CUHK Hong Kong Quality of Life Index

The Chinese University of Hong Kong Hong Kong Institute of Asia-Pacific Studies Centre for Quality of Life

October 2015

Hong Kong Quality of Life Index 2014 Quality of Life Slightly Declined

According to the latest 'CUHK Hong Kong Quality of Life Index' (the Index), the overall score in 2014 was 101.75, a drop of 0.17 points from the revised score in 2013 (101.92). The result indicates that the quality of life in Hong Kong slightly declined in the past year. The overall score has decreased for the eighth consecutive year; the Health and Social sub-indices worsened (Appendix 1).

The Index consists of 23 indicators that are grouped into five sub-indices: Health, Social, Culture and Leisure, Economic, and Environmental (Appendix 2). The indicators are selected according to the coverage, representativeness, measurability, and importance to the quality of life of Hong Kong people. The higher the indicator scores, the better it performs.

Compared with 2013, the Culture and Leisure sub-index and Environmental sub-index have slightly improved in different degrees in 2014, while the Health, Social and Economic sub-indices dropped. Particularly, the Social sub-index decreased significantly by 0.83 points to 26.94. The Economic sub-index fell to its record low of 14.35 since 2002 (the base year) (Appendix 3). The result shows that the social and economic aspects of the quality of life in Hong Kong worsened in the past year.

11 out of the 23 indicators worsened in 2014 (Appendix 4). Particularly, decline in freedom of speech was the most noticeable with an 18.63% plunge between 2013 and 2014, as the lowest since the Index was launched. The housing affordability ratio also dropped to a record low, showing that housing has been continuously less affordable in 2014. Besides, the stress index, general life satisfaction index, press criticism index, government performance index, cultural programmes attendance index, recreation and sport activities participation index, public expenditure on education, real wage index and the water index also worsened.

Compared with 2013, 11 out of the 23 indicators improved in 2014 (Appendix 5), the air quality index, real rental index, index of current economic conditions, and overall crime rate have significantly improved. The increase of the remaining indicators was relatively mild.

The 'CUHK Hong Kong Quality of Life Index' was designed by the Faculty of Social Science in 2003. This composite index is intended to measure and keep track of the quality of life in Hong Kong in the 21st century, and to provide policy makers and the community with a useful reference tool. It also aims at raising the awareness of enhancing the quality of life of Hong Kong people. To continue this mission, in 2006, the Centre for Quality of Life was set up by the Hong Kong Institute of Asia-Pacific Studies, CUHK to conduct on-going quality of life research and release the latest Index annually. Since 2012, the Centre for Quality of Life of the Hong Kong Institute of Asia-Pacific Studies has also compiled the 'MTR-CUHK Youth Quality of Life Index'. The results of these two indices can be used for comparison and cross-reference.

2002 was the base year of the 'CUHK Hong Kong Quality of Life Index', and the value of the Index for that year was set at 100. If the value of the Index of a subsequent year is

above 100, it means that the quality of life in Hong Kong in that year is better than that of 2002. If the value of the Index is below 100, it reveals that the quality of life in Hong Kong in that year is worse than that of 2002. If the value of Index is 100, it indicates that the quality of life in Hong Kong in that year is the same as that of 2002.

In order to measure and monitor more aspects of the quality of life in Hong Kong, based on the stage of social development, the research team of the Centre for Quality of Life of the Hong Kong Institute of Asia-Pacific Studies will refine the composition and calculation methodology of the Index from time to time. From last year onwards, the number of sub-indices of the 'CUHK Hong Kong Quality of Life Index' has been increased from three to five, namely, **Health**, **Social**, **Culture and Leisure**, **Economic** and **Environmental** sub-indices. The number of indicators included in the Index has been increased from 21 to 23.

For more information on the 'CUHK Hong Kong Quality of Life Index,' please visit the website of the Centre for Quality of Life, Hong Kong Institute of Asia-Pacific Studies, CUHK: <u>www.cuhk.edu.hk/hkiaps/qol</u>.

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Appendix 1: CUHK Hong Kong Quality of Life Index Note 1

	2002 Base year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2014 compared with 2013
Health sub-index												
1. Life expectancy at birth	4.35	4.36	4.40	4.40	4.40	4.42	4.43	4.45	4.46	4.47	4.48	Better
2. Public expenditure on health	4.35	3.79	3.46	3.62	3.28	3.45	3.28	3.13	3.36	3.58	3.58#	No Change
3. Hospitalization rate	4.35	4.71	4.93	5.01	4.90	4.96	4.87	4.98	5.07	5.13	5.19*	Better
4. Stress index ^	4.35	5.52	5.46	5.53	5.20	5.22	5.41	5.33	5.38	5.36	5.31	Worse
5. General life satisfaction index ^	4.35	4.78	4.89	4.79	4.68	4.85	4.85	4.74	4.79	4.85	4.79	Worse
Health sub-index	21.74	23.16	23.14	23.35	22.45	22.90	22.84	22.63	23.05	23.39	23.35	Worse
Social sub-index												
6. Freedom of speech index ^	4.35	4.41	4.42	4.52	4.51	4.50	4.45	4.43	4.38	4.28	3.49	Worse
7. Press criticism index	4.35	3.43	3.36	3.56	3.64	3.44	3.61	3.75	3.86	4.16	4.00	Worse
8. Government performance index ^	4.35	7.38	7.66	7.98	5.67	6.31	6.03	5.13	5.63	5.22	5.01	Worse
9. Overall crime rate	4.35	4.27	4.10	4.16	4.32	4.39	4.51	4.54	4.60	4.78	5.08	Better
10. Public expenditure on education	4.35	4.46	4.13	3.80	3.59	4.78	3.80	3.70	3.80	4.13	3.91#	Worse
11. Age participation rate for first-degree programmes in local universities	4.35	4.50	4.73	4.78	4.76	4.76	4.78	4.96	5.17	5.20	5.45	Better
Social sub-index	26.09	28.45	28.39	28.80	26.48	28.18	27.18	26.51	27.44	27.77	26.94	Worse
Culture & Leisure sub-index												
12. Cultural programmes attendance index	4.35	2.96	3.35	2.60	2.62	2.46	2.55	2.42	2.49	2.43	2.38*	Worse
 Recreation and sport activities participation index 	4.35	5.06	5.26	5.54	6.28	6.05	5.76	6.49	5.89	6.49	6.29*	Worse
14. Overseas travel index	4.35	4.72	4.94	5.23	5.28	5.35	5.73	5.95	6.44	7.06	7.51	Better
Culture & Leisure sub-index	13.04	12.74	13.55	13.38	14.18	13.86	14.04	14.86	14.82	15.97	16.18	Better
Economic sub-index												
15. Housing affordability ratio	4.35	2.92	3.23	2.35	1.57	1.09	-0.78	-1.93	-3.19	-4.37	-5.01	Worse
16. Real rental index	4.35	4.09	3.92	3.49	3.03	3.80	2.99	2.63	2.50	2.26	2.33	Better
17. Unemployment rate	4.35	5.41	5.92	6.37	6.52	5.63	6.21	6.69	6.73	6.72	6.78	Better
18. Index of current economic conditions ^	4.35	6.23	6.22	6.63	4.63	4.74	5.47	5.03	5.10	5.44	5.89	Better
19. Real wage index	4.35	4.29	4.29	4.32	4.35	4.30	4.27	4.38	4.45	4.46	4.36	Worse
Economic sub-index	21.74	22.94	23.58	23.17	20.10	19.56	18.16	16.79	15.59	14.51	14.35	Worse
Environmental sub-index												
20. Air quality index	4.35	3.39	3.48	3.40	3.70	4.35	4.44	3.97	4.69	4.25	4.65	Better
21. Water index	4.35	4.72	4.72	4.72	4.77	4.91	4.92	4.78	4.99	5.06	4.99	Worse
22. Noise index	4.35	5.79	5.70	5.99	6.17	6.28	6.41	6.56	6.45	6.59	6.67*	Better
23. Recycle rate of municipal solid waste	4.35	5.16	5.46	5.46	5.84	5.91	6.22	5.74	4.65	4.39	4.62*	Better
Environmental sub-index	17.39	19.06	19.36	19.57	20.48	21.45	21.99	21.05	20.78	20.28	20.93	Better
CUHK Quality of Life index	100.00	106.35	108.02	108.26	103.70	105.95	104.21	101.84	101.68	101.92	101.75	Worse

Note 1 The higher the indicator scores, the better it performs.
subjective index (data from telephone survey)
provisional figures
forecasted figures

Appendix 2: Composition of and Data for Compiling the CUHK Hong Kong Quality of Life Index

HEALTH SUB-INDEX

- 1. Life expectancy at birth (in years) refers to the expectancy of life at birth for males and females.
- 2. Public expenditure on health as a proportion (in percent) of the Gross Domestic Product (GDP).
- 3. Hospitalization rate refers to the number of hospitalized persons per 1,000 population.
- 4. Stress index refers to the stress that Hong Kong people are facing (base rate = 100).
- 5. General life satisfaction index refers to the degree of satisfaction of Hong Kong people with their current lives (base rate = 100).

SOCIAL SUB-INDEX

- 6. Freedom of speech index refers to public attitude towards freedom of speech in Hong Kong (base rate = 100).
- 7. Press criticism index refers to the frequency of criticisms on the Hong Kong Corporations, the Hong Kong SAR Government, and the People's Republic of China Government by the press (base rate = 100).
- 8. Government performance index refers to the degree of satisfaction of Hong Kong people with the performance of Hong Kong SAR Government (base rate = 100).
- 9. Overall crime rate (per 1,000 population) refers to the total number of violent and non-violent crimes reported per 1,000 population.
- 10. Public expenditure on education as a proportion (in percent) of the Gross Domestic Product (GDP).
- 11. Age participation rate for first-degree programmes in local universities (in percent).

CULTURE & LEISURE SUB-INDEX

- 12. Cultural programmes attendance index (per 1,000 population) refers to the number of attendances of indoor cultural programmes organized at the venues of the Leisure and Cultural Services Department per 1,000 population.
- 13. Recreation and sport activities participation index (per 1,000 population) refers to the number of participants of recreation and sport activities organized or subvented by the Leisure and Cultural Services Department per 1,000 population.
- 14. Overseas travel index (per person) refers to the number of departures by the airport per person.

ECONOMIC SUB-INDEX

- 15. Housing affordability ratio refers to the annual average of affordable property price (i.e. average property price times 39.9 sq. feet, divided by monthly medium income times 12).
- 16. Real rental index refers to the real rental index for the Hong Kong property market.
- 17. Unemployment rate refers to the seasonally adjusted unemployment rate (in percent).
- 18. Index of current economic conditions refers to the public attitude towards the economic conditions in Hong Kong.
- 19. Real wage index⁽¹⁾ refers to the real wages for employees up to supervisory level (excluding managerial and professional employees) in all selected industry sectors.

ENVIRONMENTAL SUB-INDEX

- 20. Air quality index refers to the annual air quality of all general stations.
- 21. Water index refers to the percentage of the inland waters of Hong Kong graded as 'good' and 'excellent' by the monitoring stations.
- 22. Noise index (per 1,000 population) refers to the number of noise complaints received by the Environmental Protection Department and the Police Force per 1,000 population.
- 23. Recycle rate of municipal solid waste refers to the recycle rate of solid domestic waste, and commercial and industrial waste (in percent).

Notes:

⁽¹⁾ The real wage index is derived by deflating the nominal wage indices by the CPI(A).

Sources:

Stress index, general life satisfaction index, freedom of speech index, government performance index and index of current economic conditions are compiled based on the results of telephone survey conducted by the Hong Kong Institute of Asia-Pacific Studies, CUHK. The press criticism index is compiled based on the content analysis of six major local newspapers. Data for all other indices are obtained from the government and related institutions.

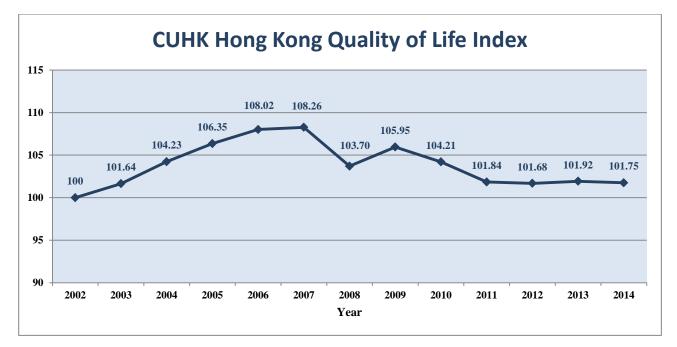
Data for Compiling the CUHK Hong Kong Quality of Life Index

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Health sub-index													
1. Life expectancy at birth (in years)	1	:		1			1	F: 85.9 M: 79.8		1		1	F: 86.7# M: 81.2#
2. Public expenditure on health as a proportion (in percent) of the GDP	2.64	2.70	2.70	2.30	2.10	2.20	1.99	2.09	1.99	1.90	2.04	2.17	2.17#
3. Hospitalization rate (per 1,000 population)	3.18	2.93	2.87	2.91	2.75	2.70	2.77	2.73	2.79	2.72	2.65	2.67*	2.67*
4. Stress index ^	100.00	88.75	79.51	72.95	74.42	72.91	80.36	80.00	75.53	77.45	76.71	75.51	77.88
5. General life satisfaction index ^	100.00	100.68	105.62	109.94	112.47	110.22	107.57	111.66	111.46	109.01	110.10	111.57	110.28
Social sub-index													
6. Freedom of speech index ^	100.00	101.22	100.26	101.43	101.55	103.92	103.64	103.54	102.30	101.95	100.72	98.53	80.23
7. Press criticism index	100.00	103.23	91.02	78.82	77.25	81.86	83.65	79.15	83.10	86.29	88.77	95.62	92.03
8. Government performance index ^	100.00	103.23	132.23	169.79	176.29	183.48	130.48	145.10	138.62	118.03	129.52	120.03	115.26
9. Overall crime rate (per 1,000 population)	11.18	13.13	11.81	11.37	11.83	11.67	11.25	11.08	10.76	10.74	10.61	10.14	9.36
10. Public expenditure on education as a proportion (in percent) of the GDP	4.00	4.30	4.60	4.10	3.80	3.50	3.30	4.40	3.50	3.40	3.5	3.80	3.60#
 Age participation rate for first-degree programmes in local universities (in percent) 	17.00	17.70	17.50	17.60	18.50	18.70	18.60	18.60	18.70	19.40	20.20	20.35	21.30
Culture & Leisure sub-index													
12. Cultural programmes attendance index (per 1,000 population)	253.28	194.36	181.72	172.19	195.03	151.73	152.80	143.03	148.40	140.74	144.79	141.28	138.83
 Recreation and sport activities participation index (per 1,000 population) 	303.13	346.94	337.42	352.82	366.78	386.59	437.90	421.92	401.51	452.74	410.91	452.48	438.30
14. Overseas travel index (per person)	0.74	0.67	0.79	0.80	0.84	0.89	0.89	0.91	0.97	1.01	1.09	1.20	1.27
Economic sub-index													
15. Housing affordability ratio	4.68	4.49	5.31	6.22	5.88	6.83	7.68	8.19	10.20	11.44	12.79	14.06	14.75
16. Real rental index	87.97	79.67	84.55	93.16	96.68	105.27	114.54	98.99	115.38	122.68	125.33	130.28	128.80
17. Unemployment rate	7.34	7.93	6.76	5.55	4.69	3.92	3.68	5.17	4.20	3.39	3.31	3.33	3.24
18. Index of current economic conditions ^	76.55	81.32	99.95	109.75	109.48	116.70	81.55	83.40	96.22	88.50	89.72	95.74	103.65
19. Real wage index	117.68	117.70	116.38	116.15	116.08	116.90	117.75	116.25	115.58	118.65	120.58	120.83	117.88
Environmental sub-index													
20. Air quality index	2.22	2.60	3.00	2.71	2.67	2.71	2.55	2.22	2.18	2.42	2.05	2.27	2.07
21. Water index	74.40	75.6	76.9	80.80	80.80	80.70	81.70	84.10	84.20	81.8	85.4	86.6	85.4
22. Noise index (per 1,000 population)	1.85	1.44	1.39	1.27	1.28	1.15	1.08	1.03	0.97	0.91	0.96	0.90	0.86*
23. Recycle rate of municipal solid waste (in percent)	36.30	40.82	40.35	43.09	45.59	45.62	48.76	49.30	51.95	47.92	38.85	36.61	38.60*

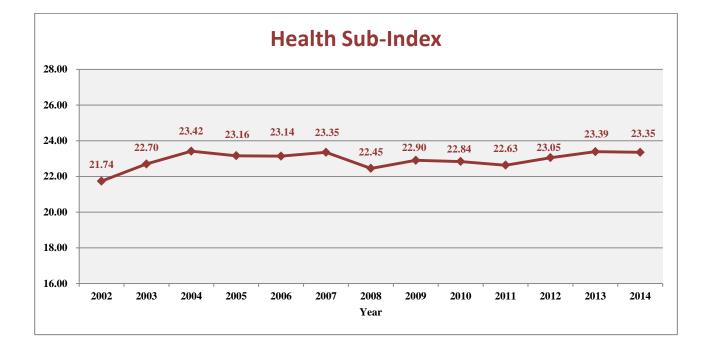
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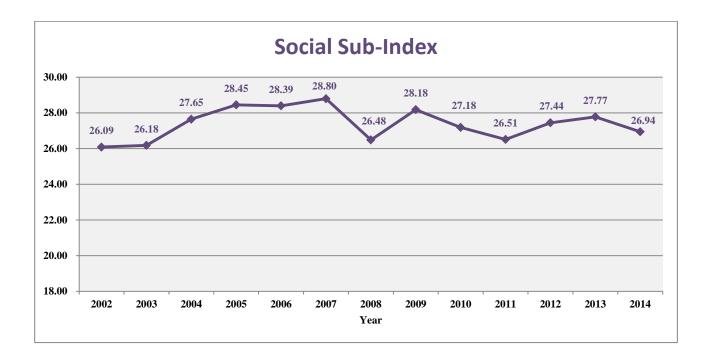
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Appendix 3: Line Charts of CUHK Hong Kong Quality of Life Index and Sub-indices

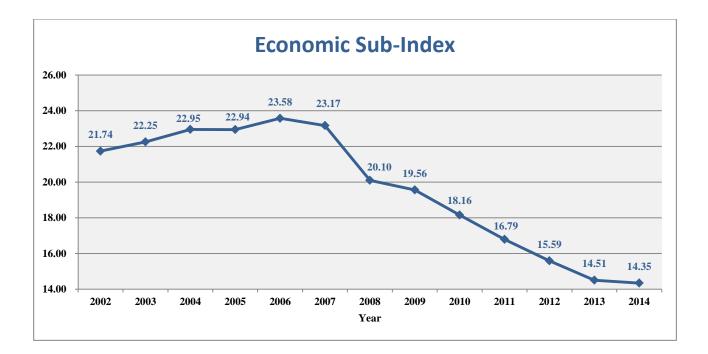


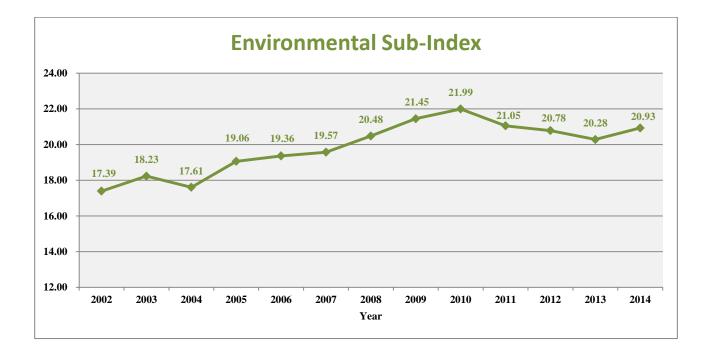
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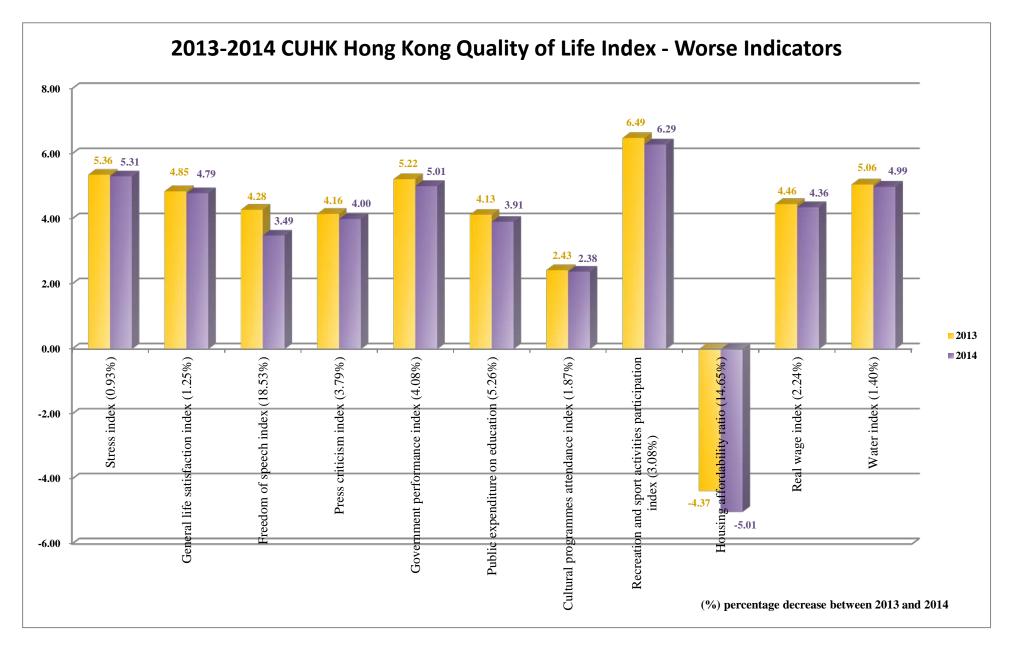




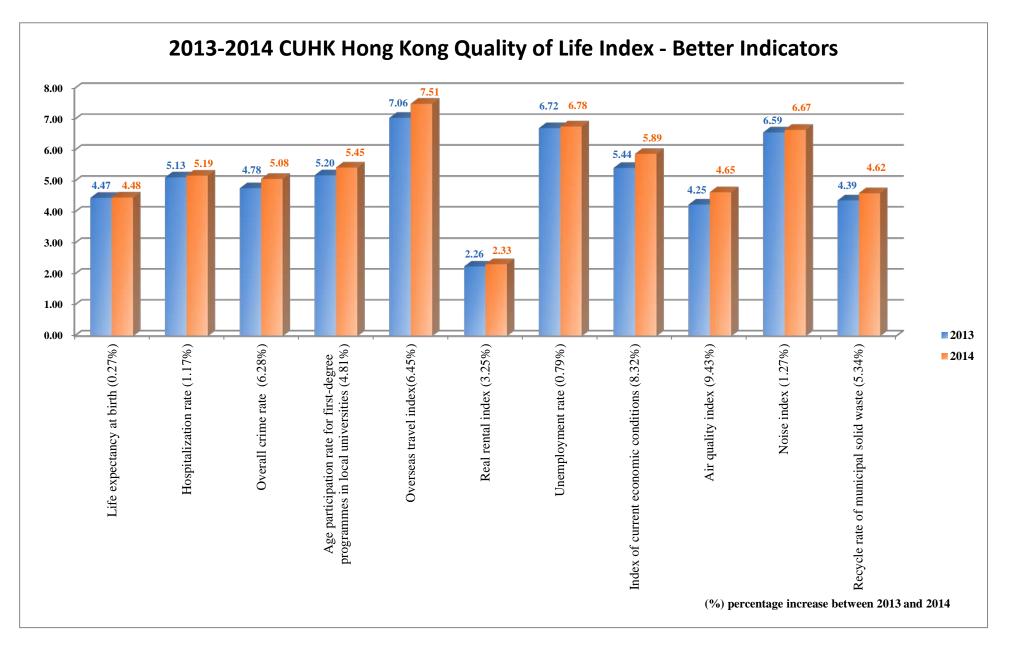




Appendix 4



Appendix 5



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