

Report on Women and Poverty (2001-2015)

September 2016

1. Foreword

Whether in good or bad economic times, women are more likely to fall into poverty than men. In April 2016, Oxfam's report 'Women and the 1%: How extreme economic inequality and gender inequality must be tackled together' revealed that the rise in the high concentration of wealth in the hands of few is making society more socially and economically unequal; however, extreme inequality more greatly affects women than it does men. According to the United Nations' report 'Progress of the World's Women: Transforming economies, realizing rights', women on average consistently earn a quarter (24%) less than men globally¹. In Hong Kong, this statistic is even higher among the city's employed persons in poor households, with the gender pay gap reaching up to 40%². One of the reasons for this discrepancy is that women are disproportionately concentrated in the lowest-paying jobs (e.g. outsourced cleaners or casual workers) and enjoy little employment protection.

In Asia, 75% of women in work in the informal economy, e.g. street vending and domestic work, and are without access to benefits such as sick or maternity leave³. They take up the bulk of the responsibility of looking after their families, but this restricts their job options and the time during which they can work.

¹ UN Women, 2015. *Progress of the World's Women: Transforming economies, realizing rights* http://progress.unwomen.org/en/2015/pdf/UNW_progressreport.pdf

² Hong Kong Statistics and Census Department, 2015 (2nd quarter). *Quarterly Report on General Household Survey*. (c.f. Table 1)

³ ILO Regional Office for Asia and the Pacific and Asian Development Bank, 2011. *Women and labour markets in Asia: rebalancing towards gender equality in labour markets in Asia*. Bangkok: ILO. Quoted from *Underpaid and Undervalued: How Inequality Defines Women's Work in Asia*, p.2 by Oxfam International, 2016.

Hong Kong is a developed city in Asia with a high income per capita. Nevertheless, the poverty rate among women remains higher than that among men. In 2014, after government policy intervention, the poverty rate among women was 14.6%, while it was 13.8% among men⁴.

In order to better understand the situation and poverty trends, it is important not only to obtain the latest data, but to also observe changes in women’s economic situations over a substantial period of time. As such, Oxfam collected and analysed data like both sexes’ monthly income, labour force participation rate and type of employment from 2001 to 2015 (second quarter). Based on this analysis, Oxfam offered policy recommendations to help more women escape poverty, which can be found in Section 5 of this report.

2. Research Method

This study is based on data and analyses from the Hong Kong Census and Statistics Department’s Quarterly Report on General Household Survey released between 2001 and 2015 (second quarter). In this study, poor households are defined as those that have a monthly household median income of less than 50% of the Hong Kong population with the same household size (excluding domestic helpers).

3. Main Findings

3.1) Globally, women make 24% less than men; among Hong Kong’s poor, women earn close to 40% less

According to the UN’s report ‘The World’s Women 2015’, women on average earn about 70 to 90% what men earn across the globe⁵. The gender pay gap is 24%⁶.

⁴ The HKSARG, 2015. *Hong Kong Poverty Situation Report 2014*, p. 24.

	Before gov’t intervention		After gov’t intervention (Recurrent Cash)	
	2013	2014	2013	2014
Women	20.6%	20.1%	15.0%	14.6%
Men	19.3%	19.1%	14.0%	13.8%
Overall	19.9%	19.6%	14.5%	14.3%

⁵ United Nations (2015) *The World’s Women 2015*
http://unstats.un.org/unsd/gender/downloads/Ch4_Work_info.pdf

⁶ Ibid..

The gender pay gap is also remarkably conspicuous in Hong Kong. In 2015, among the city's employed persons in poor households, women's monthly median income was only 60.9% of men's; the difference between them was close to 40% (39.1%). In 2001, however, this figure was 66.7% (a 33.3% difference). Clearly, gender income disparity among the employed persons in poor households has been worsening over the past decade. (Please refer to Table 1.)

3.2) One in six women lives below the poverty line in Hong Kong; over 600,000 women in Hong Kong live in poverty

In the second quarter of 2015, the number of women living in poverty in Hong Kong reached 614,000 and the poverty rate among them stood at 17.4%. The figures among their male counterparts, however, were 530,100 and 16.3% respectively—lower than the statistics among females⁷. (Please refer to the Table 2.)

It is worth noting that among those aged between 15 and 29 who lived in poverty, slightly over half (52.4%) were women. As for those aged between 30 and 49, 60% were women, while women made up 64% and 61% of the 30-39 and 40-49 age groups respectively. Men made up 36% and 39% of the 30-39 and 40-49 age groups respectively. (Please refer to the Table 3.)

The percentage of women who live in poverty increased from 51.2% in 2001 to 53.7% in 2015. Although there was a mild drop in poverty rates in the last couple of years due to boom and bust cycles, the statistics have shown that over the past decade, poverty among women has only been increasing. (Please refer to the Chart 1.)

3.3) Monthly median income of employed women in poor households is 55% lower than that of the whole population

In the category of employed persons in poor households, women earn far less than men. In 2015, the monthly median income of employed women in poor households

⁷ The figures in the 'Quarterly Report on General Household Survey' from the Census and Statistics Department considered government cash benefits as income, e.g. CSSA, Financial Assistance Scheme for Post-secondary Students and others. The Commission on Poverty adjusted the poverty rate by carrying out reconciliation exercise between the General Household Survey (GHS) database and Social Welfare Department's (SWD's) administrative records, and other records from different bureaus and departments. There were differences between the GHS's and the administrative records' definitions of terms. There were also discrepancies in estimations that were based on administrative records since some of the data regarding the socio-economic characteristics of beneficiaries was not available. (Please refer to the Hong Kong Poverty Situation Report 2014, p.98) Therefore, the poverty rates from two sources may vary.

was 55% lower than that of the whole population; however, the statistic among men was only 26.7% lower than the citywide figure. This difference can be attributed to the kinds of jobs women held and the number of hours they worked. Further analysis can be found below. (Please refer to Table 4.)

3.4) Less than 20% of women who were poor engaged in the labour force

In 2015, the labour force participation rate among women in poverty was merely 19.9%; however, the citywide figure among all females was 55%, indicating a 35% difference. Among poor households with members under the age of 15 and over 65, the female labour force participation rate dropped a further 15%. Since women in poverty often need to look after their families (particularly children and the elderly), they are usually unable to go out to work. As such, their labour force participation rate is lower than the general households'. (Please refer to the Table 5.)

In the second quarter of 2015, it was found that after retirement, close to a quarter (23.8%) of women who live in poverty became 'homemakers'. In comparison, only 1.5% of men had this economic status. This highlights the fact that women often take up the role of homemaker⁸. (Please refer to the Table 6.)

3.5) Hong Kong's women in poverty juggle between work and family, and in many cases, they can only engage in casual employment

Comparing the figures in 2001 and 2015, more and more employed persons in poor households have become casual workers. The proportion of men who took up casual employment increased by 7.7 percentage points, while the increase among women was more significant, reached 22.4. For those who worked fewer than 35 hours per week, men accounted for 32.5%, while women accounted for 67.5%—twice the number of men. Although the female labour force participation rate and work opportunities have grown over the past decade, many women are increasingly taking up casual employment. (Please refer to Table 7.)

3.6) Women account for 80% of single parents

In 2015, there were 33,100 single parents in Hong Kong. Women accounted for

⁸ In the second quarter of 2015, most males and females had the economic status of 'retired persons'; they accounted for 34.1% and 29.8% of this group respectively. In comparison to 2001, the figures were 26.1% and 22.4% respectively. The increase is associated with the aging of the Hong Kong population in the recent decade.

85.2% of this number, while men accounted for 14.8%. (Please refer to Table 8.) Clearly, the number of female single parents far exceeded that of their counterparts. The trend remained more or less unchanged from 2001 to 2015.

4. Review of Government Policy

4.1) Policy on bazaars

Many of the figures mentioned in the previous section show that women in poverty often need to shoulder the responsibilities of the family, which keeps them from working full-time or only leaves them with the option of working part-time. The government should thus take the lead in creating job opportunities that both offer flexible working hours and ensure that these women are able to perform their responsibilities within their households. For instance, women could work at bazaars that are organised by NGOs.

Since 2008, Oxfam Hong Kong has been supporting partner organisations to run weekend or holiday local bazaars in new towns so that the people from low-income families in these areas (especially women) can participate in economic activities. Through these bazaars, women can increase their families' incomes, take care of their families and escape poverty.

Oxfam conducted a survey entitled 'Bazaars Development and Employment for Grassroots Women' in 2015 and interviewed vendors who sold goods at bazaars⁹. A total of 65% of the respondents had children under the age of 18. Furthermore, 82.1% of them agreed that their working hours at bazaars were flexible and enabled them to take care of their families. The study clearly showed that developing could boost economic participation among women. In fact, the average monthly median income of the respondents that worked at the bazaars was HK\$2,600, which makes up about 20% of their monthly household income, and is essential extra income for low-income families.

Regrettably, the government does not have any policies to facilitate the development of bazaars. Moreover, it is difficult for NGOs to rent venues from the government to hold bazaars. Even the occasional successful application does not guarantee a positive response for subsequent applications due to bureaucracy. Furthermore, the government stipulates that no cash transactions are allowed in government rented venues. All in all, these rules and regulations significantly limit the development of bazaars. Also, there is a lack of attention to women's needs on the part of the government; this prevents women from vending at bazaars and generating more family income in the long-term.

⁹ http://www.oxfam.org.hk/content/98/content_22359en.pdf

4.2) Employment protection

Since they need to look after their families, women in poverty are oftentimes unable to take up full-time jobs or work regular hours. The working poor who are women accounted for a large proportion of those who do not work full-time (Please see Table7.) According to the Employment Ordinance, all employees are entitled to employment protection, wage payment protection, protection against anti-union discrimination, etc. However, only those who have been employed continuously by the same employer for four weeks or more and work at least 18 hours a week are regarded as employees who work under a 'continuous contract' ('4.18' rule). These employees are also entitled to other rights and benefits in addition to the universal rights mentioned above.

Because of their household responsibilities, however, many women who live in poverty can only afford to take up work that is not under a continuous contract. To cut labour costs, some employers try to shorten workers' working hours so that they do not fall under the definition of those who work under a continuous contract¹⁰. This, however, leaves women even more vulnerable as they earn less and enjoy little employment protection. These structural problems thus leave poor women trapped within the cycle of poverty.

4.3) Minimum wage fails to support basic needs

The sections above show that women in poverty are often in the lowest-paying jobs and lack employment protection because of factors like their responsibilities at home (e.g. outsourced cleaners or casual workers). Generally speaking, these types of jobs only offer minimum wage. However, the chance of an increase in their wages only occurs biennially as the statutory minimum wage review exercise only takes place once every two years.

Oxfam believes that a fair minimum wage will meet employees' and their families' basic living expenses. According to the 'Hong Kong Poverty Situation Report 2014'¹¹, among all working households, each employed family member had to support one non-working family member (such as a child or elderly person). This 1:1 ratio is crucial

¹⁰ *Hong Kong Economic Journal*, 'Must fill the loophole against labour rights for casual workers'. 29-10-2014

¹¹ The HKSARG (2015). *Hong Kong Poverty Situation Report 2014* (http://www.povertyrelief.gov.hk/pdf/poverty_report_2014_e.pdf), p. 48, Table 3.3

to calculating minimum wage.

According to Oxfam's calculations, the basic cost of living for a two-person household should be HK\$9,083 in 2014¹²; hence minimum wage should be set at HK\$35/hour in order to encourage employees to continue to work and to take the 1:1 ratio into account. Despite the increase in minimum wage to HK\$32.5/hour in May 2015, the current minimum wage level is still below Oxfam's suggested level. We believe that the current minimum wage level fails to support workers' and their families' basic cost of living.

4.4) Childcare services

Since women in poverty are often unable to work regular, full-time jobs as they need to take care of their children, they need affordable, government-funded childcare services so that they can work without worrying about their children. Although the Hong Kong government has placed more resources into increasing the childcare services quota in 2015-16, it is far cry from being enough. There are only 2,874 places in stand-alone child care centres (CCCs) for 0-2 year-olds across the territory—for every place available, there are about 35 0-2 year-olds vying for that place.

Furthermore, in areas like Tai Po, southern districts and outlying islands, these centres do not exist. The Neighbourhood Support Child Care Project (NCSSP) and Mutual Help Child Care Centres (MHCCCs) provide a total of 53 places for each district, but this means that for every spot, there are 516 children between the ages of 0 and 9 years old vying for it (1:516)¹³. It is clear to see that there is a severe lack in the number of spaces available at child care centres. In view of the apparent lack in services, women have to stay home to take care of their children. (Please refer to the Table 9.) Hence, women in poverty need to take care of their children themselves and find a job(s) that accommodate these responsibilities.

¹² Oxfam Hong Kong (2014). *Study on the Basic Cost of Living and the Poverty Line*. (http://www.oxfam.org.hk/content/98/content_19186en.pdf)

¹³ LegCo, *Examination of Estimates of Expenditure 2016-17*, Reply Serial No.: LWB (WW)0161.

5. Oxfam Hong Kong's Recommendations

Oxfam's analysis of the figures in the sections above clearly demonstrate the fact that women are facing structural and long-term problems that make them unable to work full-time. This not only limits their job choices, but also means many of them tend to work in industries that involve more casual work and unfavourable work conditions. With the uneven distribution of the benefits of economic growth, Hong Kong's economic success comes at the cost of women's hard work. Oxfam believes that to end these inequalities and improve the situation women in poverty face, labour and economic policies must be improved. Oxfam's recommendations are as follows:

5.1) Minimum wage should meet the basic needs of women in poverty

Oxfam has always advocated that the government and companies replace minimum wage with a living wage especially for women workers in order to ensure that they can afford the basic necessities, such as food, medical services and housing. According to our 'Food Budget Study' in 2014, we suggested that minimum wage should be set at HK\$35/hour as this took into account the inflation rate and basic standard of living. Despite the increase in minimum wage to HK\$32.5/hour in May 2015, the current minimum wage level is still below Oxfam's suggested level. As inflation is only widening the gap between the current and suggested levels, the current minimum wage is failing to support workers' and their families' basic cost of living. We thus urge the government to review minimum wage annually and make sure it is adjusted such that it keeps up with inflation. A substantial number of women living in poverty and their families would benefit from this.

5.2) The government should encourage the development of bazaars, remove red tape and help women in poverty boost their income

Oxfam conducted a study on local bazaars last year and found that working at bazaars enabled women to handle both demands from family and work, and helped them escape poverty. However, within the government, the Food and Health Bureau, the Home Affairs Bureau, and the Office of the Chief Secretary for Administration, for instance, have yet to coordinate with various government bureaus and departments to rent out venues effectively and efficiently. Because of this, NGOs have failed to rent venues from the government to organise bazaars. As such, we have been urging the

government to disclose a list of venues that can be used for bazaars, work with various departments to facilitate the approval of applications from NGOs, release the fit-for-all application procedures and increase the transparency of approval processes (the licenses required and wait-time for notification). The government should implement policies that are favourable to women in poverty.

5.3) Improvement of Employment Ordinance for casual workers

Table 7 shows that the proportion of employed persons in poor households who engage in casual work has increased over the past decade; this is especially so for the 'non-4.18 rule' category. Workers on 'non-4.18' employment terms lack much labour protection. Oxfam thus calls on the Labour and Welfare Bureau, and LegCo's Panel on Manpower to urge the Labour Advisory Board to put the review of the '4.18' policy on its agenda soon.

The government should also adopt the C175 of the International Labour Organization's Part-Time Work Convention, 1994 in Hong Kong. Article 5 states: *Measures ... shall be taken to ensure that part-time workers do not, solely because they work part time, receive a basic wage which, calculated proportionately on an hourly, performance-related, or piece-rate basis, is lower than the basic wage of comparable full-time workers, calculated according to the same method*¹⁴. With this remuneration method, 'non-4.18' workers would not be exploited by employers who use various means to ensure that workers are not considered as those who work under a continuous contract.

In fact, legal protection for part-time workers in Hong Kong lags behind that of other affluent parts of Asia like Singapore and Taiwan. In these places, those who work part-time are entitled to such labour protection as paid rest days, statutory holidays and sick or maternity leave¹⁵ that are calculated on a pro-rata basis. As such, the introduction of the Convention would offer workers who do not work under continuous contracts, particular women in poverty, with greater basic employment protection.

¹⁴http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312320

¹⁵ Ibid.

6. Conclusion

In 2015, one in six women in Hong Kong lived below the poverty line. The poverty rate among women (17.4%) was persistently higher than that of men's (16.3%). In fact, compared to 2001, the percentage of women in poverty has increased from 51.2% to 53.7% in 2015 and their situation has continued to worsen. Despite a rise in the labour force participation rate among women in 2015, the rate among women with children under the age of 18 and/or elderly persons at home was still very low. In addition, despite greater employment opportunities for women in poverty, most of these were part-time jobs, which often meant lower wages and little employment protection. The above mentioned figures show that women in poverty have not benefitted from economic growth in Hong Kong.

In view of this, Oxfam is calling on the government to enhance and enforce pertinent labour laws that provide protection. Apart from reviewing minimum wage to ensure that workers can afford the basic necessities for both themselves and their families, the government should also extend the labour protection the Employment Ordinance offers to part-time workers—especially those who work under non-continuous contracts. Also, the government should facilitate the development of local bazaars by formulating a bazaar policy so as to provide job opportunities to women who have household responsibilities but need to increase their incomes to escape poverty.

Table 1: Monthly median income of employed persons in poor households by sex (HK dollars)

	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
Monthly median income	\$5,000	\$7,500	\$6,500	\$6,700	\$11,000	\$9,000
Income disparity percentage	66.7 % (-33.3%)			60.9 % (-39.1%)		

Source: Quarterly Report on General Household Survey (various years)

Table 2: Poor population and poverty rate by sex

	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
Number/ Poverty rate	595,200 (18.7%)	566,500 (17.7%)	1,161,700 (18.2%)	614,100 (17.4%)	530,100 (16.3%)	1,144,300* (16.9%)

Source: Quarterly Report on General Household Survey (various years)

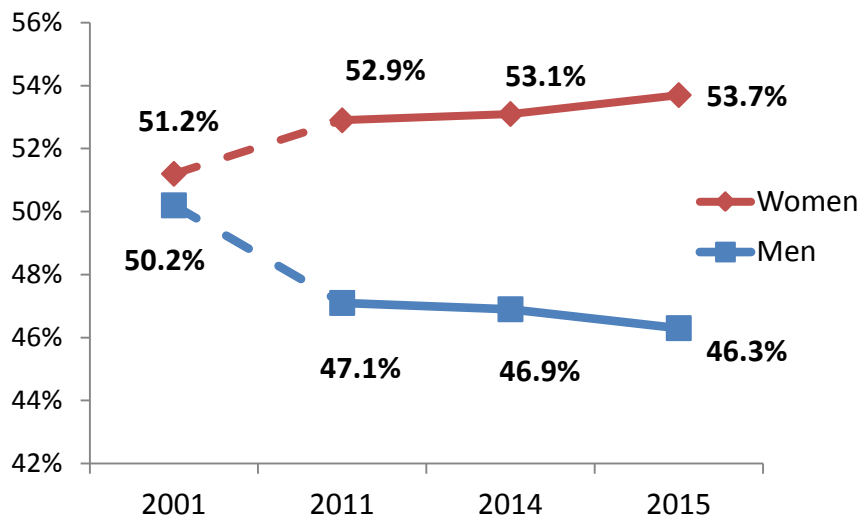
*Figures are rounded to the nearest hundred. There may be a slight discrepancy between the sum of individual items and the total due to rounding.

Table 3: Poor population by sex and age

Age	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
Below 15	122,600 (39.6%)	130,200 (51.5%)	252,800 (100%)	84,500 (48.0%)	92,000 (52.0%)	176,000 (100%)
15 – 29	80,900 (50.3%)	79,900 (49.7%)	160,800 (100%)	87,000 (52.4%)	79,100 (47.6%)	166,100 (100%)
30 – 39	77,100 (62.3%)	46,700 (37.7%)	123,800 (100%)	63,500 (63.9%)	35,700 (36.1%)	99,300 (100%)
40 – 49	99,500 (50.8%)	96,300 (49.2%)	195,800 (100%)	84,900 (61.0%)	54,300 (39.0%)	139,100 (100%)
50 – 59	47,800 (47.6%)	52,700 (52.4%)	100,500 (100%)	74,800 (51.2%)	71,300 (48.8%)	146,200 (100%)
60 – 69	167,300 (51.0%)	160,700 (49.0%)	328,000 (100%)	219,500 (52.6%)	197,700 (47.4%)	417,200 (100%)

Source: Quarterly Report on General Household Survey (various years)

Chart 1: Poverty trend by sex (2001 to 2015)



Source: Quarterly Report on General Household Survey (various years)

Table 4: Comparison between monthly median employment income of employed persons in poor households and the whole population in 2015 (Hong Kong dollars)

	Female	Male
Monthly median employment income of working poor	\$6,700	\$11,000
Monthly median employment income of population	\$15,000	
Percentage difference between monthly median employment income of working poor and entire population	-55%	-26.7%

Table 5: Labour participation rate by sex

	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
Labour participation rate	50.7%	72.9%	61.4%	55.0%	69.0%	61.4%
Labour participation rate among poor households	18.6%	46.1%	31.8%	19.9%	33.7%	26.1%
Labour participation rate among poor households with family members under 15 or over 65	14.4%	45%	28.8%	15.0%	32.1%	22.6%

Source: Quarterly Report on General Household Survey (various years)

Table 6: Economic status of working poor by sex

	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
Employed (incl.: full-time, part-time and underemployed)	70,200 (11.8%)	151,200 (26.7%)	221,500 (19.0%)	86,700 (14.1%)	126,300 (23.8%)	213,000 (18.6%)
Unemployed	17,800 (3.0%)	49,900 (8.8%)	67,700 (5.8%)	18,500 (3%)	21,200 (4%)	39,700 (3.5%)
Economically inactive	139,900 (23.5%)	162,900 (28.8%)	302,700 (26.1%)	129,200 (21%)	139,700 (26.4%)	268,900 (23.5%)
Student	52,100 (8.8%)	49,700 (8.8%)	101,800 (8.8%)	50,400 (8.2%)	53,900 (10.2%)	104,300 (9.1%)
Homemaker	181,600 (30.5%)	5,000 (0.9%)	186,600 (16.1%)	146,100 (23.8%)	8,100 (1.5%)	154,300 (13.5%)
Retired person	133,600 (22.4%)	147,900 (26.1%)	281,500 (24.2%)	183,200 (29.8%)	181,000 (34.1%)	364,200 (31.8%)
Overall	595,200 (100%)	566,500 (100%)	1,161,700 (100%)	614,100 (100%)	530,100 (100%)	1,144,300 (100%)

Source: Quarterly Report on General Household Survey (various years)

Table 7: Employed persons in poor households who work less than 35 hours per week by sex and working hours

	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
17 hours or less	3,800 (59.4%)	2,700 (40.6%)	6,400	17,500 (66%)	9,000 (34%)	26,500
18 hours or more, but less than 35 hours	5,400 (62.1%)	3,300 (37.9%)	8,700	13,200 (69.5%)	5,800 (30.5%)	19,000
Total	9,100* (60.3%)	6,000 (39.7%)	15,100	30,700 (67.5%)	14,800 (32.5%)	45,500
Total number of employed persons in poor households	70,200	151,200	221,500	86,700	126,300	213,000
(% of working hours <35)	(13%)	(4%)	(6.8%)	(35.4%) (+22.4%)	(11.7%) (+7.7%)	(21.4%)

Source: Quarterly Report on General Household Survey (various years)

*Figures are rounded to the nearest hundred. There may be a slight discrepancy between the sum of individual items and the total due to rounding.

Table 8: Single parents living in poverty by sex

	2001			2015 (Q2)		
	Female	Male	All	Female	Male	All
Number / Percentage	22,400 (85.5%)	3,800 (14.5%)	26,200	28,200 (85.2%)	5,000 (14.8%)	33,100

Source: Quarterly Report on General Household Survey (various years)

Table 9: Number of children in poverty, child poverty rate, childcare services quota and ratio of the quota to population

	Number of children in poverty 2014/ (poverty rate)*	Quota of standalone CCCs in 2015 [#] and its ratio to no. of 0-2 year-old children (2011) [@]	Quota of KG-cum-CCC [#] in 2015 and its ratio to 2-year-old children (2011) [@]	Quota [#] of MHCCCs and NCSSP [^] in 2015 and its ratio to 0-9 year-old population (2011) [@]
Number	182,200/ (18.2%)	2,874 spaces / 1:35	26,463 spaces/ 1:1.8	954 spaces/ 1:516

*Source: Hong Kong Poverty Situation Report 2014

[#]LegCo, *Examination of Estimates of Expenditure 2016-17*, Reply Serial No.: LWB (WW)0161.

[@] Calculation of the ratio: population aged 0-1 (101,659 persons), 2 (48,454 persons) and those aged 0-9 (492,396 persons) are divided by respective child care services quota. Source: Hong Kong Statistics and Census Department, 'Population by District Council Constituency and age, 2011' (A305), in Census 2011. (<http://www.census2011.gov.hk/en/main-table/A305.html>)