% of the youth aged 15-21 were CSSA recipients in 2003. Figure 8.2 shows the figures of Australia and New Zeland. However, it should be noted that not only the difference in age categorizations makes direct comparison impossible, but also the difference in social security system in different countries makes us difficult to draw any conclusive analysis form the statistics. A very high level of social security reliance rate can mean that there are more poor people, but it can also mean that the countries have more comprehensive coverage in the social security system. Hence the statistics of other countries are only for reference other than direct comparison.





8.4.2 Lacking of opportunities of accessing the labor market

Youth unemployment rate

Many developed countries face serious problem of youth unemployment. The youth unemployment rate (aged 15-24) of Hong Kong was 12.2% in 2004. If we compare to the international community, it was similar to the unemployment rate of the USA(11.8%), UK(12.1%) and was higher than that of Japan (9.5%), Austria (9.6%) and Ireland (8.9%). The youth unemployment rate was much more serious in some of the EU countries. The youth unemployment rate was 23.9% in Spain, 23.6% in Italy, 21.9% in France and 20.7% in Finland.

In most of the countries including Hong Kong, the youth unemployment rate was much higher than the employment rate in the whole population. In all the countries with youth unemployment rate higher than 20%, the youth unemployment rate was more than two times higher than the total unemployment rate. Although these countries also tend to have high total unemployment rate, the extremely high youth unemployment rate may reflect that there are special employment barriers for the youth to engage in the labor market.



Figure 8.3 International comparison of youth and total unemployment rate (2004)

Gender dynamic in youth unemployment

If we break down the youth unemployment rate of Hong Kong by gender, we can find that unemployment of male is more serious than female. While UK and USA have similar pattern Belgium, Spain, France, Italy, Luxemburg and Portugal have a higher female youth unemployment rate. In Hong Kong, one of the reasons of the gender difference in youth unemployment is that the booming service industry tends to absorb more female workers.



Figure 8.4: International comparison of youth unemployment rate by gender (2004)

Job Insecurity

Even the youth are employed, they are often still in a precarious employment situation since their jobs tends to be casual jobs. Only statistics of part time employment of youth aged 15-19 in Hong Kong is obtained. Among the total employment of youth aged 15-19, 17.9% of them were part time employment. We obtained similar statistics for the youth aged 15-24 from the EU countries for comparison and found that part time employment rate of Hong Kong was lower than most of the EU countries. (If considering that younger youth are more likely to be part time employed, the difference between the Hong Kong and the EU countries figure will be even bigger). Only the part time youth employment rate of Luxemburg and Portugal was obviously lower than that of Hong Kong. However, it does not necessarily mean that youth in Hong Kong youth enjoy more job security than the youth in EU's countries. Many EU countries have a higher proportion of youth studying in tertiary institutes, and hence the proportion of full times employment might be comparatively lower.



Figure 8.5: International comparison of youth part-time employment rate (2005)

8.4.3 Lacking of opportunities to engage in the society

Education

Education is the most important mean of developing ones' human capital and enhancing ones' class mobility. Due to lacking of comparable statistics, the only indicator of social exclusion on education both obtained in Hong Kong and the international community was the ratio of early school leavers.

Early School Leavers

Early school leavers are defined as those youth who do not enroll in upper secondary or higher education. Although the youth may not leave school due to financial difficulties, the emergence of early school leavers reflects the lacking of supportive measure to the relatively under privilege students and lacking of schooling will also hinder the development of the youth.

In Hong Kong there were 16.3 % of the youth who did not attained upper secondary or above educational level. It was similar to the U.K (16.8%), higher than the figure of most of the countries we study but much lower than Spain (31.3%), Italy (23.5%) and Portugal (40.4%).



Figure 8.6: International comparison of rate of early school leavers (2003)

Note: Early school leavers in EU meant those people "aged 18 to 24 in the following two conditions: the highest level of education or training attained is ISCED 0, 1 or 2 and respondents declared not having received any education or training in the four weeks preceding the survey." In, America it meant students aged 16-24 who had not attained high school education (ISCED 2). In Hong Kong, it meant students aged 15-24 with highest educational attainment being lower secondary or below.

Health

As discussed in chapter 2, health can be considered as part of human capital, and hence bad health may mean lacking the ability to sustain ones economic well being and it will also hinder ones feasibility of participating in the society.

Healthy Lifestyle

One of the dimensions of accessing youth's health condition is whether they maintain healthy lifestyle. Due to unavailability of relevant statistics, we can only use the percentage of youth who have abused drug as the indicators. In chapter 5, we have reported that 2.7% of secondary school students was ever psychotropic substance abusers in 2004. Although we can not obtain exactly the same statistics for the foreign countries²¹, we can still suggest that the problem of drug abuse in Hong Kong is not

²¹ We only obtained the 2003 statistics of the students aged 15-16 for the EU countries and the statistics of the high school students in US. Further more as cannabis usage was so common in EU and US, cannabis users were not included in the EU and US figure. On the other hand, the statistics of Hong Kong did not include ever heroin users. The percentage of heroin users was 1.6% but it was believed that most of the ever that most of the ever heroin users was ever psychotropic users. Finally, the statistics of the US was the percentage students who abused drug in the last 30 days rather than in lifetime. The former figure was supposed to be much lower than the latter. According to the EU figures, about half of the ever drug abusers took drugs 30 days before the survey.

as serious as the countries we study (even excluded the cannabis users). There are around 7-10% of the 15-16 students who are ever drug abusers in most of the EU countries. The percentage in US was even higher. There were 10.4% of high school students who had abused drug 30 days before the survey. (We cannot obtain the statistics of ever drug abusers in US). However, the drug abuse problem of Hong Kong was more serious than that of Taiwan.



Figure 8.7: International comparison of drug abuse rate of youth (2003)

Self reported health condition of the youth

Another measurement of the heath status of the youth is their self reported health condition. Although the rating schemes of countries are different from each other, we can still approximately compare the self rated health status of different countries. According to the population health survey in 03/04, 22.1% of the youth between 15-24 years old in Hong Kong reported their health to be fair or bad (The rating schemes were excellent, very good, good, fair, and bad). The National Health Interview Survey (2004) of US also required the youth aged 12-17 to choose among these 5 scales. 2.1% of them reported their health to be fair or bad. Similar survey were also conducted in EU countries for the youth aged 15-24, but the rating scale are changed to very good, good, fair, bad and very bad. Hence, we showed the percentage of both the respondents who chose bad and very bad (the last two items of the 5 point scale) and those who chose fair and bad (the items with the same wording as the last two items of the Hong Kong's scale). No matter which statistics we choose, the figures of Hong Kong was still much higher than that of the USA and the Europe countries except Portugal. It meant that Hong Kong youth tended to regard themselves to have relatively bad health condition when compared to the developed countries we study.



Figure 8.8: International comparison of self perceived health condition by youth (2004)

Digital Divide

Computer and internet usage is an important media for developing human capital, social capital and cultural capital in the information society. If the youth do not have the chance to access computer or internet, it means that that they will be excluded from the society.

We take the percentage of people having used internet in the last 12 months as the indicator. It shows that penetration of internet usage is high in Hong Kong. In 2003, 91.9% of the youth aged 15-24 in Hong Kong had used internet service in the past 12 months. Only Finland enjoyed a higher penetration rate (97%) than Hong Kong. The percentages of other information technology advanced countries like the US and the Germany were only about 85%. The percentages of Austria, Poland, Italy and Ireland were 68%, 66%, 46% and 45% respectively. These figures might imply that the problem of digital divide among youth is not serious in Hong Kong when compared with other countries.



Figure 8.9: International comparison of rate of using internet by youth (2003)

8.5 Summary

In this chapter, we discuss the social exclusion problem of the youth in Hong Kong by putting it in the international context. Our findings are as follow:

- Compared to other developed countries, youth poverty rate of Hong Kong is quite serious. However, as the poverty rate of the general population is also high in Hong Kong, we suggest that unlike many other developed countries where youth are specifically vulnerable to poverty, the poverty problem faced by the youth in Hong Kong tends to be part of the poverty problem faced by the general population.
- The youth unemployment problem of Hong Kong is moderate and part time employment rate of Hong Kong is low when compared to the countries we study.
- The rate of early school leavers is higher than most of the countries we study in this chapter.
- Although there are much fewer youth abused drugs in Hong Kong compared to the western community, the youth in Hong Kong tend to report their health condition as fair or bad.
- Digital divide is not a serious problem among the youth in Hong Kong. The internet penetration rate among the youth in Hong Kong is similar to that of the countries with advance IT development, such as Finland and is higher than most of the developed countries we study.

In this exercise, only limited indicators of social exclusion are used for international comparison due to unavailability of relevant statistics. In western countries, like Europe, very sophisticated system of social exclusion indicators is developed. Different indicators about social exclusion are kept in time series nature with break down by age groups and gender. They are essential information in analyzing the nature and cause of social exclusion. We suggest that we should also keep these data, such as "long term youth poverty rate", "long term unemployment rate", "rate of youth self report to be in financial difficulty", etc. in order to have a more comprehensive comparison on the youth social exclusion problem with the international community.

Chapter 9 Conclusion

This report, like the pervious reports, analyzes the recent development of the youth in Hong Kong in three problems and three capital, namely, unemployment, poverty, substances abuse, human capital, cultural capital and social capital. In addition, we also have a special chapter to put the youth poverty problem in the international context.

Trends in three problems

It is reported that the youth poverty problem has become more serious in Hong Kong and youth living in poverty have much less chance of development in different aspect of life. Although youth unemployment problem of Hong Kong has been alleviated when compared to 2003, the youth unemployment rate was still much higher than the total unemployment rate. For substance abuse, the number of youth taking heroin has been decreasing in recent years, but the number of young psychotropic substance abusers has bounced up from the bottom of 2003 and kept this trend in the recent two years.

Trends in three capital

The human capital of the youth in Hong Kong has been enhancing. Following the trend described in the pervious report, more youth has obtained senior secondary or higher education level, and the increase in the number of people obtaining tertiary education has been especially significant in recent years. In the aspect of social capital, youth shows increasing involvement in the society. It can be shown by the increasing number of youth participating in voluntary activities and also the legislative and district council election. For cultural capital, it is reported that the youth's cultural identity towards China and Hong Kong has been increasing. However, their identity of being Hong Kong people is still much stronger than that of being Chinese.

It should be noted that our analysis of the development in situation of youth has been constrained by the limitation of data. We have not got updated statistics for many of the important issues about the three problems and three capital. Some of the issues are only analysed by statistics collected from ad hoc studies, which made analysis of trend impossible. Furthermore, as some of the data discussed from the pervious exercise are obtained from the 2001 Census, we cannot obtain the latest until full reports of the 2006 by-census are published in 2007. We recommend that specific dimensions about the six topical issue should be collected in future study in order to have a more comprehensive studies of the youth development in Hong Kong and to make Hong Kong's situation internationally comparable. Details of our recommendations are included in the "summary" section of each chapter. Moreover, it is suggested that views and perspectives of youth should be collected while designing our dimensions of analysis in future study.

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