

For immediate release

19 August 2008

CUHK Hong Kong Quality of Life Index Reveals Continuous Improvement of Quality of Life for Hong Kong

The **CUHK Hong Kong Quality of Life Index**, compiled by the Centre for Quality of Life of The Chinese University of Hong Kong, shows that the quality of life in Hong Kong has improved continuously in the last five years. The overall score of 2007 is slightly higher than that of 2006. The social and environmental sub-indices improved last year while there was a slight drop in the economic sub-index.

According to the **CUHK Hong Kong Quality of Life Index** released this year, the score of the 2007 Index is 109.19. It is higher than those of 2006 (108.90), 2005 (108.34), 2004 (105.78), 2003 (104.20) and 2002 (100.00), indicating that the quality of life in Hong Kong has improved steadily over the last five years.

As compared with the previous year, 13 out of the 21 indicators improved in 2007 (Appendix 1). Hong Kong people were more satisfied with the performance of the HKSAR Government. In general, the local economy improved continuously in 2007, the unemployment rate dropped considerably and the index of current economic conditions (i.e. the public's attitude towards economic conditions in Hong Kong) went up. With regard to the environment, water quality, noise pollution and the recycle rate of municipal solid waste had improved over the previous year.

However, 6 indicators worsened in 2007 (Appendix 2). The notification rate of notifiable infectious diseases rose continuously in 2007. While the local economy continued to grow, the findings showed that housing was less affordable and rental went up significantly in 2007. There was a noticeable drop in the housing affordability ratio and the real rental index. With regard to the environment, there was a slight drop in the air index.

In summary, as compared with 2006, 13 indicators were better and 6 were worse in 2007, while the standardized mortality rate and the life expectancy remained unchanged.

In 2003, the Faculty of Social Science designed the **CUHK Hong Kong Quality of Life Index**. It is the intention of the Faculty to use this composite index to measure and keep track of the Hong Kong quality of life in the 21st century, and to provide policy makers and the community with a useful reference tool. It also aims at enhancing the quality of life in Hong Kong by drawing the public's attention to this issue. Starting from the year of 2003, the Index has been released annually. For this

reason, the Centre for Quality of Life has been set up to conduct on-going quality of life research.

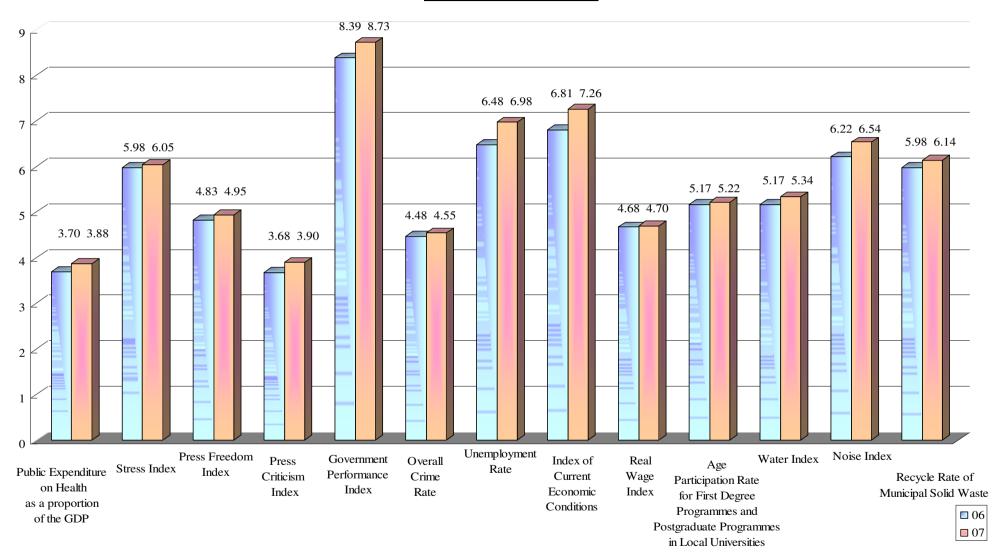
The **CUHK Hong Kong Quality of Life Index** consists of 21 indicators that are grouped into three sub-indices (Appendix 3). The indicators are selected according to the coverage, measurability, representativeness, and importance to the quality of life in Hong Kong.

2002 was the base year of the study, the **CUHK Hong Kong Quality of Life Index** for that year was set at 100. If 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 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 Index is 100, it indicates that the Hong Kong quality of life in that year is the same as that of 2002.

For more information on the **CUHK Hong Kong Quality of Life Index**, please visit the Centre for Quality of Life website: www2.cuhk.edu.hk/ssc/qol.

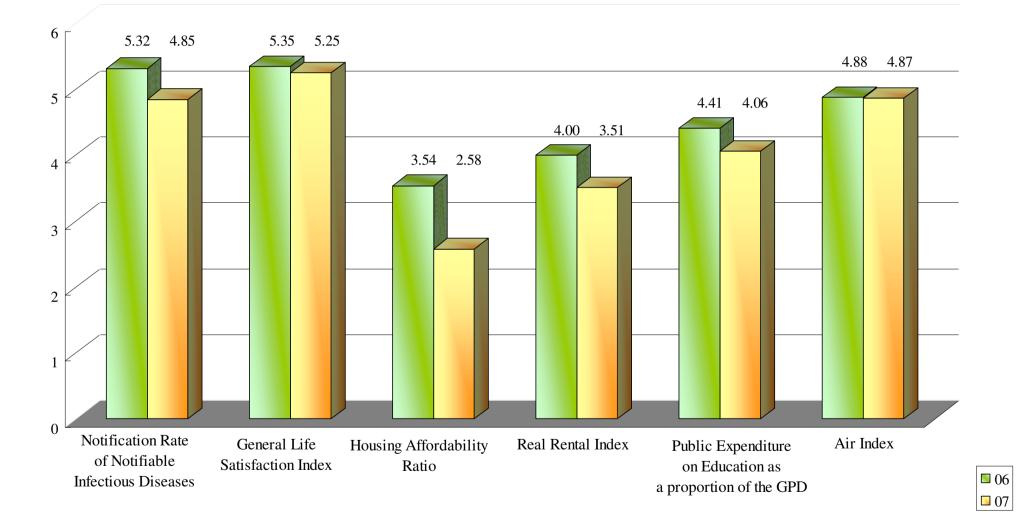
Media enquiries: Prof. Andy Kwan, Department of Economics, CUHK (Tel: 2609 8196)

Appendix 1



2006-2007 Quality of Life Indices Comparison Better Indices

2006-2007 Quality of Life Indices Comparison Worse Indices



Appendix 2

Appendix 3: Composition of CUHK Hong Kong Quality of Life Index

SOCIAL SUB-INDEX

- 1. Standardized mortality rate (per 1000 standard population)⁽¹⁾ refers to the number of deaths per 1000 standard population.
- 2. Life expectancy at birth (in years) refers to the life expectancy at birth for males and females.
- 3. Public expenditure on health as a proportion (in percent) of the GDP.
- 4. Notification rate of notifiable infectious diseases (per 1000 population) refers to the number of notified infectious diseases per 1000 population.
- 5. Stress index refers to the stress that the Hong Kong people are facing (base rate = 100).
- 6. General life satisfaction index refers to the degree of satisfaction of Hong Kong people with their current lives (base rate = 100).
- 7. Press freedom index refers to the degree of press freedom in Hong Kong (base rate = 100).
- 8. Press criticism index refers to the frequency of criticisms by the press of the Hong Kong Corporation, the Hong Kong SAR Government, and the People's Republic of China Government (base rate = 100).
- 9. Government performance index refers to the degree of satisfaction of Hong Kong people with the performance of Hong Kong SAR Government (base rate = 100).
- 10. Overall crime rate (per 1000 population) refers to the total number of violent and non-violent crimes reported per 1000 population.

ECONOMIC SUB-INDEX

- 11. 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).
- 12. Real rental index refers to the real rental index for the Hong Kong property market.
- 13. Unemployment rate refers to the seasonally adjusted unemployment rate (in percent).
- 14. Index of current economic conditions refers to the public attitude towards economic conditions in Hong Kong.
- 15. Real wage index⁽²⁾ refers to the real wages for employees up to supervisory level (excluding managerial and professional employees) in all selected industry sectors.
- 16. Public expenditure on education as a proportion (in percent) of the GDP.
- 17. Age participation rate for first-degree programmes and postgraduate programmes in local universities (in percent).

ENVIRONMENTAL SUB-INDEX

- 18. Air index refers to the daily air pollution index.
- 19. Water index refers to the percentage of rivers in Hong Kong categorized as 'good' and 'excellent' by the monitoring station.
- 20. Noise index (per 1000 population) refers to the number of noise complaints received by the Environmental Protection Department and the Police per 1000 population.
- 21. Recycle rate of municipal solid waste refers to the recycle rate (in percent) of solid waste from households and from commercial and industrial sources.

Notes:

- ⁽¹⁾ Standardized mortality rate is compiled based on the world standard population published in the 1997-1999 *World Health Statistics Annual.*
- ⁽²⁾ As from 2001, the real wage index is derived by deflating the nominal wage indices by the 1999/2000-based CPI(A).

Sources:

Stress index, general life satisfaction index, press freedom index, press criticism index, government performance index and index of current economic conditions are complied by the Faculty of Social Science of The Chinese University of Hong Kong, based on data collected by surveys conducted by the Hong Kong Institute of Asia-Pacific Studies of The Chinese University of Hong Kong. All other indices are obtained from the government and related institutions.

Appendix 4: Data for Compiling the CUHK Hong Kong Quality of Life Index

		2002	2003	2004	2005	2006	2007
Soc	ial sub-index						
1.	Standardized mortality rate (per 1000 standard population)	3.70	3.80	3.80	3.70	3.50	3.50#
2.	Life expectancy at birth (in years)	F: 84.5 M: 78.6	F : 84.3 M : 78.5	F : 84.7 M : 79	F: 84.6 M: 78.8	F: 85.5 M: 79.4	F: 85.4# M: 79.3#
3.	Public expenditure on health as a proportion (in percent) of the GDP	2.70	2.70	2.70	2.30	2.10	2.20
4.	Notification rate of notifiable infectious diseases (per 1000 population)	3.73	2.33	2.89	2.91	3.29	3.66
5.	Stress index	100.00	88.75	79.51	72.95	74.42	72.91
6.	General life satisfaction index	100.00	100.68	105.62	109.94	112.47	110.22
7.	Press freedom index	100.00	101.22	100.26	101.43	101.55	103.92
8.	Press criticism index	100.00	103.75	91.02	78.82	77.25	81.86
9.	Government performance index	100.00	103.23	132.23	169.79	176.29	183.48
10.	Overall crime rate (per 1000 population)	11.18	12.99	11.81	11.37	11.83	11.67
Eco	nomic sub-index						
11.	Housing affordability ratio	4.68	4.49	5.31	6.22	5.88	6.82
12.	Real rental index	87.97	79.67	84.55	93.11	96.68	105.27
13.	Unemployment rate	7.34	7.93	6.76	5.55	4.69	3.92
14.	Index of current economic conditions	76.55	81.32	99.95	109.75	109.48	116.70
15.	Real wage index	117.53	117.70	116.35	115.78	115.48	116.08
16.	Public expenditure on education as a proportion (in percent) of the GDP	4.10	4.40	4.40	4.00	3.80	3.50
17.	Age participation rate for first-degree programmes and postgraduate programmes in local universities (in percent)	17.04	17.70	17.50	17.60	18.50	18.70
Env	rironmental sub-index				5		
18.	Air index	46.90	49.93	49.32	45.10	45.68	45.77
19.	Water index	74.40	75.60	78.30	80.80	80.80	83.40*
20.	Noise index (per 1000 population)	1.84	1.43	1.63	1.24	1.28	1.15
21.	Recycle rate of municipal solid waste	36.30	40.82	40.35	43.09	45.59	46.83*

* Forecasted figure

Provisional figure

Appendix 5: CUHK Hong Kong Quality of Life Index

		2007						
	2002 (Base year)	2003	2004	2005	2006	2007	compared w/ 2006	
Social sub-index								
1. Standardized mortality rate (per 1000 standard	4.76	4.63	4.63	4.76	5.02	5.02#	Unchanged	
population)								
2. Life expectancy at birth (in year)	4.76	4.75	4.78	4.77	4.81	4.81#	Unchanged	
3. Public expenditure on health as a proportion (in percent) of the GDP	4.76	4.76	4.76	4.05	3.70	3.88	Better	
 Notification rate of notifiable infectious diseases (per 1000 population) 	4.76	6.55	5.83	5.81	5.32	4.85	Worse	
5. Stress index	4.76	5.30	5.74	6.05	5.98	6.05	Better	
6. General life satisfaction index	4.76	4.79	5.03	5.23	5.35	5.25	Worse	
7. Press freedom index	4.76	4.82	4.77	4.83	4.83	4.95	Better	
8. Press criticism index	4.76	4.94	4.33	3.75	3.68	3.90	Better	
9. Government performance index	4.76	4.91	6.29	8.08	8.39	8.73	Better	
10. Overall crime rate (per 1000 population)	4.76	3.99	4.49	4.68	4.48	4.55	Better	
Social sub-index	47.62	49.44	50.65	52.01	51.56	51.99	Better	
Economic sub-index								
11.Housing affordability ratio	4.76	4.95	4.12	3.19	3.54	2.58	Worse	
12.Real rental index	4.76	5.21	4.95	4.20	4.00	3.51	Worse	
13. Unemployment rate	4.76	4.38	5.14	5.92	6.48	6.98	Better	
14. Index of current economic conditions	4.76	5.06	6.22	6.82	6.81	7.26	Better	
15.Real wage index	4.76	4.77	4.71	4.69	4.68	4.70	Better	
16.Public expenditure on education as a proportion (in percent) of the GDP	4.76	4.99	4.99	4.53	4.41	4.06	Worse	
17. Age participation rate for first-degree programmes and postgraduate programmes in local universities (in percent)	4.76	4.94	4.89	4.92	5.17	5.22	Better	
Economic sub-index	33.32	34.30	35.02	34.27	35.09	34.31	Worse	
Environmental sub-index								
18. Air index	4.76	4.45	4.51	4.94	4.88	4.87	Worse	
19. Water index	4.76	4.84	5.01	5.16	5.17	5.34*	Better	
20. Noise index (per 1000 population)	4.76	5.82	5.30	6.31	6.22	6.54	Better	
21. Recycle rate of municipal solid waste	4.76	5.35	5.29	5.65	5.98	6.14*	Better	
Environmental sub-index	19.04	20.46	20.11	22.06	22.25	22.89	Better	
Quality of Life index	100.00	104.20	105.78	108.34	108.90	109.19	Better	

[remark] The higher the score, the better is the performance of the indicator.

* Forecasted figure

Provisional figure

Working Group of the CUHK Hong Kong Quality of Life Index

Prof. Andy C.C. Kwan Director, Centre for Quality of Life Associate Professor, Department of Economics, CUHK Tel: 2609-8196 Email: <u>kwan1882@cuhk.edu.hk</u>

Prof. Ng Sai Leung Associate Professor, Department of Geography and Resource Management, CUHK Tel: 2609-6527 Email: <u>slng@cuhk.edu.hk</u>

Prof. Winnie W.S. Mak Associate Professor, Department of Psychology, CUHK Tel: 2609-6577 Email: wwsmak@psy.cuhk.edu.hk

Prof. Tsou Jin Yeu Professor, Department of Architecture, CUHK Tel: 2609-6558 Email: jinyeutsou@cuhk.edu.hk Prof. Daniel T.L. Shek Professor, Department of Social Work, CUHK Tel: 2609-7517 Email: danielshek@cuhk.edu.hk

Prof. Ting Kwok Fai Professor, Department of Sociology, CUHK Tel: 2609-6626 Email: <u>kfting@cuhk.edu.hk</u>

Prof. Ma Ngok Associate Professor, Department of Government and Public Administration, CUHK Tel: 2609-7483 Email: <u>mangok@cuhk.edu.hk</u>

Prof. Paul S.N. Lee Dean, Faculty of Social Science Director, Hong Kong Institute of Asia-Pacific Studies Professor, School of Journalism and Communication, CUHK Tel: 2609-6234 Email: <u>plee@cuhk.edu.hk</u>