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Commission on Poverty
Paper No. 6th/2019-20

Main Analysis of the Poverty Situation in 2018

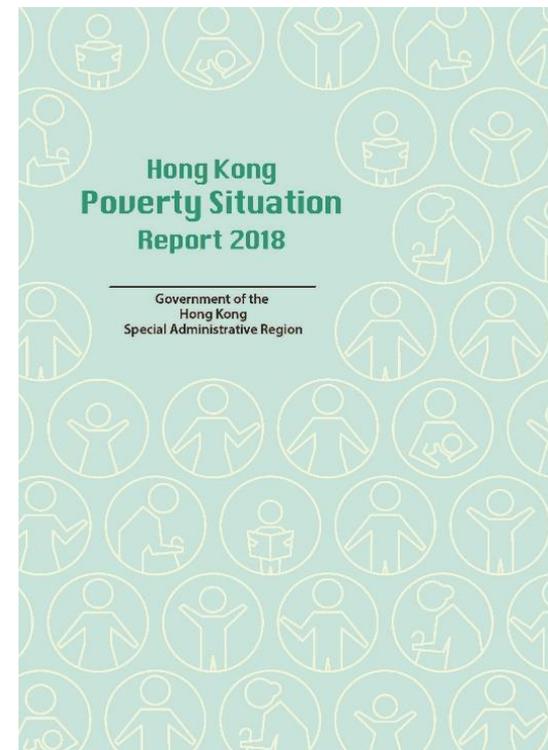
Office of the Government Economist | Census and Statistics
Financial Secretary's Office | Department

Poverty situation in 2018 - Outline

- I. Major factors affecting poverty statistics in 2018
- II. Poverty statistics in 2018
 - (a) Main poverty situation and its trend
 - (b) Poverty situation by selected age group
 - (c) Key observations
- III. Recent policy initiatives

Hong Kong Poverty Situation Report 2018

The full Report has been uploaded to the Commission on Poverty's website



I. Major factors affecting poverty statistics in 2018

I. Major factors affecting poverty statistics in 2018

1. **Economic cycle:** the Hong Kong economy continued to expand in 2018, yet growth moderated visibly in the second half of the year. Notwithstanding this, the labour market tightened further, and earnings of grassroots workers showed sustained improvement in real terms
2. **The Government continued to enhance various measures**, including the following key targeted measures:
 - (i) Enhancements of the **Old Age Living Allowance (OALA)** – Higher OALA* was launched in June 2018
 - (ii) Launch of the **Working Family Allowance^ (WFA)** – a series of enhancement measures were implemented in April 2018
3. **Structural factors: population ageing and the trend towards smaller household size exerted an upward pressure on poverty statistics**

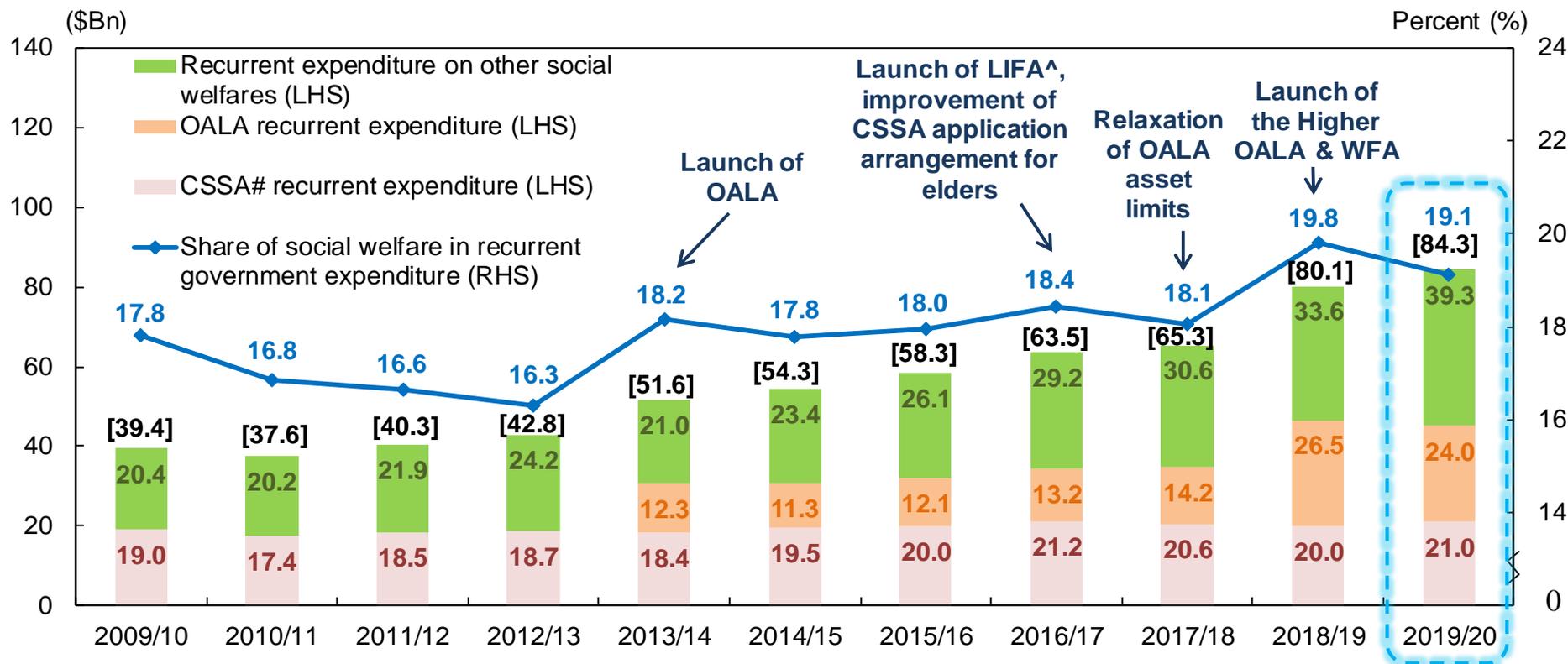
Notes: (*) With the retrospective payment arrangement of OALA, eligible beneficiaries received a lump sum payment in arrears counting from the effective date (1 May 2017). As such, its full year impact had also been reflected in 2018 poverty statistics.

(^) As the claim period of WFA covered the previous six months, its full year impact had also been reflected in the poverty statistics in 2018.

For a more detailed description of (1) economic cycle and (3) structural factors, please see Annex – Pages 4 to 6

The Government has been increasing its resource allocation to address livelihood and welfare issues in recent years, which fully demonstrated its determination to tackle poverty and support the disadvantaged

Recurrent government expenditure on social welfare*, from 2009/10 - 2019/20



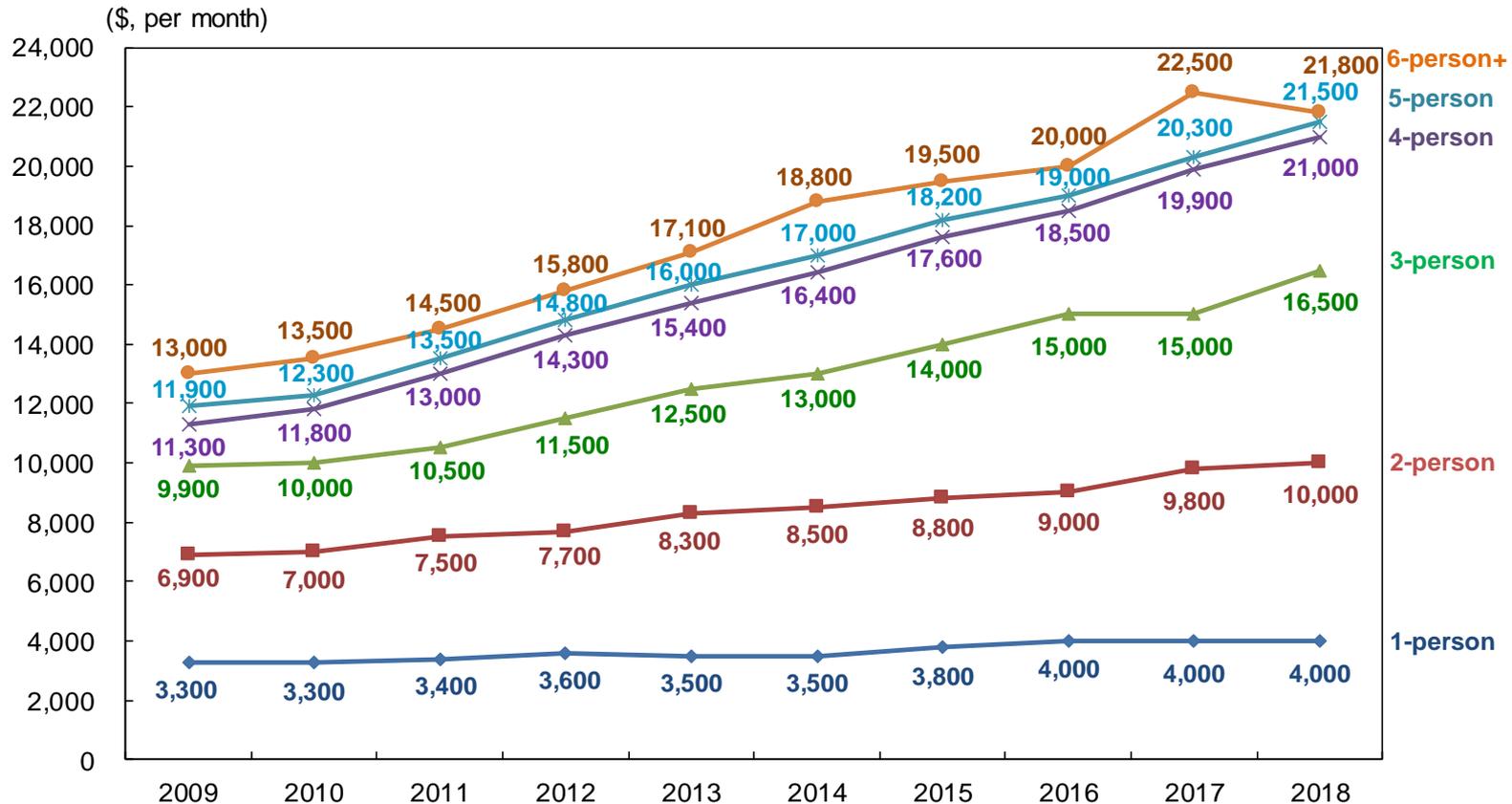
Notes :
 (#) CSSA denotes Comprehensive Social Security Assistance.
 (^) LIFA denotes Low-income Working Family Allowance.
 (*) Figures for 2017/18 and before are actual figures. Those for 2018/19 and 2019/20 are revised estimates and estimates respectively.
 [] Figures in square brackets denote the total recurrent expenditure on social welfare.
 Sum of individual items may not add up to total due to rounding.

Source: Financial Services and the Treasury Bureau.

“Poverty Line” thresholds largely remained on an uptrend in 2018 (2.6% to 9.7%)

- **Poverty line of 1-person households remained steady:** mainly contributed by the fact that around half of them were economically inactive households
- **Poverty line of 6-person-and-above households registered a decline:** owing to a slight increase in the proportion of economically inactive households and the declined share of households with three or more working members

Poverty lines by household size, 2009-2018



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

- **Taking household income as the sole indicator, without considering asset and debt:** the economic difficulties faced by elders who were “low-income, owning assets of certain value” may be subject to overestimation
- **Core analysis only takes into account the poverty alleviation impact of the Government’s recurrent cash policy intervention, the effect of other measures are not fully reflected:** It is possible that the poverty alleviation impact measures a decline even with ever-increasing resources allocated by the Government. This, coupled with the acceleration in population ageing, puts a growing upward pressure on poverty statistics

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

Non-recurrent cash

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

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

Extra allowance to recipients of social security payments

Reducing salaries tax and tax under personal assessment; waiving rates

...

Means-tested in-kind benefits

Public rental housing (PRH)

School-based After-school Learning and Support Programmes

Free Lunch at Schools

...

CCF — Elderly Dental Assistance Programme

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

Elderly Health Care Voucher

\$2 Public Transport Fare Concession

Kindergarten Education Scheme

After-school child care services

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

Study Subsidy Scheme for Designated Professions/Sectors

Residential and Community Care Services for the Elderly

Free primary and secondary education and funding for higher education

Public healthcare services

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II. Poverty statistics in 2018

(a) Main poverty situation and its trend

Main poverty statistics in 2018

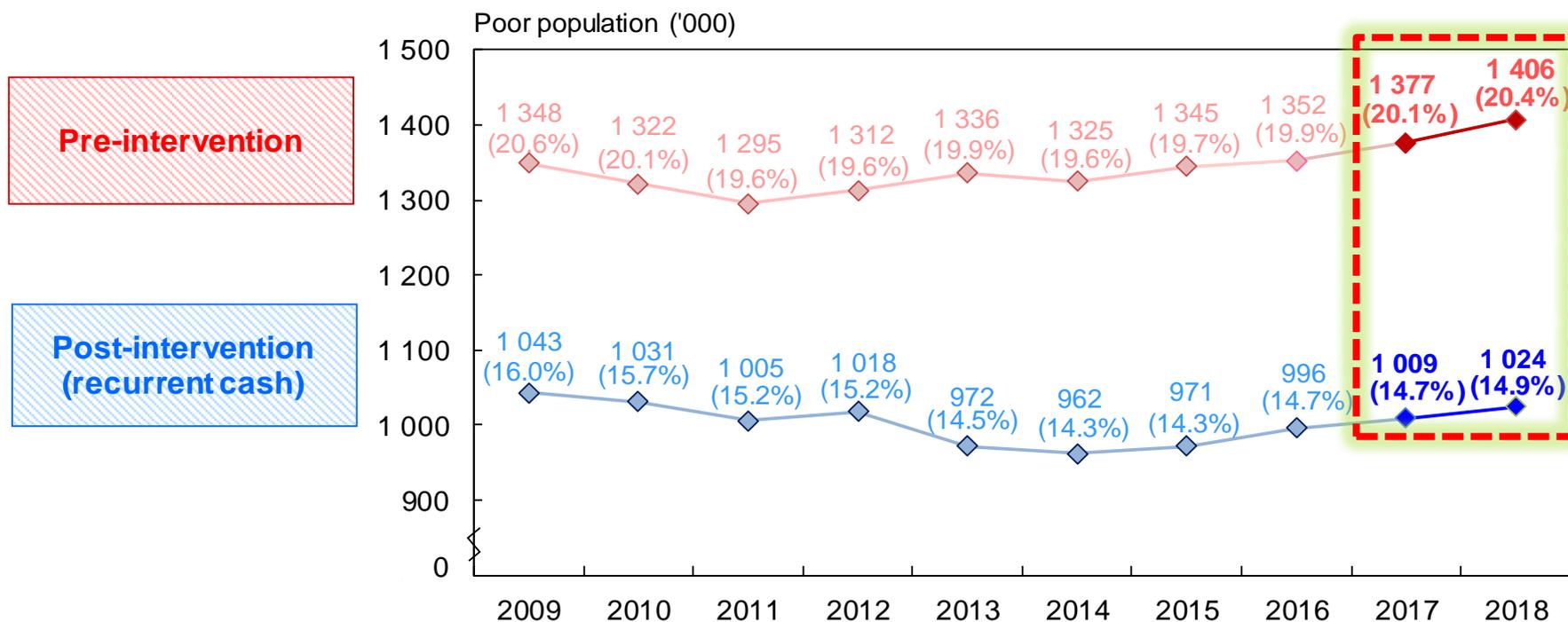
- **After recurrent cash intervention:** the size of poor population was **1.024 million**, poverty rate at **14.9%**
 - Comparing to the **pre-intervention** figures: the size of poor population was **1.406 million**, poverty rate at **20.4%**
 - **Recurrent cash benefits** lifted about 0.38 million persons out of poverty, and brought down the poverty rate by 5.5 percentage points, which was 0.1 percentage point higher than that in 2017. The reduction was the most notable since the compilation of poverty statistics
- After taking **in-kind benefits** into account, the size of poor population and poverty rate were further reduced to **0.730 million** and **10.6%** respectively

	Poor households	Poor population	Poverty rate
Pre-intervention	0.613mn (0.594mn)	1.406mn (1.377mn)	20.4% (20.1%)
Post-intervention (recurrent cash)	0.435mn (0.420mn)	1.024mn (1.009mn)	14.9% (14.7%)
Post-intervention (recurrent cash + in-kind)	0.316mn (0.308mn)	0.730mn (0.721mn)	10.6% (10.5%)
Post-intervention (recurrent + non-recurrent cash)	0.385mn (0.397mn)	0.913mn (0.952mn)	13.3% (13.9%)

Note: () Figures in parentheses denote the corresponding figures in 2017.

The poverty situation in 2018: the poverty rate after recurrent cash intervention was 14.9%, 0.2 percentage point higher than that in 2017 and a relatively mild increase compared with the 0.3 percentage point rise in pre-intervention poverty rate; the size of poor population rose to 1.02 million, mainly driven by the increase in retired elders without regular income

Poor population and poverty rate after recurrent cash intervention, 2009-2018



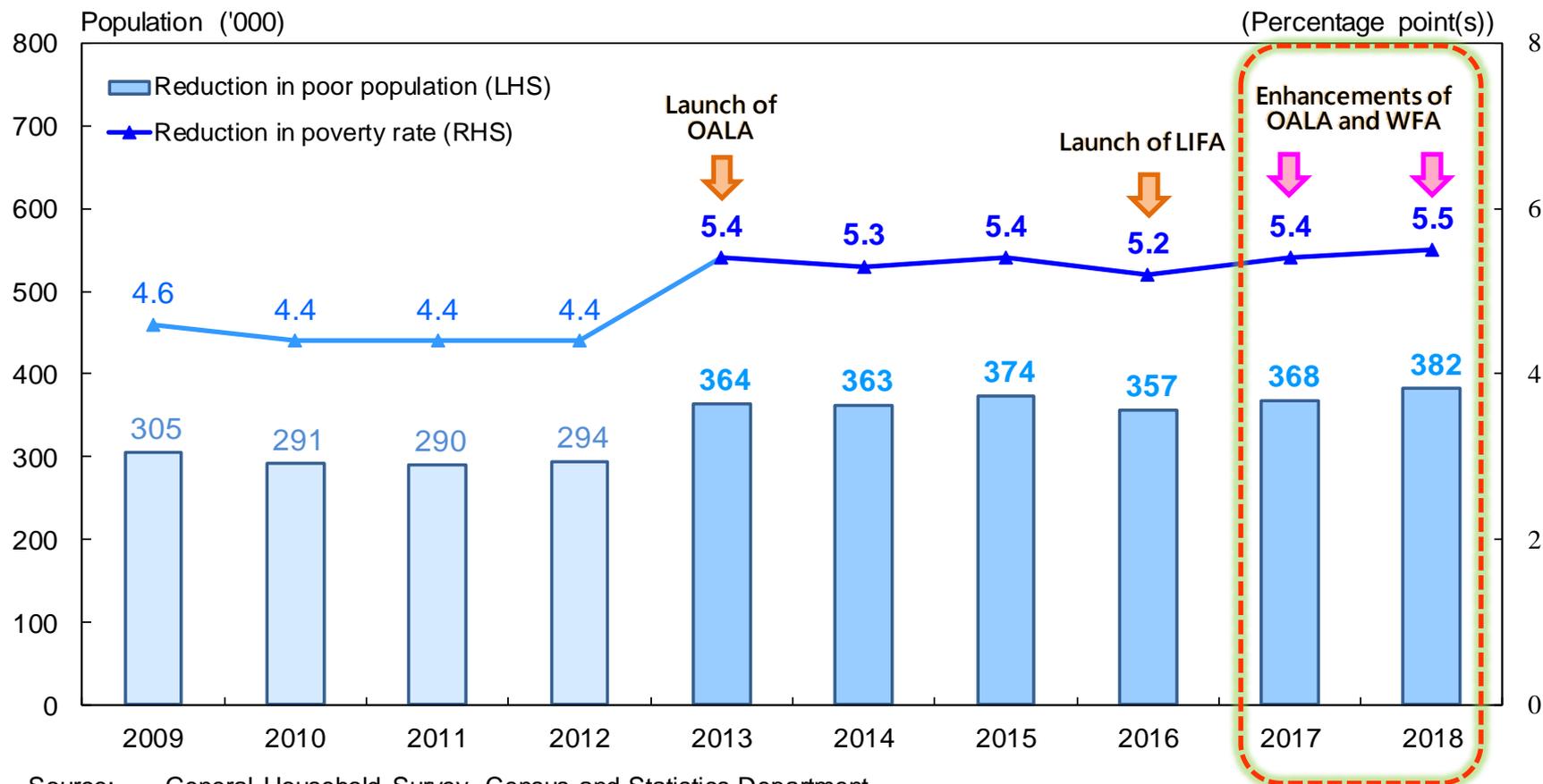
Poor households ('000)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Pre-intervention	541	536	530	541	555	555	570	582	594	613
Post-intervention (recurrent cash)	406	405	399	403	385	383	392	412	420	435

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

Source: General Household Survey, Census and Statistics Department.

Strengthened poverty alleviation impact of recurrent cash policy: the poverty rate was reduced by 5.5 percentage points and 0.38 million persons were lifted out of poverty, an improved effectiveness compared to the 5.4 percentage points and 0.37 million persons in 2017

Effectiveness of recurrent cash benefits in poverty alleviation, 2009-2018

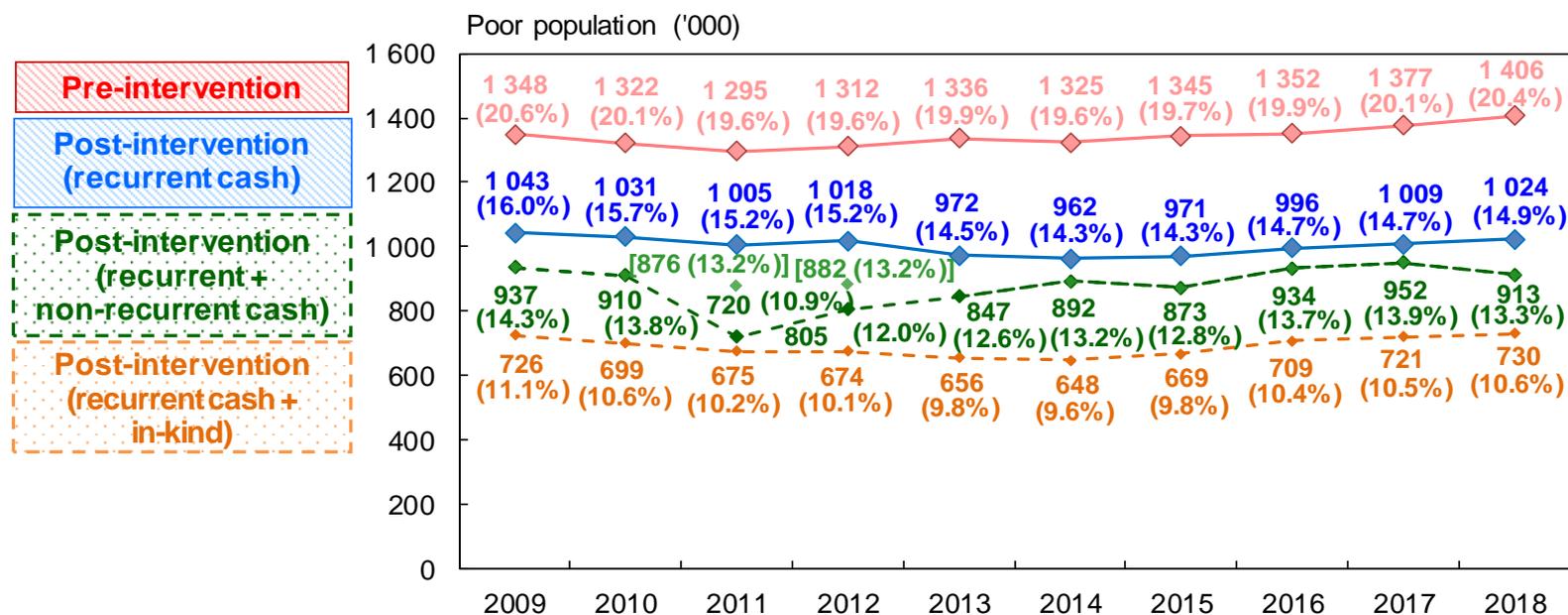


Source: General Household Survey, Census and Statistics Department.

For details on poverty gap before and after intervention, please see Annex – Page 12

Non-recurrent cash and in-kind benefits also carried poverty alleviation impact: after taking into account **non-recurrent cash benefits**, the poverty rate fell by 0.6 percentage point from a year earlier to 13.3% in 2018, indicating a strengthened poverty alleviation impact. Meanwhile, **in-kind benefits (mainly PRH provision)** continued to achieve notable effect, lifting about an additional 0.29 million persons out of poverty and reducing the poverty rate to 10.6%

Poor population and poverty rate after taking into account non-recurrent cash or in-kind benefits, 2009-2018



Poor households ('000)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Pre-intervention	541	536	530	541	555	555	570	582	594	613
Post-intervention (recurrent cash)	406	405	399	403	385	383	392	412	420	435
Post-intervention (recurrent + non-recurrent cash)	361	354	281 [339]	312 [341]	333	355	354	387	397	385
Post-intervention (recurrent cash + in-kind)	284	278	271	272	269	271	281	304	308	316

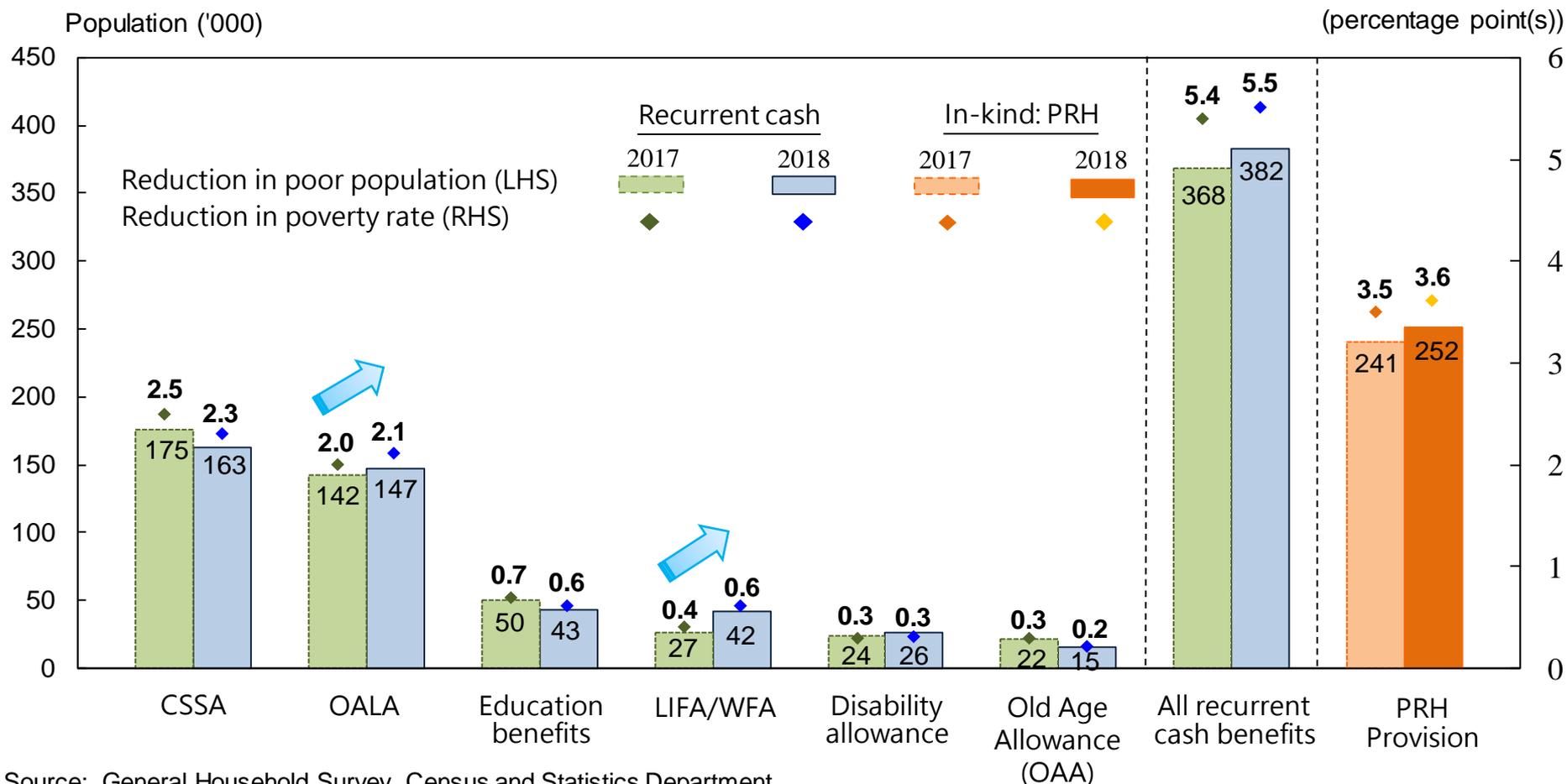
Notes: () Figures in parentheses denote the corresponding poverty rates.

[] Figures in square brackets denote the corresponding poverty figures, taking into account non-recurrent cash benefits, with the effect of "Scheme \$6,000" excluded. As "Scheme \$6,000" was covered in 2011 and 2012 only, there were no corresponding figures for other years.

Source: General Household Survey, Census and Statistics Department.

In 2018, the overall effectiveness in poverty alleviation improved slightly over 2017. **The increase in the poverty alleviation impact of WFA was the most visible, driving the poverty rate of working households down to a low level of 8.0%; OALA came second, which also saw an increase in poverty alleviation impact**

Effectiveness of selected recurrent cash benefits and PRH provision in poverty alleviation, 2017 and 2018

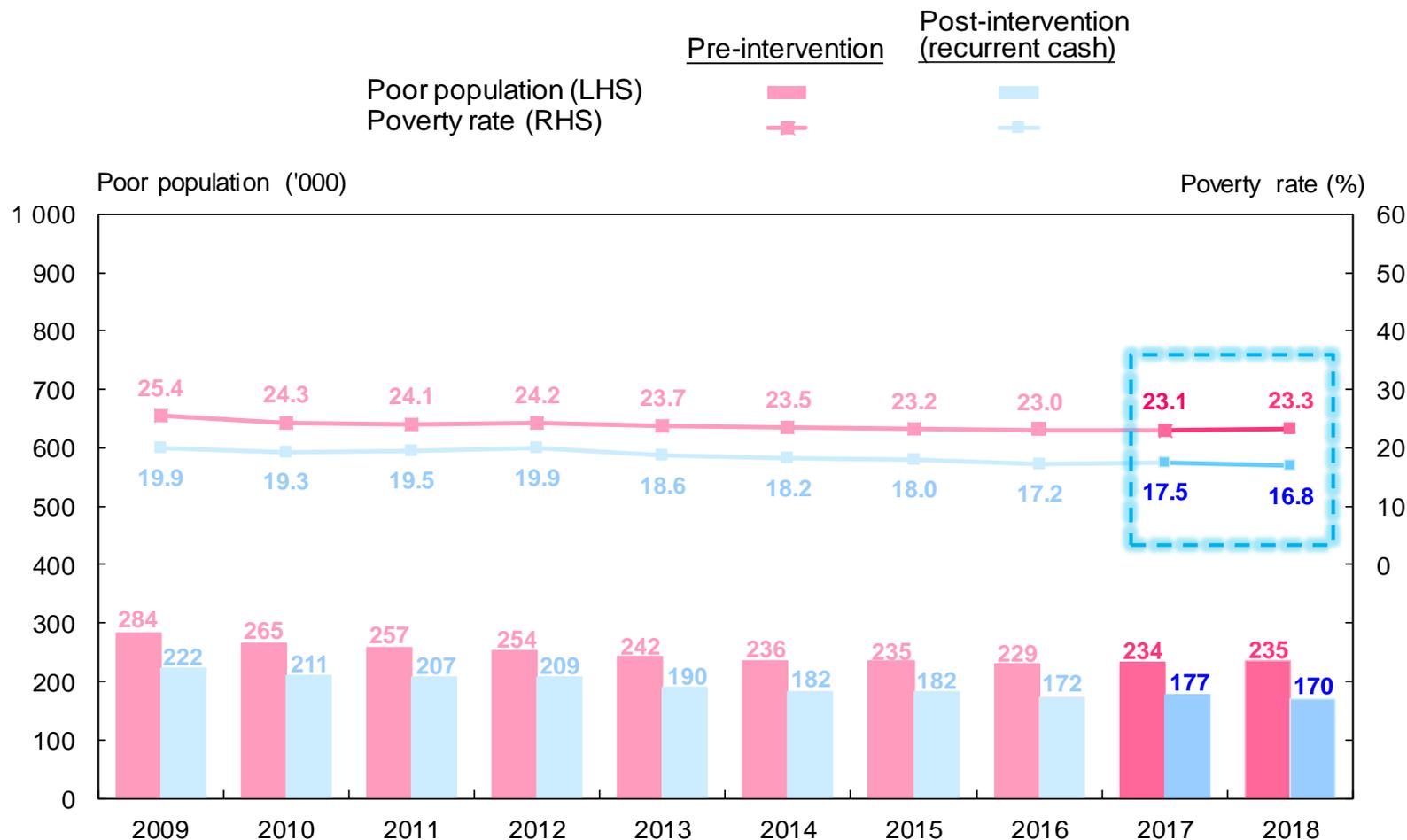


II.(b) Poverty situation by selected age group

For poverty statistics by socio-economic characteristic of households and by district, please see Annex – Pages 8 to 10

In 2018, the child poverty rate fell markedly by 0.7 percentage point to a record low of 16.8%, thanks primarily to the strengthened poverty alleviation effect of WFA targeted for children

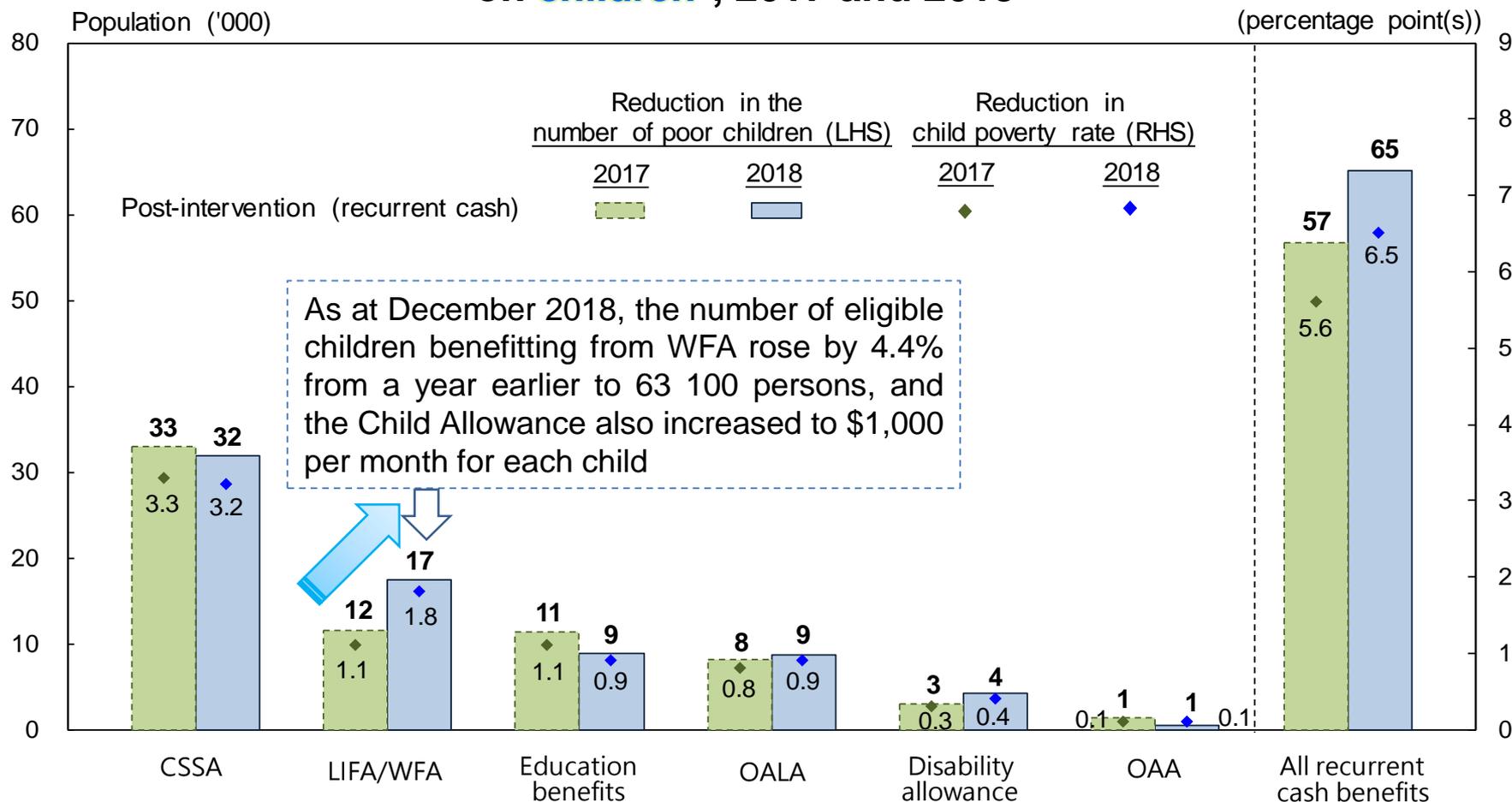
Poor population and poverty rate of children, 2009-2018



Source: General Household Survey, Census and Statistics Department.

Effectiveness in alleviating child poverty: WFA alone reduced child poverty rate by 1.8 percentage points, notably larger than the 1.1 percentage points in the preceding year

Effectiveness of selected recurrent cash benefits in poverty alleviation on children*, 2017 and 2018

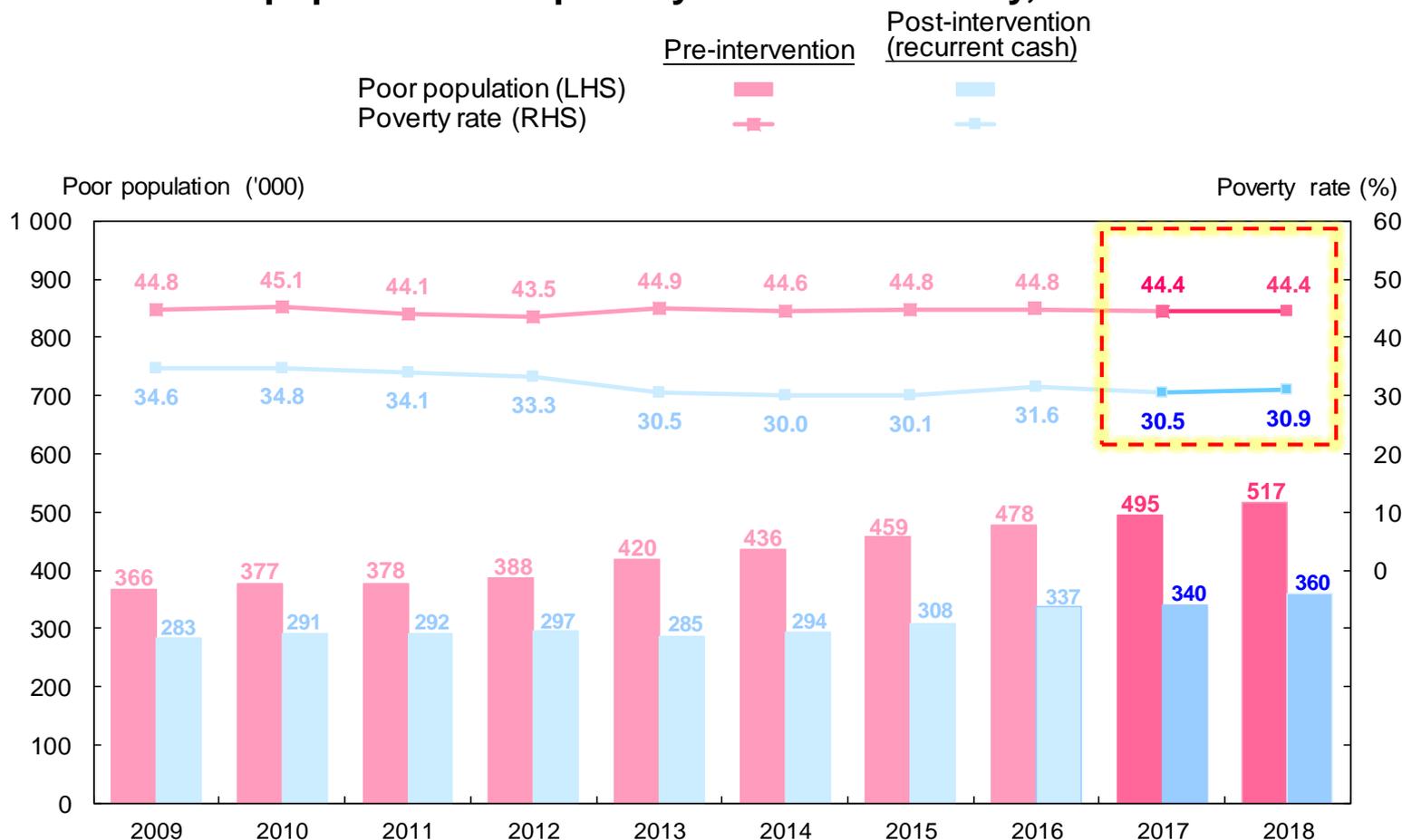


Note: (*) Refers to children aged below 18 in households receiving the selected recurrent benefit(s).

Sources: General Household Survey, Census and Statistics Department; Working Family Allowance Office.

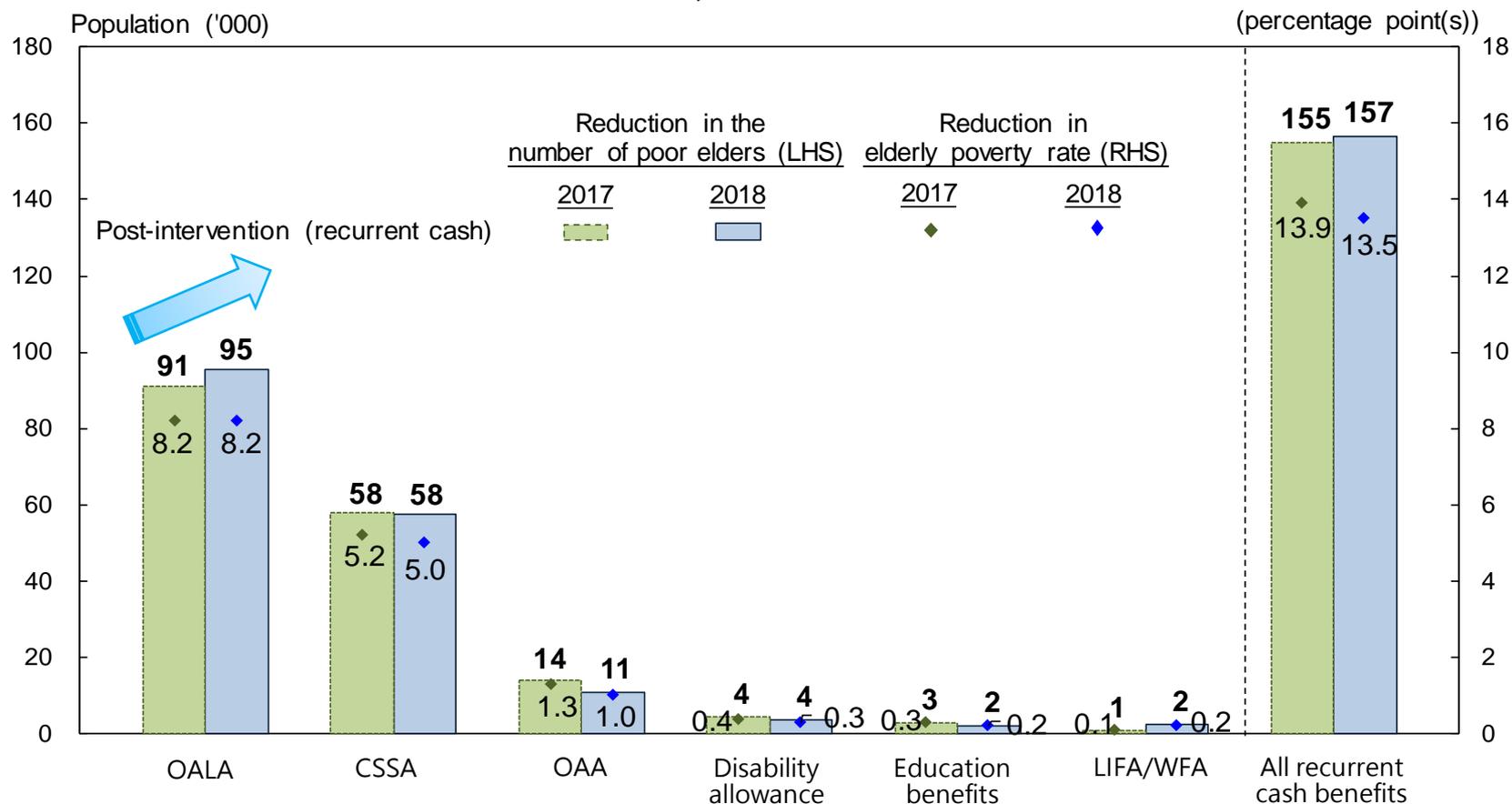
Post-intervention elderly poverty rate rebounded: in 2018, the pre-intervention elderly poverty rate was similar to last year's, partly due to the rise in elderly labour force participation rate which helped offset the upward pressure exerted by population ageing; the number of post-intervention poor elders increased by around 20 000, they mostly reside in economically inactive elderly households

Poor population and poverty rate of the elderly, 2009-2018



The enhanced **OALA** lifted **95 000** elders out of poverty, reducing the elderly poverty rate by 8.2 percentage points. Yet, the increased poor elders mainly resided in elderly households without any pre-intervention income and with wider poverty gap. Hence, the household incomes of some elders were still below the poverty line even after receiving Government's benefits

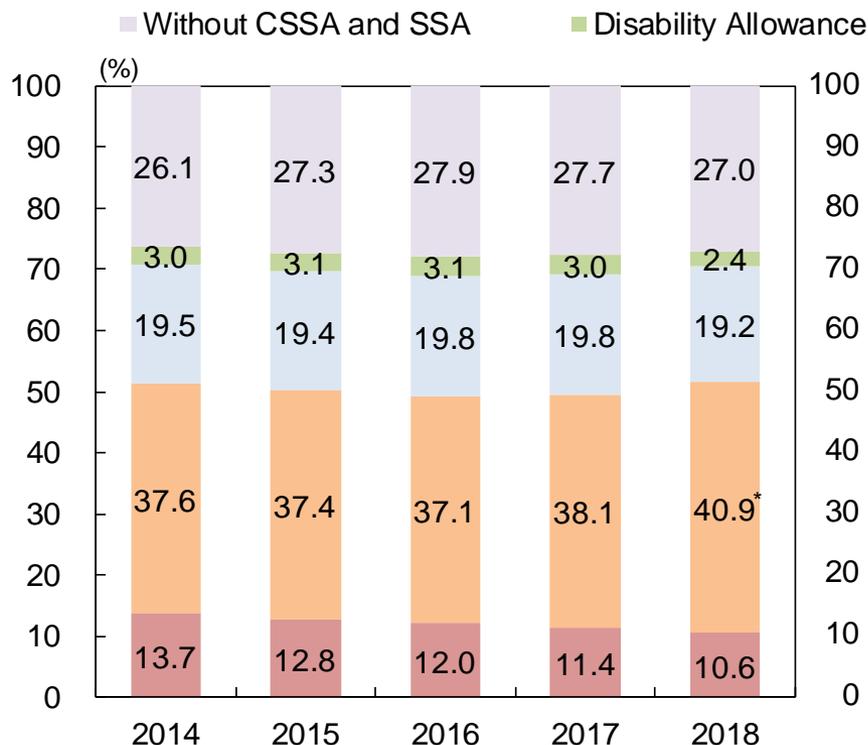
Effectiveness of selected recurrent cash benefits in poverty alleviation on elders*, 2017 and 2018



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

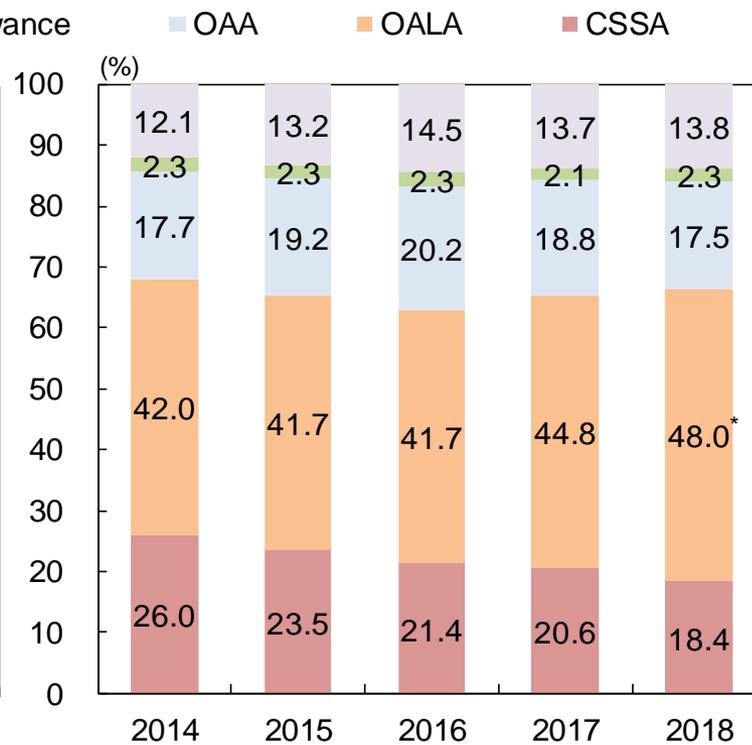
Between 2014 and 2018, over seven-tenths of the overall and pre-intervention poor elders were covered by the social security system. Yet, in tandem with the rise in the proportion of elders receiving OALA, that of CSSA and OAA decreased

(a) All elders



Number of elders ('000)	2014	2015	2016	2017	2018
	1 095.7	1 146.3	1 192.7	1 245.8	1 301.6

(b) Poor elders before policy intervention



Number of poor elders before policy intervention ('000)	2014	2015	2016	2017	2018
	436.4	459.0	478.4	495.2	516.6

Notes: (*) The proportion of overall elders receiving Higher OALA was 36.5%. Population figures refer to resident population. The source of these figures is different from that in Chart (b).

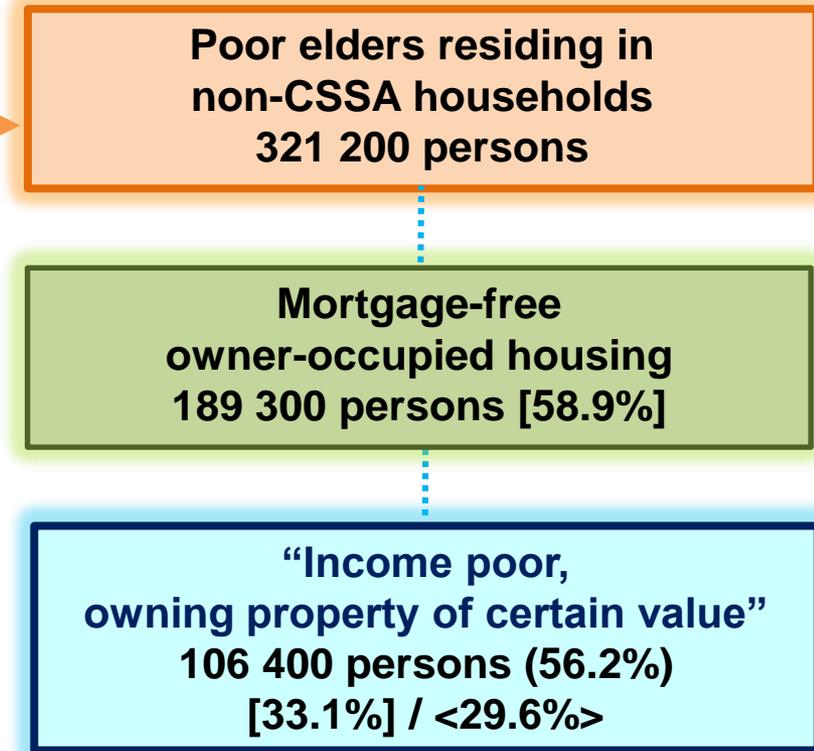
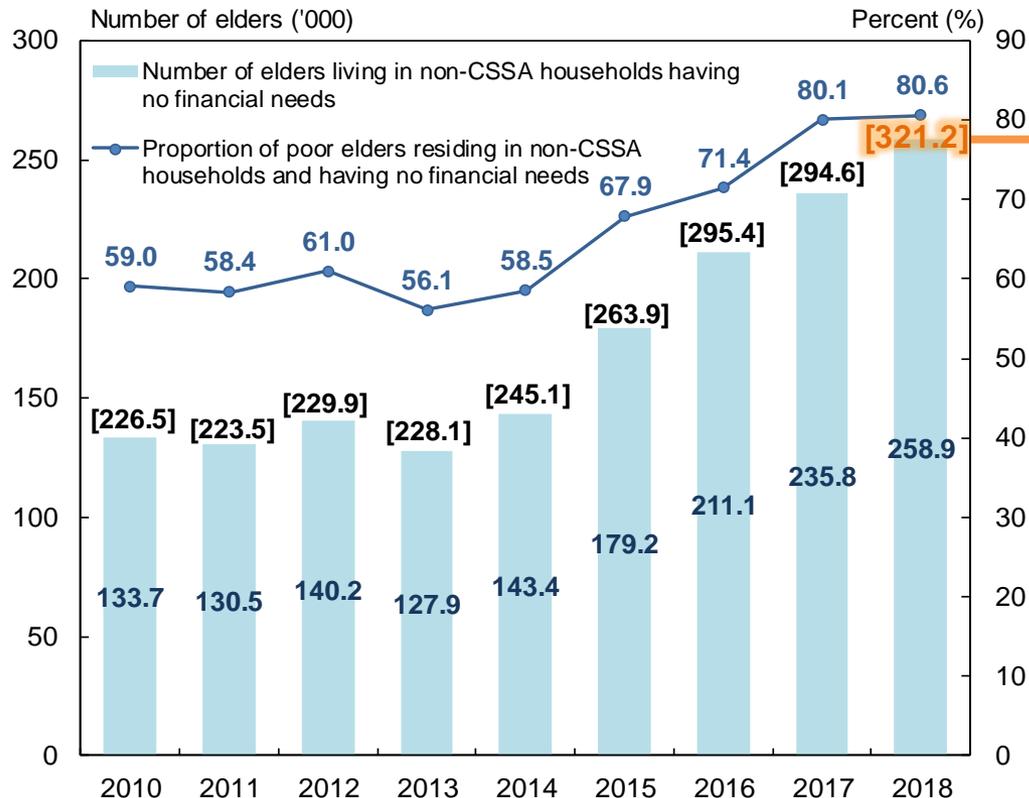
Note: (*) The proportion of poor elders before policy intervention receiving Higher OALA was 40.6%.

Source: General Household Survey, Census and Statistics Department.

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

Over 80% of the poor elders residing in non-CSSA households had no financial needs, and one-third of the poor elders were “income poor, owning property of certain value”

Poor elders residing in non-CSSA households and had no financial needs



Notes: Based on poverty statistics after recurrent-cash intervention.
[] Figures in square brackets denote the number of all poor elders residing in non-CSSA households.

Source: General Household Survey, Census and Statistics Department.

Notes: [] Figures in square bracket denote the proportion of relevant elders among all poor elders residing in non-CSSA households.
() Figure in parenthesis denotes the proportion of relevant elders among all poor elders residing in non-CSSA mortgage-free owner-occupied households.
< > Figures in arrow bracket denote the proportion of relevant elders among all poor elders.

Source: General Household Survey, Census and Statistics Department.

In 2018, after policy intervention, around 11% of poor households (nearly 50 000 households) received direct payment in-kind (DPIK) for expenses from non-household members, with the majority being elderly households. If DPIK was taken into account, around 31 000 poor persons would have an actual living standard up to or above the poverty line

**Post-intervention poor households
434 800 households / 1 024 300 persons**

**Among which:
Households received DPIK
48 700 households <11.2%> /
79 300 persons**

**Among which:
Households with elders
40 000 households [82.1%] /
62 000 persons**

**Among which: Elderly households
33 300 households [68.3%] /
45 500 persons**

- Nearly half (48.4%) of the households received an average monthly DPIK ranging from \$1,000 to \$3,000, while close to three-tenths (29.7%) received \$4,000 or above
- The more common items of DPIK were water, electricity and gas bills (67%), telephone bills (62%), and rates and government rent (57%)
- **Around one-fourth of the households received DPIK for salaries of foreign domestic helpers (FDHs), the monthly average of which amounted to \$4,600**
- **Another one-fourth of the households received DPIK for rent: PRH: \$1,700; Private housing: \$12,600.** Many of these households receiving DPIK of larger amounts were elderly households

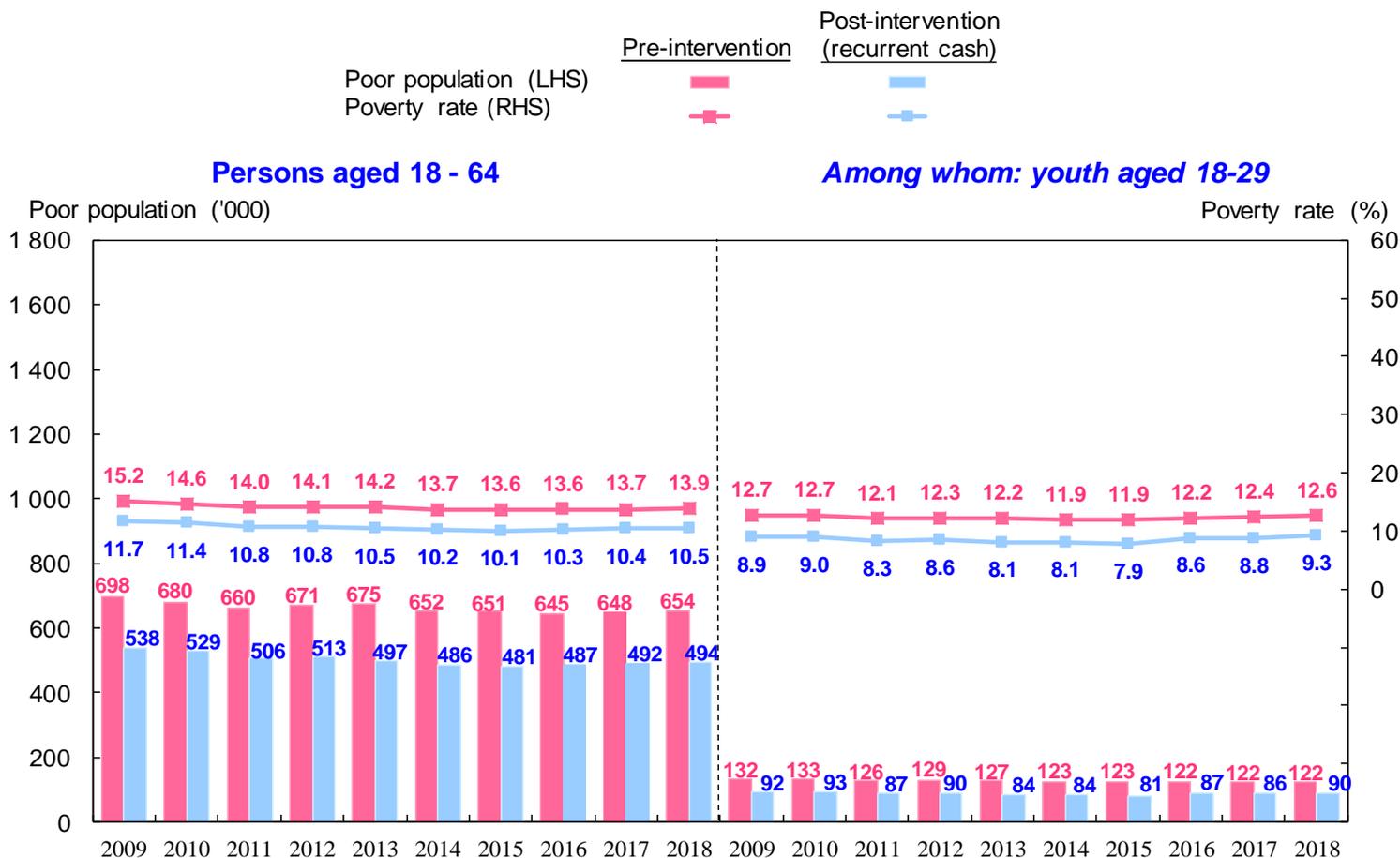
For more common items of DPIK and their average monthly amounts, please see Annex – Page 13

Notes: < > Figure in arrow bracket denotes the proportion of relevant households among all poor households.
[] Figures in square brackets denote the proportion of relevant households among all poor households receiving DPIK.

Source: General Household Survey, Census and Statistics Department.

Although the post-intervention poverty rate of persons aged 18 to 64 held largely steady, the poverty rate of youth aged 18 to 29 rose by 0.5 percentage point to 9.3% and the number of poor youth rose by 3 700 persons to around 90 000 persons

Poor population and poverty rate of persons aged 18-64, 2009-2018



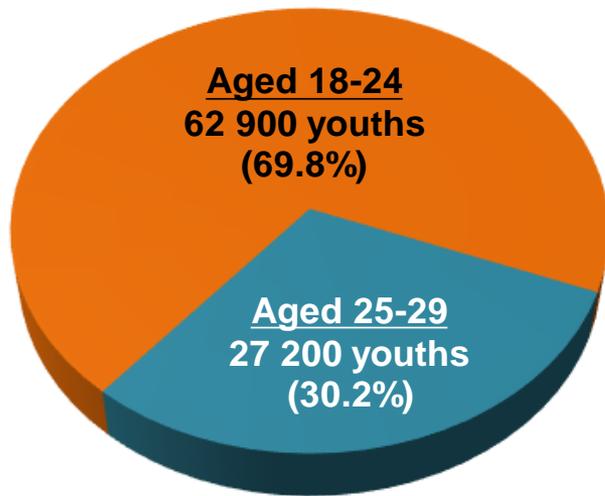
Source: General Household Survey, Census and Statistics Department.

For poverty alleviation impact of recurrent cash measures on youths, please see Annex – Page 14

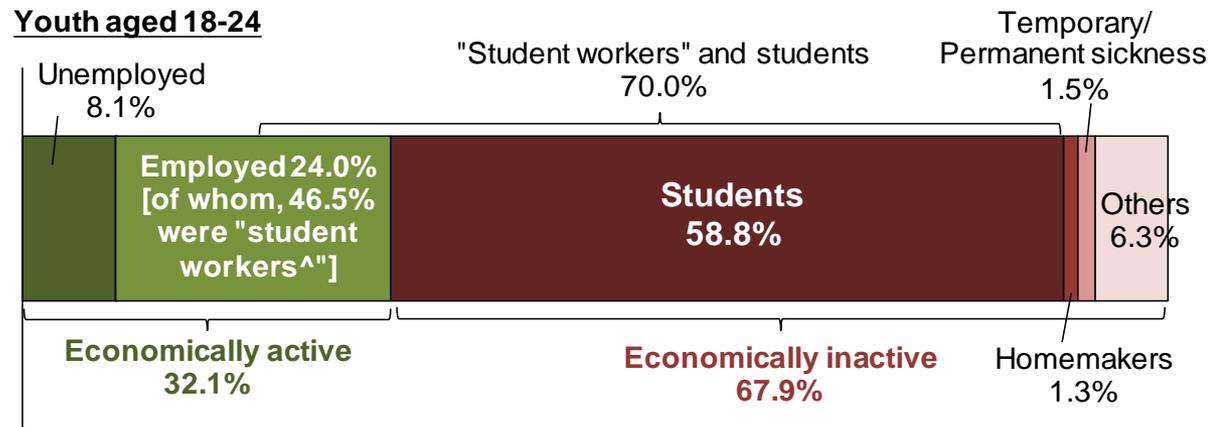
In 2018, around seven-tenths of poor youth were aged 18 to 24, with the majority being students; the remaining 30% were aged 25 to 29, of whom more than one-tenth were unemployed, who in most cases, resigned on their own accord/ had short-term unemployment. This showed that youth poverty was partly transitional in nature. With a suitable job and more solid work experience, they should be able to lower their poverty risks with improved earnings

Poor youth by age and economic activity status, 2018

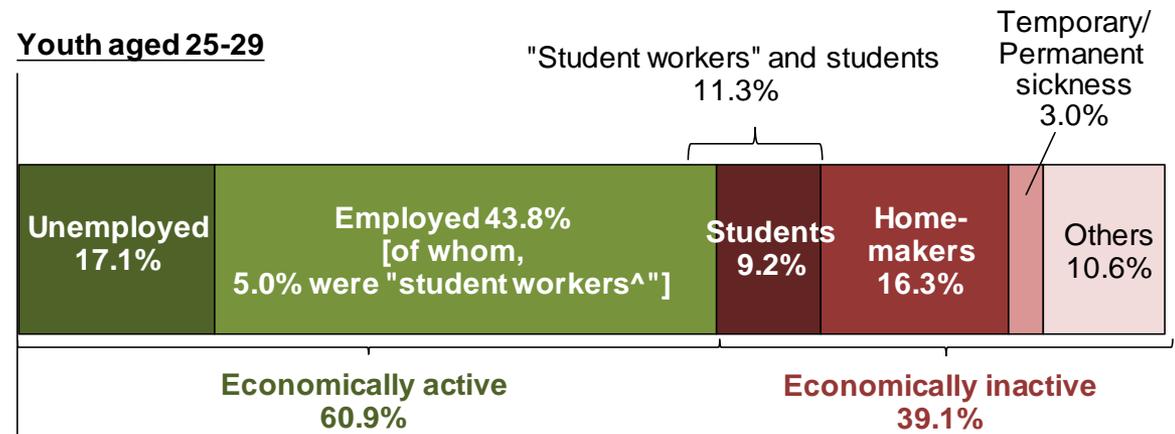
(a) By age



(b) By age and economic activity status



Youth aged 25-29



Notes: (^) Refer to employed persons who were attending schools/education institutes (including part-time and distance learning programmes). Figures in parentheses are the corresponding share of the group among overall poor youths. Poverty statistics refer to statistics after recurrent cash intervention.

Source: General Household Survey, Census and Statistics Department.

II.(c) Key observations

1. As a result of the strengthened effectiveness of WFA, child poverty rate fell to a low level in 2018

- The more targeted **WFA** (after enhancement) **saw a strengthened poverty alleviation impact**
- With higher proportions of full-time working members, the poverty rates of working and with-children households (8.0% and 15.1% respectively) were also visibly lower than groups without regular employment earnings, suggesting that **employment helps reduce poverty risks**

For poverty statistics by socio-economic characteristic of households, please see Annex – Pages 8 and 9

2. The elderly poverty rate rebounded amid a marked acceleration in population ageing in recent years

- Partly attributable to the reduced poverty alleviation impact of CSSA and OAA on elders and the fact that more than half of the increased elders resided in elderly households without any income before policy intervention
- Yet, the enhancements of OALA that progressively came into effect in the recent two years have yielded some positive results. **The ratio of the elderly population covered by the social security system in 2018 increased** by nearly one percentage point compared with 2016 to 73%
- Besides cash, elders might be more in need of in-kind support, such as ageing in place and medical services for the elderly

For details of the impact of structural factors on poverty rate, please see Annex – Page 15

3. The poverty rate of persons aged 18 to 64 held largely steady

- Among them, youth poverty rate still stayed at a relatively low level of 9.3%, yet recording increases in recent years
- Many poor youths were economically inactive students, suggesting that the poverty situation of some youths may be transitional in nature. Upon entering the labour market after graduation, they will likely see an improvement in their household incomes

III. Recent policy initiatives

III. Recent policy initiatives

• “Pro-child” and “Pro-family”:

- **Improving the CSSA Scheme:** raising the maximum amount of disregarded earnings by 60% from \$2,500 to \$4,000 per month, extending a number of grants and special allowances to eligible non-elderly able-bodied recipients, increasing the maximum rates of rent allowance by about 3% to 27%
- **Raising all payment rates of WFA substantially:** in response to the above improvement measures of CSSA, increasing the working-hour linked household allowance under the Scheme by 16.7% to 25% and raising the Child Allowance considerably by 40%

- Taking a 4-person household (with two children) as an example, maximum amount of allowance:

Existing = \$1,200 + \$1,000 × 2 = \$3,200

With enhancement = \$1,400 + \$1,400 × 2 = \$4,200

Amount of allowance will rise significantly by \$1,000 or 31%

- **Regularising the provision of the student grant:** each secondary day school, primary school and kindergarten student will receive annually \$2,500, benefitting an estimated 0.90 million students in Hong Kong
- **Enhancing the Public Transport Fare Subsidy Scheme:** increasing the subsidy rate from one-fourth to one-third of the monthly public transport expenses in excess of \$400, and raising the subsidy cap from the existing level of \$300 to \$400 per month
- **CCF:** two rounds of subsidy will be provided to “N have-nots” in the next financial year

III. Recent policy initiatives (Cont'd)

- **Poverty alleviation and elderly care:**

- **The “Pilot Scheme on Community Care Service Voucher for the Elderly”:** increase the number of service vouchers to 8 000
- **Holistic support to elderly employment:** organising large-scale thematic job fairs and employment briefings for mature persons, implementing the enhanced “Employment Programme for the Elderly and Middle-aged” to provide employers hiring mature job-seekers aged 60 or above who have left the workforce or are unemployed a monthly on-the-job training allowance of \$4,000 for a period of 6 to 12 months to encourage the hiring of mature persons
- **“HKMC Annuity Plan”:** launched in July 2018 and further enhanced in December 2018, the Plan allows eligible elders to convert some of their assets into lifetime monthly annuity payment
- **Provision of tax deductions to encourage early savings:** an aggregate tax deductions up to a maximum of \$60,000 per annum are available for qualifying deferred annuity premiums paid and/or tax deductible voluntary Mandatory Provident Fund contributions

- **Supporting youth:**

- **Community Care Fund:** providing hostel subsidy for needy undergraduate students residing in hostels in the past few years and increased the academic expenses grant for needy students pursuing eligible self-financing post-secondary programmes
- **Other assistance schemes:** for example, the “Study Subsidy Scheme for Designated Professions/Sectors” and the “Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong”

III. Recent policy initiatives (Cont'd)

- In response to the increasing downward pressure facing the economy, a series of relief measures were rolled out:
 - **“Support enterprises and safeguard jobs”**: the Government has rolled out four rounds of relief measures in the second half of 2019 involving about \$25 billion to provide support to enterprises and residents, with a view to alleviating the pressure brought about by economic downturn. Together with the Budget initiatives (including one-off relief measures amounting to over \$40 billion) announced early this year, these initiatives could have a stimulus effect of around 2 percentage points on the economy

**Main Analysis of the Poverty
Situation in 2018 –
Supplementary information**

Supplementary information - Outline

- (i) Major factors affecting poverty statistics**

- (ii) Analysis of poverty statistics by socio-economic characteristic of households and by district**

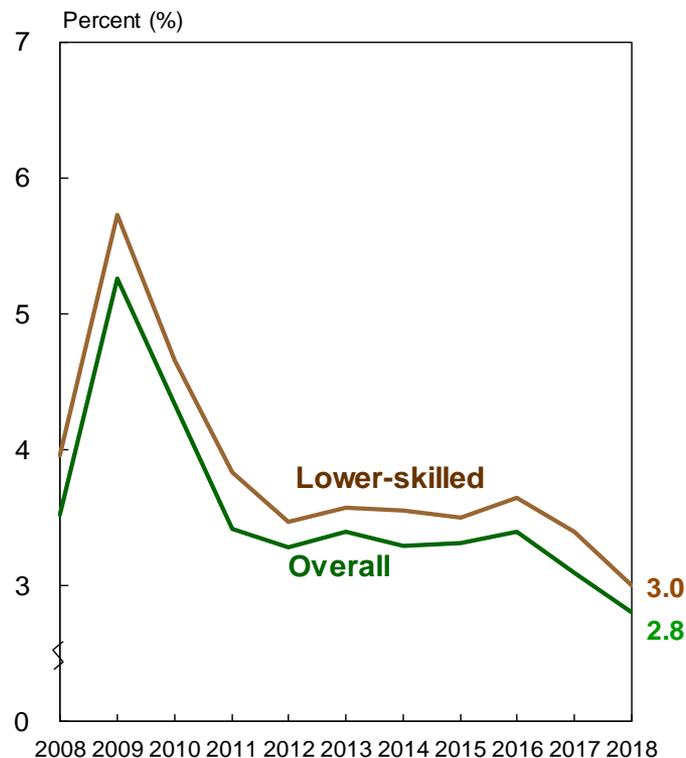
- (iii) Other supplementary information**

**(i) Major factors affecting
poverty statistics**

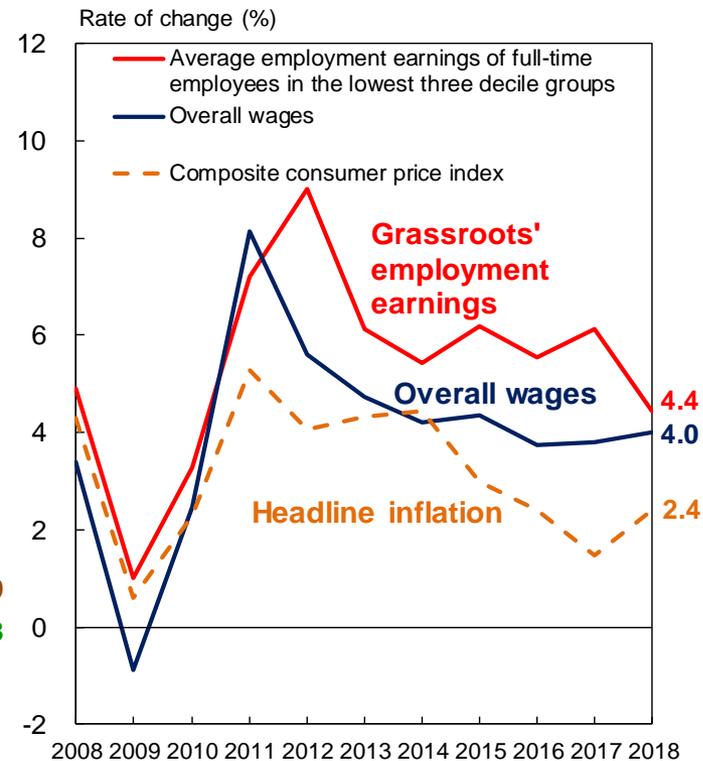
1. Economic cycle

- The Hong Kong economy continued to expand in 2018, yet growth momentum moderated visibly in the second half of the year amid rising trade tensions between the US and the Mainland. Notwithstanding this, the labour market tightened further during the year. As labour demand was keen, earnings of grassroots workers showed sustained improvement at a rate that was higher than inflation

(a) Unemployment rate



(b) Nominal wages and average employment earnings

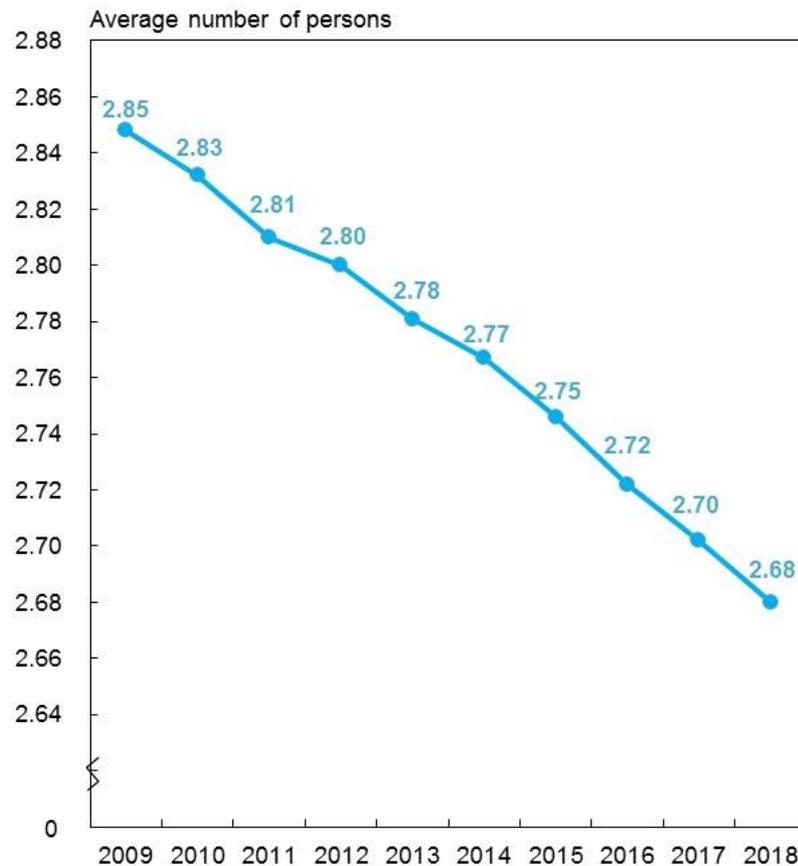


Sources: General Household Survey, Monthly Report on the Consumer Price Index, and Labour Earnings Survey, Census and Statistics Department.

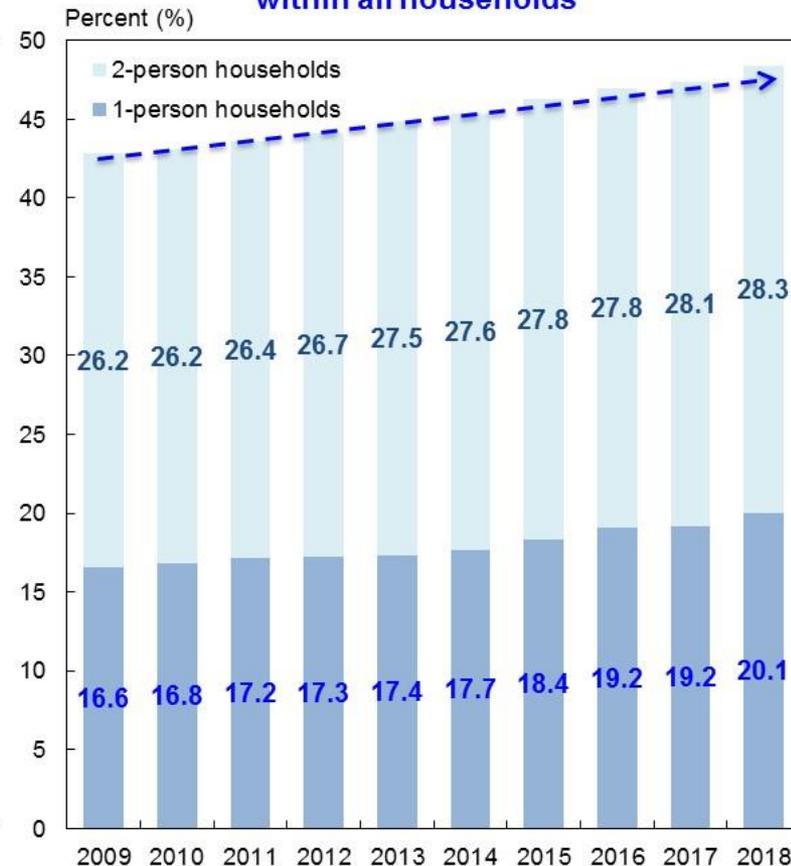
3. Demographic and household composition factors

- Against the backdrop of a growing prevalence of people remaining single, postponing marriage and getting divorced, as well as a persistently low fertility rate, the numbers and proportions of 1-person and 2-person households kept growing and the average household size continued to dwindle

(a) Average household size of overall households



(b) Share of 1-person and 2-person households within all households

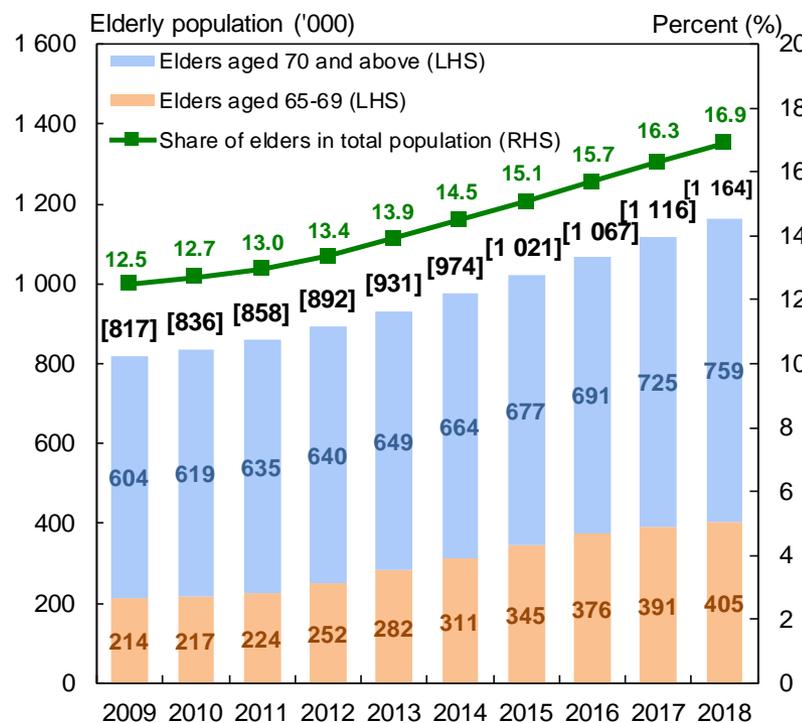


Source: General Household Survey, Census and Statistics Department.

3. Demographic and household composition factors (Cont'd)

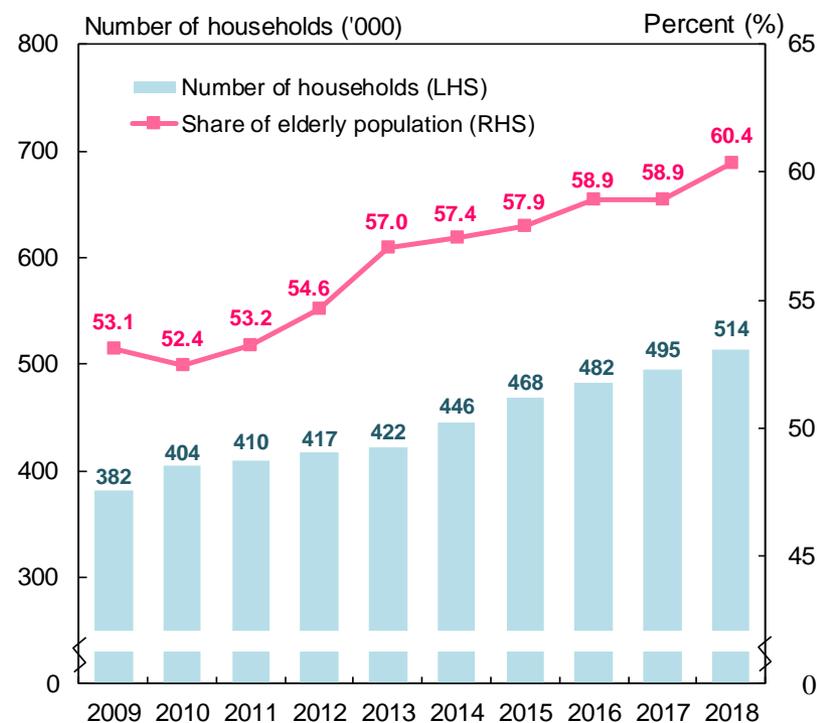
- As the post-war baby boomers gradually entered old age, **population ageing trend accelerated visibly in recent years, with the proportion of elderly in total population rising further to 16.9% in 2018**. Meanwhile, the share of elderly population among all persons living in economically inactive households also continued to increase to 60.4%

(a) Elderly population



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Elderly households ('000)	216	229	235	245	264	279	300	319	328	349

(b) Economically inactive households



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Population in economically inactive households ('000)	658	699	696	710	705	743	779	800	812	841

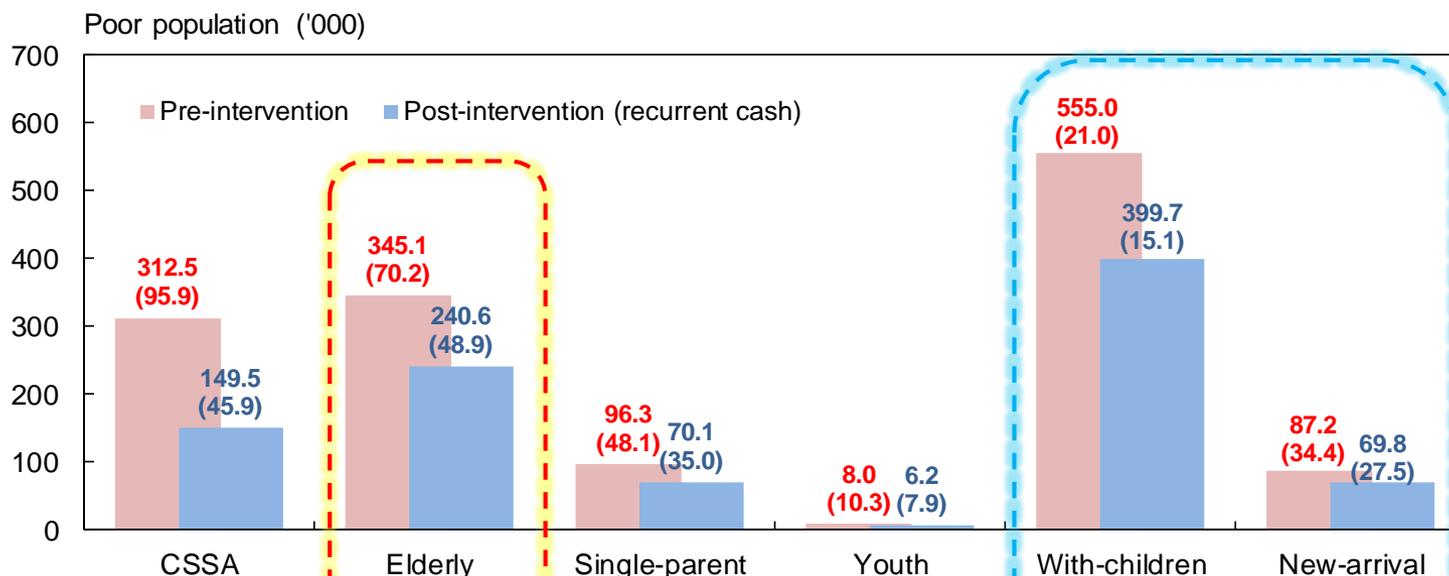
Notes: [] Figures in square brackets denote the size of overall elderly population. Population figures refer to persons in domestic households, excluding foreign domestic helpers and the institutional population.

Source: General Household Survey, Census and Statistics Department.

(ii) Analysis of poverty statistics by socio-economic characteristic of households and by district

Poor population and poverty rate in 2018, by household social characteristic

- The pre-intervention poverty rates of CSSA, elderly and single-parent households, ranging from nearly 50% to over 90%, were much higher than the overall level (20.4%). Nevertheless, the poverty rates of these households fell significantly after recurrent cash intervention, which attested to the importance of these measures in income redistribution and poverty alleviation
- The poverty rate of with-children and new-arrival households dipped to low levels in recent years, thanks mainly to the enhanced WFA and the rising proportion of working members and improvement in skill level of the new-arrival households. The trend of poverty indicators of elderly households was similar to that of the corresponding age group, both recording relatively visible increases



After policy intervention:

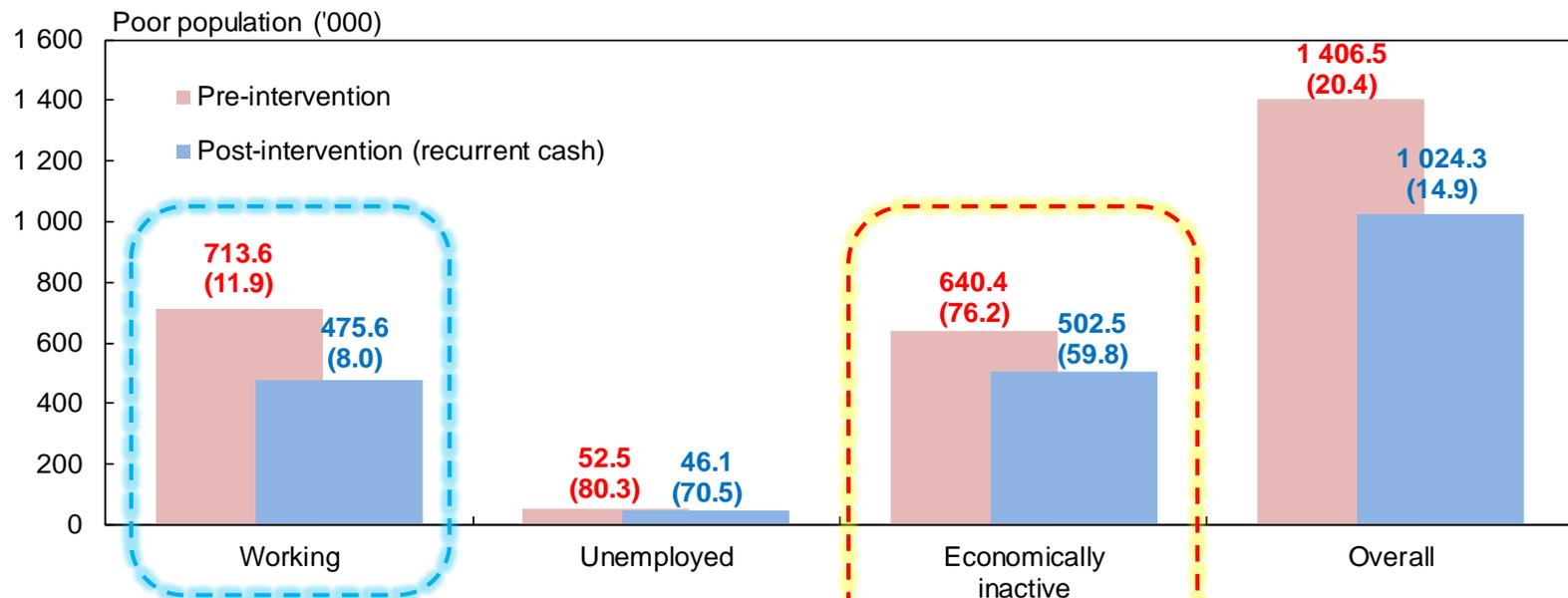
Changes are compared to 2017

Poor population ('000)	-7.1	+21.0	-1.0	+2.3	-20.6	-1.5
Poverty rate (% point(s))	+0.2	+1.3	+0.7	+3.0	-0.7	-2.7

Note: () Figures in parentheses denote the corresponding poverty rates.
Source: General Household Survey, Census and Statistics Department.

Poor population and poverty rate in 2018, by household economic characteristic

- After policy intervention, the poverty rates of unemployed, economically inactive and elderly households were the highest three among all socio-economic groups, while that of working households (8.0%) was far lower than the overall average (14.9%), demonstrating that employment is the best way to prevent poverty
- Benefitting from WFA, the poverty rate of working households fell to 8.0%. Nevertheless, against the backdrop of population ageing, the visible increases in poverty rate and poor population of economically inactive households (comprised mainly elders) completely offset the positive impact brought about by the improved poverty situation of working households



After policy intervention:

Changes are compared to 2017

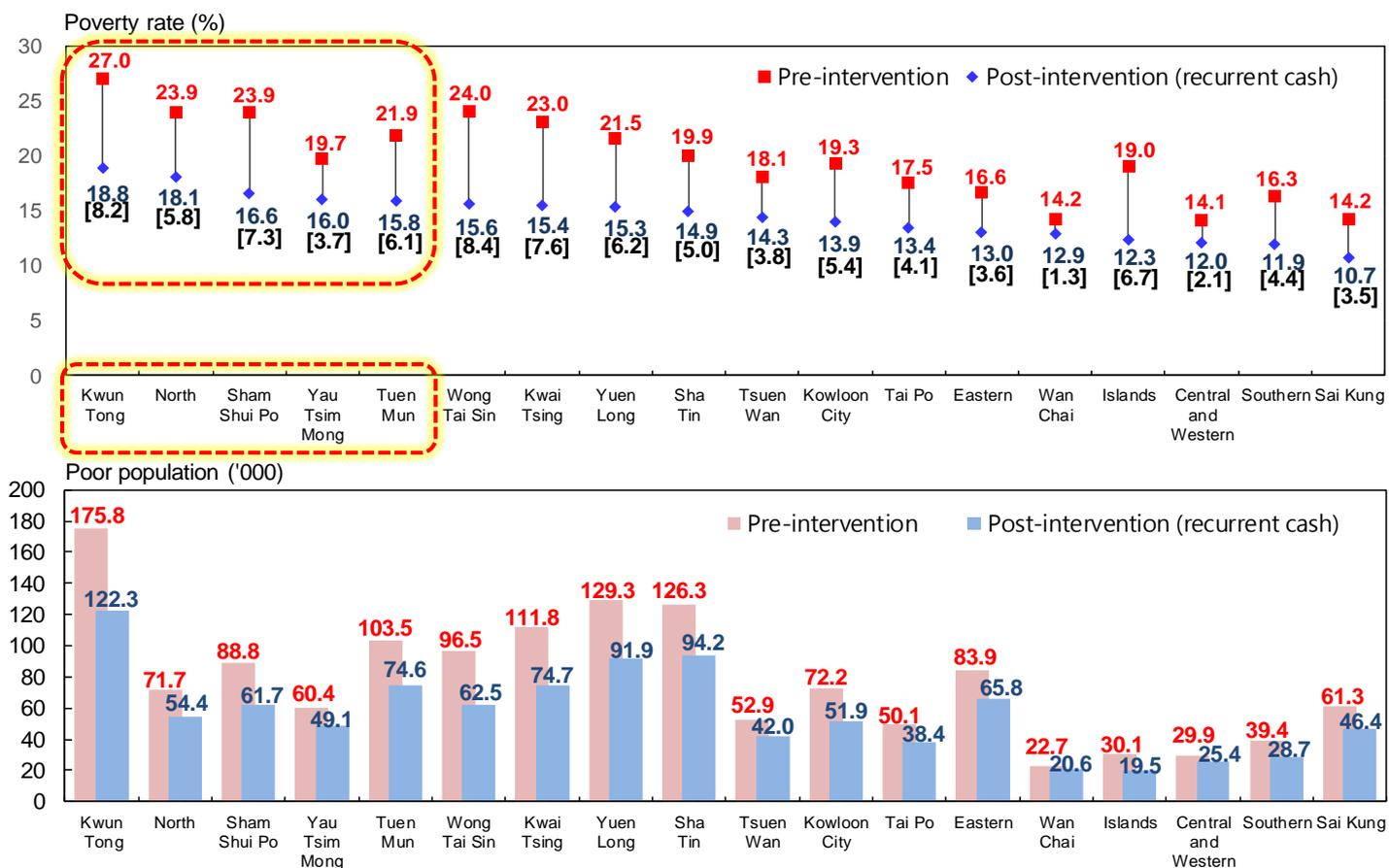
Poor population ('000)	- 5.2	- 0.7	+ 21.3	+ 15.5
Poverty rate (% point(s))	- 0.1	- 1.3	+ 0.5	+ 0.2

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

Source: General Household Survey, Census and Statistics Department.

Poor population and poverty rate in 2018, by District Council district

- The poverty rates of Kwun Tong, North district, Sham Shui Po, Yau Tsim Mong and Tuen Mun were distinctly higher than the overall average
- These districts generally had lower proportions of working population and higher proportions of workers engaged in lower-skilled occupations. Yet, recurrent cash measures had, to a certain extent, alleviated their poverty situations



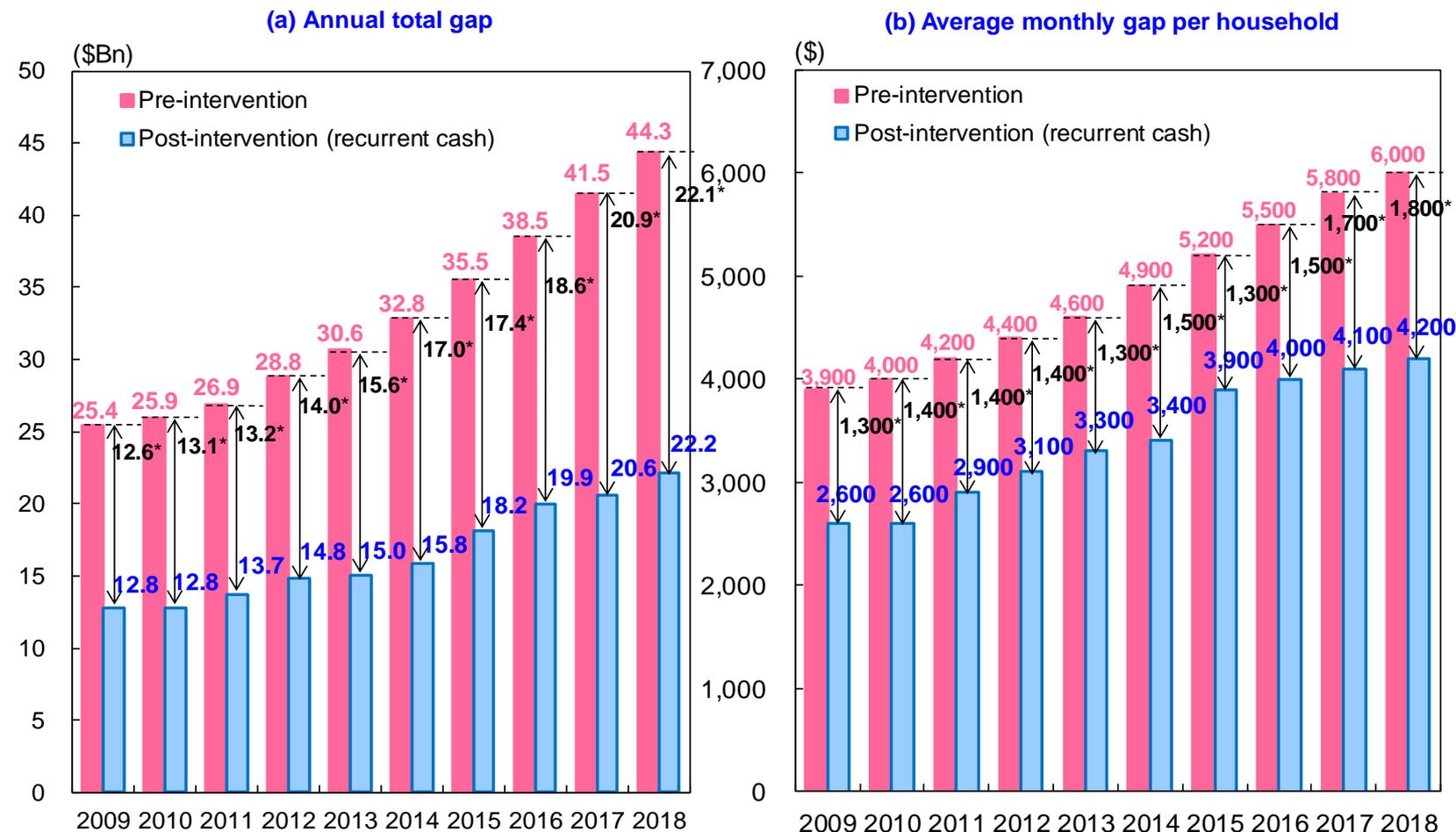
Note: [] Figures in square brackets denote the percentage point(s) reductions in the poverty rates.

Source: General Household Survey, Census and Statistics Department.

(iii) Other supplementary information

Recurrent cash intervention narrowed the total poverty gap in 2018 considerably by half to \$22.2 billion

Poverty gaps, 2009-2018



Note: (*) Calculated based on unrounded figures.

Source: General Household Survey, Census and Statistics Department.

In 2018, after recurrent cash intervention, about 11% of the poor households (nearly 50 000 households) received DPIK for expenses provided by non-household member(s). Among them, nearly seven-tenths (68.3% or 33 300 households) were elderly households, most of them being singleton (43.5%) and doubleton (24.4%) households

Types of DPIK	Poor households			Poor elderly households		
	Number ^{^*}	Share* (%)	Monthly average amount (\$)	Number ^{^*}	Share* (%)	Monthly average amount (\$)
Overall[^]	48 700	100.0	3,500	33 300	100.0	3,400
Water, electricity and gas bills	32 800	67.4	300	22 700	68.2	300
Telephone bills	30 400	62.3	100	21 400	64.4	100
Rates and government rent [@]	27 800	57.1	700	19 900	59.7	700
Management fee [@]	23 700	48.7	800	17 500	52.6	800
Rent	12 000	24.5	5,000	6 700	20.2	4,300
Of which :						
PRH	8 300	17.1	1,700	5 100	15.3	1,600
Private rental housing	3 600	7.4	12,600	1 600	4.8	12,600
Internet fee	11 500	23.6	200	5 500	16.5	200
Salaries of FDHs	11 500	23.6	4,600	9 500	28.6	4,600
Emergency alarm system fee	7 500	15.4	100	6 600	19.8	100

Notes: (^) Households receiving at least one type of DPIK from non-household member(s).

(@) Excluding PRH households.

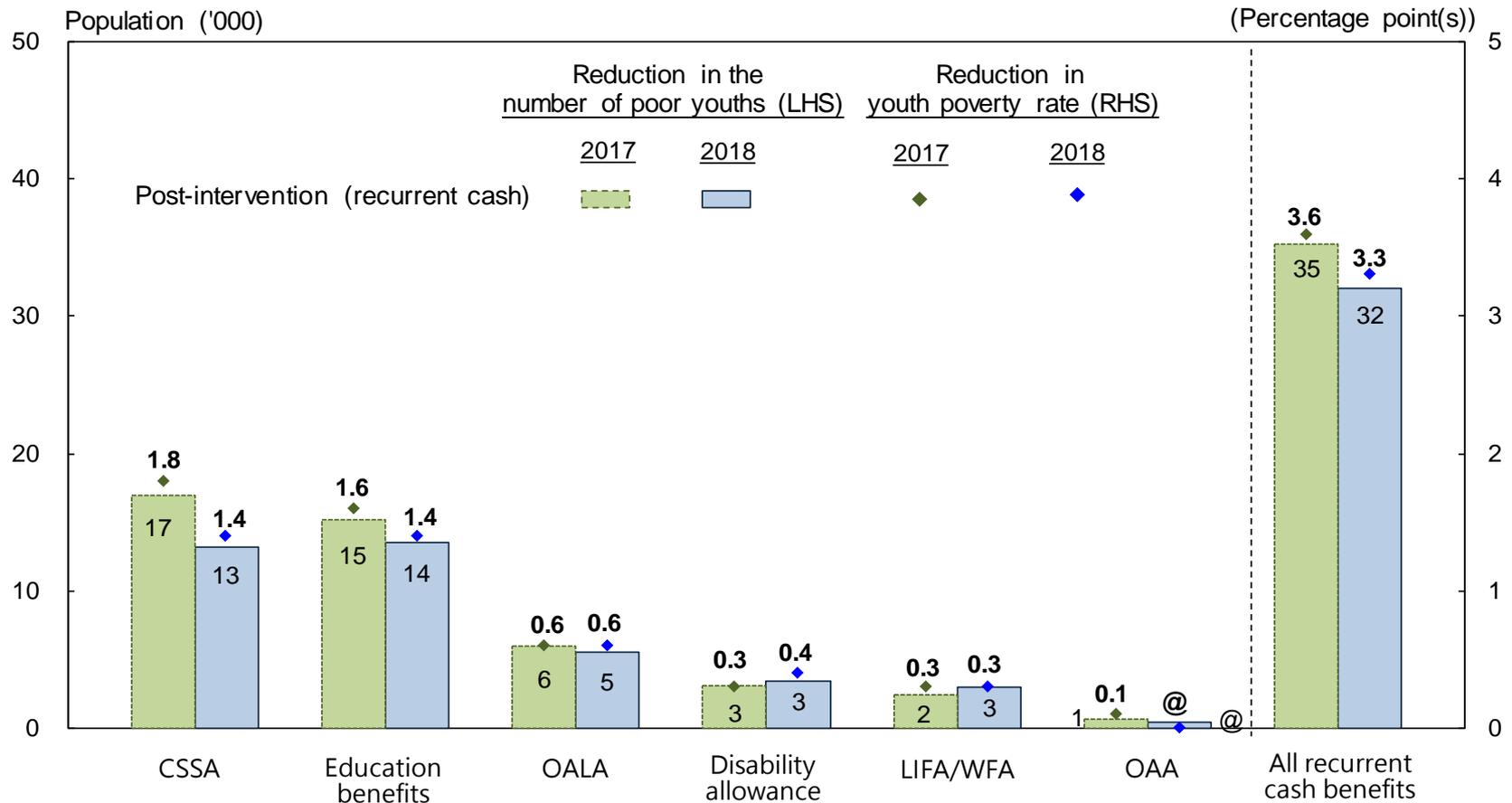
(*) As a household may receive more than one type of DPIK, the sum of the number (and share) of households with individual type of DPIK may exceed the total (100%).

Sum of individual items may not add up to total due to rounding.

Source: General Household Survey, Census and Statistics Department.

The poverty alleviation impact of recurrent cash policies on youth declined in 2018

Effectiveness of selected recurrent cash benefits in poverty alleviation on youths*, 2017 and 2018



Notes: (*) Refers to youths aged 18 to 29 in households receiving the selected recurrent benefit(s).
 (@) Less than 500 persons or 0.05 percentage point.

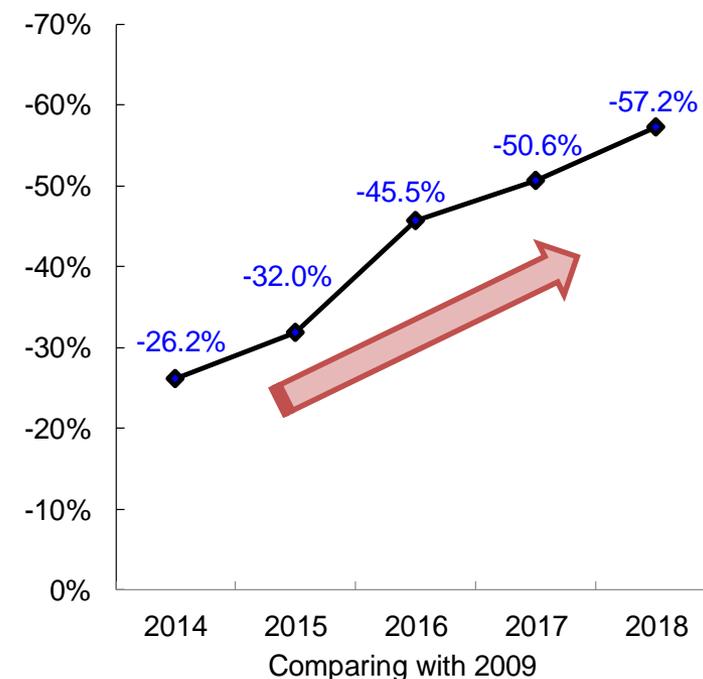
Source: General Household Survey, Census and Statistics Department.

Structural factors such as population ageing have become increasingly prominent, further offsetting the positive impacts on poverty rate brought about by economic growth and the Government's measures. The offsetting ratio rose to nearly 60% between 2009 and 2018

Poverty rate in 2009 (Post-intervention)	16.0%
Decomposition of changes in the poverty rate (2009-2018) by the three factors below:	
1. Age structure	+0.9 percentage point
2. Household size	+0.5 percentage point
3. Other factors (e.g. economic and labour market performance, and effects of the Government's efforts in poverty alleviation)	-2.6 percentage points
Poverty rate in 2018 (Post-intervention)	14.9%

**-1.1
percentage points**

**Offsetting ratio*
rose markedly in recent years**



Note: (*) Offsetting ratio = $(1+2) / 3$ in the table on the left.