

**Speech by Mr H. W. FUNG,
Commissioner for Census and Statistics
at the Press Conference on 29 July 2010
announcing the Hong Kong Population Projections 2010–2039**

Ladies and Gentlemen,

1. Population projections of Hong Kong are compiled by the Census and Statistics Department (C&SD) at intervals of two to three years. An updated set of population projections is compiled after each population census or by-census; and an updating is performed 2 or 3 years later as deemed necessary after analysis of the latest available data. The last set of population projections, using the results of the 2006 Population By-census as the base, was published in 2007 covering the 30-year period from 2007 to 2036. Following the release of the mid-year population estimate of 2009, a new set of population projections, covering 2010 to 2039, has been compiled.

Projection methodology

2. The Hong Kong Population is measured by the “Hong Kong Resident Population”, which comprises “Usual Residents” and “Mobile Residents”. In simple terms, “Usual Residents” are Residents who stay all the time or the majority of their time in Hong Kong and “Mobile Residents” are Residents who only spend the minority of their time in Hong Kong.

3. In more strict statistical definitions, “Usual Residents” refer to two categories of people: (1) Hong Kong Permanent Residents who have stayed in Hong Kong for at least three months during the six months before or for at least three months during the six months after the reference time-point, regardless of whether they are in Hong Kong or not at the reference time-point; and (2) Hong Kong Non-permanent Residents who are in Hong Kong at the reference time-point.

4. As for “Mobile Residents”, they are Hong Kong Permanent Residents who have stayed in Hong Kong for at least one month but less than three months during the six months before or for at least one month but less than three months during the six months after the reference time-point, regardless of whether they are in Hong Kong or not at the reference time-point.

5. The “component method”, which is commonly used internationally, is adopted for making the population projections. Under this method, the

population of a base year is brought forward by age and sex under separate projections of fertility, mortality and movement, year after year until the end of the projection period.

6. The starting point for the updated projections is the population situation in 2009. Statistical studies using modelling methods as far as possible are made on the past trends and recent developments pertaining to the socio-economic conditions in Hong Kong to generate the fertility, mortality and movement assumptions. Where government policies are involved, it is taken that existing policies will continue to apply. For example, the existing policy of a daily quota of 150 One-way Permit Holders entering Hong Kong from the mainland of China is taken to apply in the projection period.

Projection assumptions

7. Broadly speaking, Hong Kong's fertility showed a declining trend over the past two decades. (Fertility is measured by the total fertility rate, which is the number of children born to 1 000 women during their life time.) The total fertility rate decreased from 1 296 live births per 1 000 women in 1989 to the historical low of 901 in 2003. It rebounded mildly in the recent years and reached 1 042 in 2009. In the fertility projections, reference is made to various factors, including the proportion of now married women, the marital fertility rates and births born in Hong Kong to Mainland women in order to project the future fertility rates. The total fertility rate is projected to decrease gradually from 1 042 live births per 1 000 women in 2009 to 936 in 2039.

8. Moreover, in view of the increasing trend over the past years, the number of births born in Hong Kong to Mainland women is expected to continue to increase in the coming few years. The figures are projected to be around 40 000 - 50 000 per annum in coming three years and that for each subsequent year is assumed to remain stable. Among them, 6 500 are born to Mainland women whose spouses are Hong Kong Permanent Residents (referred as Type I babies hereafter) and the remaining are born to Mainland women whose spouses are not Hong Kong Permanent Residents (referred as Type II babies hereafter).

9. To obtain the required parameters for projecting the net movement of babies born in Hong Kong to Mainland women, three rounds of the "Survey on babies born in Hong Kong to Mainland women" (Survey) were conducted at the Birth Registries in early 2007, early 2009 and end 2009 respectively. With reference to the findings of the Survey and some other supplementary data, it is projected that 52% of Type I babies will stay in Hong Kong immediately after

birth. The other 48% will leave Hong Kong within the first year of their birth. Among them, 84% will return to Hong Kong before the age of 21. For Type II babies, it is projected that about 5% will stay in Hong Kong immediately after birth. The other 95% will leave Hong Kong within the first year of their birth. Among them, 50% will return to Hong Kong before the age of 21. (In other words, overall speaking, it is projected that around 92% of Type I babies and 52% of Type II babies will stay in Hong Kong before the age of 21.)

10. Hong Kong has experienced a continuous decline in mortality during 1989–2009, leading to an increase in life expectancy. In 2009, the expectation of life at birth (provisional) was 79.8 years for males and 86.1 years for females. Compared with other economies, Hong Kong enjoys a very low mortality. The expectations of life at birth for both sexes are close to those low mortality economies. Further medical advancement and socio-economic development would lead to further decline in mortality, though the decline would be smaller. The expectation of life at birth is projected to increase to 83.7 years for males and 90.1 years for females in 2039.

11. The recent trends of the residency and mobility patterns of the Hong Kong population provide the basis for formulating the assumptions on the movement components.

12. Assumptions on fertility, mortality and movement entail a certain degree of uncertainty. These assumptions will hence be revised in a roll-forward manner in each round of population projections conducted at intervals of two to three years.

Projection results

13. The Hong Kong Resident Population is projected to increase at an average annual rate of 0.8%, from 7.00 million in mid-2009 to 8.89 million in mid-2039. The annual growth rate is projected to be stable at about 0.8% – 1.0% for the next twenty years. Yet with an increased number of deaths upon aging of the population, the annual growth rate is projected to slacken to 0.5% towards the end of the projection period.

14. Within the Hong Kong Resident Population, the number of Usual Residents is projected to increase at an average annual rate of 0.8% from 6.80 million in mid-2009 to 8.63 million in mid-2039, and the number of Mobile Residents at a similar rate of 0.9% from 206 000 to 265 900.

15. The population is expected to remain on an ageing trend. The

proportion of the population aged 65 and over is projected to rise markedly, from 13% in 2009 to 28% in 2039. The pace of population ageing is projected to be gradual up to around 2019 (when the proportion will reach 17%) then accelerating in the following 10 years (where the proportion will be 25% in 2029), and slackening in the last ten years of the projection period. Meanwhile, the proportion of the population aged under 15 is projected to be between 11% to 13% throughout the entire projection period.

16. The ageing trend is also revealed by the increasing median age of the population, from 40.7 in 2009 to 47.6 in 2039.

17. The changing age structure of the projected population can also be seen from variation in the age dependency ratio. This is a demographic indicator reflecting the age composition of the population. It is defined as the number of persons aged “under 15” and “65 and over” per 1 000 persons aged 15–64. The ratio is projected to fall slightly in the next two years from 337 in 2009 to 331 in 2011 and then it is projected to rise continuously to 625 in 2039.

18. The sex ratio (i.e. the number of males per 1 000 females) of the population is projected to fall noticeably, from 889 in 2009 to 744 in 2039. There will be variations in the sex ratio by age group. In particular, the sex ratio for the age group 25–44 is expected to be much affected by the presence of foreign domestic helpers comprising mostly younger females. Also relevant is the continued entry of One-way Permit Holders in the coming years, many being Hong Kong men’s wives coming from the Mainland. Making reference to data which exclude foreign domestic helpers, the sex ratio of the population is higher, but still will come down from 955 in 2009 to 804 in 2039.

19. The change in population size involves increase and decrease factors. Increase arises from births and inward movements whereas decrease arises from deaths and outward movements.

20. The number of births is projected to be about 84 000 to 96 000 per annum. Among them, the number of births born in Hong Kong to Mainland women will continue to increase in the coming three years. The projected figures in 2010, 2011 and 2012 are 40 500, 45 500 and 49 500 respectively and that for each subsequent year is assumed to remain at the same level in 2012.

21. The number of deaths is projected to increase from about 39 900 per year currently to about 80 700 at the end of the projection period. The increase in the number of deaths is mainly attributable to the growing proportion of older persons in the population despite a longer life expectancy (which implies a lower mortality rate).

22. Over the entire period from mid-2009 to mid-2039, the overall population is projected to increase by 1.89 million. There is a natural increase (i.e. births less deaths) of 1.05 million and a net movement (i.e. inflow less outflow) of 0.84 million.

23. The population pyramid is a commonly used chart for presenting the population structure concisely. Putting the population pyramids of 2009, 2019, 2029 and 2039 side by side facilitates comparison. For the lower age groups, the number of males is slightly more than the number of females; and this is related to the biological phenomenon that there are more male births than female births. For the middle age groups, there are more females than males owing to the presence of foreign domestic helpers comprising mostly females and the continued entry of One-way Permit Holders envisaged in the coming years with a high proportion of females. As for the higher age groups, females have a longer life expectancy than males.

24. Compared with the last set of population projections, there will be a slightly lower projected population for the years from 2010 to 2018 and slightly higher populations are projected for the years as from 2019. By the end of it, the figure for the year 2036 is adjusted from the previous 8.57 million upwards to 8.74 million, i.e. about 2.0%.

25. Different data users make different uses of population projections. They may require analysis and study to be conducted on different sectors of the population. For example, some studies only concern Usual Residents. Some would require analysis with foreign domestic helpers excluded. The presentation above shows the overall picture about the population projections. Different data users, especially different government departments, may need more detailed computations done on the basis of the basic projections, and the Census and Statistics Department will render the required service.

26. Population projections form a common basis for Government planning in various programme areas such as education, housing, transport, social services, medical and health services and infrastructural facilities. They are also widely used by the private sector.

27. The publication “Hong Kong Population Projections 2010–2039”, which contains the projection results and a description of the projection methodology and assumptions, can be downloaded free of charge at the C&SD website. Print version is also available for sale.

28. Population projections are usually compiled based on the population

benchmark data obtained from a population census/by-census. This round of population projections is an interim update by taking account of the latest demographic statistics since the 2006 Population By-census. Another updated will be conducted after the completion of the 2011 Population Census (11C) which will provide a new set of population benchmark data as well as more detailed data on demographic characteristics of the population. Taking this opportunity, let me brief you some latest updates about 11C.

29. A population census is conducted once every ten years and a by-census in the middle of the intercensal period. The main objective of a population census/by-census is to collect up-to-date information of Hong Kong population with a view to providing the benchmark data for population-related projections and studies. Such information is also vital to the Government for planning and policy formulation and important to the private sector and academia for business and research purposes.

30. In 11C, a full enumeration by counting the entire population will be carried out. Most of the households (90%) will be required only to respond to a short form questionnaire of some basic demographic characteristics. The remaining 10% of the households will be selected for responding to a long form questionnaire for the detailed enquiry on a broad range of socio-economic characteristics. To tie in with the current lifestyle of Hong Kong people, a multi-modal data collection approach will be used for the coming population census. In addition to the face-to-face interview mode adopted in the past rounds of population census, two self-completion channels will be offered to all households in 11C. Households selected for short form enquiry can complete the questionnaire enclosed and return it to C&SD by post or fill in the electronic questionnaire online. Households selected for long form enquiry are also allowed to complete the electronic questionnaire online.

31. Planning for the operation of the census proper during June-August 2011 is in full stage. In view of its importance and complexity, C&SD is now conducting a pilot survey for the 2011 Population Census so as to test the questionnaires, the computer systems and various operational aspects in advance so that enhancements can be made before the census proper operation in 2011.

32. Around 30 000 households are selected in the pilot survey. The initial response is very encouraging. Some 30% of households selected for short-form enquiry have returned it by post or online and more than 10% of households selected for long-form enquiry have used the electronic questionnaire online. The remaining cases are now being followed up by enumerators for face-to-face interview

33. If you have any questions relating to the population projections and 11C, my colleagues and I will be pleased to answer them.

34. Thank you.