

Background Briefing: Poverty/Social Mobility

UK

- April 2013: Government publishes progress report on its strategy *Social justice: transforming lives*. Strategy includes actions to help people to find and stay in work; to reduce child poverty; and to foster cooperation between voluntary, public and private sectors to deal more effectively with complex problems.
- Oct 2013: The government's Social Mobility and Child Poverty Commission's first report warns social mobility flat-lining.
- Oct 2013: Marmot Report says persistent high levels of the number of young people over 18 not in employment, education or training is storing up a public health timebomb.
- Dec 2013: Joseph Rowntree Foundation annual "Monitoring Poverty and Social Exclusion" report finds that just over half of the 13 million people in poverty - surviving on less than 60% of the national median (middle) income - are in work.
- Nov 2014: Social Mobility & Child Poverty Commission *State of the Nation 2014: Social Mobility & Child Poverty in Great Britain* report concludes next government will have to adopt radical new approaches in Britain to avoid becoming a permanently divided society. They define this as the "2020 Challenge"

Hong Kong

[Redacted]

- Sep 2013: Commission on Poverty sets poverty line at 50% of median household income. According to this measure about 1.3 million people, or 19.6%, of the population were deemed to be living below the poverty line in 2012.
- Jan 2014: Chief Executive policy address majors on poverty alleviation and social mobility, announcing a means tested Low Income Working Family Allowance (LIFA) indexed to employment as part of a HKD 3 billion package designed to "encourage young people and adults to become self-reliant through employment, while putting in place a reasonable and sustainable social security and welfare system to help those who cannot provide for themselves".
- Jan 2015: In 2015 Policy Address, CE announces that the number of people below the poverty line fell to just under 1m (14.4% of HK population) by the end of 2013. This is primarily due to policy interventions such as the Old Age Living Allowance but he acknowledges there is more to do to meet the Government's "blueprint" on poverty. He restated his commitment to the low income working family allowance (LIFA) - that HKSARG will aim to pass it through LegCo Finance Committee this year and implement "within 18 months" of that date. Also announced raft of measures on enhancing elderly care and beefing up support for at risk/disadvantaged families, SEN children and ethnic minorities.
- Hong Kong house prices rose 12% in 2014 - a contradiction of the market's expectation of a healthy contraction of 10%. As a result the affordability ratio sits at an all-time high of 57%: the average flat is worth 14.9 times the average family's wage - a record worldwide.