

**Speech by Mr H. W. FUNG,
Commissioner for Census and Statistics
at the Press Conference on 16 July 2007
announcing the Hong Kong Population Projections 2007–2036**

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. Population projections are compiled after each population census or by-census; and an updating will be performed 2 or 3 years later as deemed necessary after analysis of the latest available data. The last set of population projections, using the mid-year population estimate of 2003 as the base, was published in 2004 covering the 30-year period 2004 to 2033. Following the release of the results of the 2006 Population By-census, a new set of population projections, covering 2007 to 2036, has been compiled.

2. 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.

3. The publication “Hong Kong Population Projections 2007–2036”, which contains the projection results and a description of the projection methodology and assumptions, is on sale as from today. Another publication “Hong Kong Life Tables 2001–2036” describing the present and future mortality conditions of Hong Kong in the form of life tables is also available for sale as from today. Both publications can also be downloaded free of charge from the website of the Census and Statistics Department.

Projection methodology

4. 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 for the majority of their time in Hong Kong and “Mobile Residents” are Residents who only spend the minority of their time in Hong

Kong.

5. According to 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.

6. 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.

7. 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.

8. The starting point for the projections is the population situation in 2006. 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

9. Hong Kong’s fertility has experienced a marked and continuous decline in 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 1 367 live births per 1 000

women in 1986 to 901 in 2003 and then rebounded mildly to 984 in 2006. 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 984 live births per 1 000 women in 2006, to 900 live births per 1 000 women in 2016 and remain at that level for the rest of the projection period.

10. Moreover, the number of births born in Hong Kong to Mainland women is projected to be around 30 000 per annum. Among them, 10 000 are born to Mainland women whose spouses are Hong Kong Permanent Residents (referred as Type I babies hereafter), and 20 000 are born to Mainland women whose spouses are not Hong Kong Permanent Residents (referred as Type II babies hereafter). Some of these babies are projected to be brought back to Mainland for living. They may return to Hong Kong later.

11. With reference to the results of the “Survey on babies born in Hong Kong to Mainland women” conducted at the Birth Registries in early 2007, it is projected that about 65% of the Type I babies will stay in Hong Kong. The other 35% will leave Hong Kong within the first year of their birth. Among them, 90% will return to Hong Kong before the age of 21. For Type II babies, it is projected that about 9% will stay in Hong Kong. The other 91% will leave Hong Kong within the first year of their birth. Among them, 58% will return to Hong Kong before the age of 21.

12. Hong Kong has experienced a continuous decline in mortality during the past two decades, with a corresponding increase in life expectancy. In 2006, the expectation of life at birth (provisional) was 79.5 years for males and 85.6 years for females. Compared with other economies, Hong Kong enjoys a very low mortality. Further medical advancement and continuing socio-economic development might lead to further decline in mortality, though the rate of decline would be smaller. The expectation of life at birth is projected to increase to 82.7 years for males and 88.3 years for females in 2036.

13. 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.

14. 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

15. The Hong Kong Resident Population is projected to increase at an average annual rate of 0.7%, from 6.86 million in mid-2006 to 8.57 million in mid-2036. The annual growth rate will remain relatively stable at about 0.7% – 0.9% for the next 20 years. Yet with an increased number of deaths upon aging of the population, the annual growth rate is expected to slacken to 0.4% towards the end of the projection period.

16. Within the Hong Kong Resident Population, the number of Usual Residents is projected to increase at an average annual rate of 0.7% from 6.64 million in mid-2006 to 8.14 million in mid-2036, and the number of Mobile Residents at a faster rate of 2.2% from 218 800 to 426 300. This is mainly related to the increasing trend of Hong Kong residents working and staying for more of their time in the Mainland, along with closer economic ties between the two places.

17. 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 12% in 2006 to 26% in 2036, though the rise will be gradual up to around 2016 (when the proportion would reach 15%) and will be at a much faster pace thereafter. Meanwhile, the proportion of the population aged under 15 will decrease gradually from 14% in 2006 to 12% by the end of the projection period.

18. The ageing trend is also revealed by the increasing median age of the population, from 39.6 in 2006 to 46.1 in 2036.

19. 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 few years, from 354 in 2006 to 330 in 2011, and then to rise continuously to 611 in 2036.

20. The sex ratio (i.e. the number of males per 1 000 females) of the population is projected to fall noticeably, from 912 in 2006 to 709 in 2036. 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 living in 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 971 in 2006 to 763 in 2036.

21. 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.

22. The number of births is projected to remain at about 69 000 to 75 000 per annum. Among them, 30 000 are births born in Hong Kong to Mainland women.

23. The number of deaths is projected to increase from about 37 000 per year currently to about 77 000 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).

24. It is projected that, by around 2034, the annual number of deaths will exceed the annual number of births.

25. Over the entire period from mid-2006 to mid-2036, the overall population is projected to increase by 1.71 million. There is a natural increase (i.e. births less deaths) of 0.49 million and a net movement (i.e. inflow less outflow) of 1.22 million.

26. Both births and One-way Permit Holders are important constituents of population growth. The ratios of number of births and the inflow of One-way Permit Holders to the overall population increase are 126% and

96% respectively. Besides, not counting the arrival of One-way Permit Holders mentioned above, there will be a net outflow of 0.42 million.

27. Deaths offset part of the population increase. The ratio of the number of deaths to the overall population increase is 98%.

28. The population pyramid is a commonly used chart for presenting the population structure concisely. Putting the population pyramids of 2006, 2016, 2026 and 2036 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.

29. Compared with the last set of population projections, there will be a slightly lower projected population for the years from 2007 to 2027 and slightly higher populations are projected for the years after 2027. By the end of the period, the figure for the year 2033 is adjusted from the previous 8.38 million upwards to 8.45 million, i.e. about 0.8%.

30. 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.

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

32. Thank you.