

香港青年對家庭經濟依賴的研究
A Study on Economic Dependence on
Family among Young People in Hong Kong

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Summary Report

Over the past 20 years, many European countries have created more openings for higher education for their young people. Coupled with an unstable employment market, changes in social and housing policies, as well as shifting attitudes towards marriage and relationships, it appears that young people, now more than ever, remain economically dependent on their families for a longer period of time.

Is the same true for Hong Kong? This Study aims to look at the economic dependence of young people on their families. It raises the question of whether young people's independence and plans towards starting their own family units are being postponed. What other factors determine the continuation of economic dependence on one's family? This Study was conducted through (1) opinion surveys of Hong Kong young people; and (2) in-depth Interviews with young people. It is hoped that this Study will provide a clearer picture of the issues concerned and may result in suggesting recommendations for a way forward.

The telephone survey was conducted in a 12-day period from the 15th of November to the 30th of November 2006. By random sampling, 535 eligible young people aged between 18 and 34 were successfully polled, yielding a response rate of 61%, with a standard error of $\pm 2.2\%$. To better grasp the situation, the respondents were divided into the age groups of 18-19, 20-24, 25-29 and 30-34 for analysis.

To have an in-depth understanding of the situation, we conducted case study interviews between the 13th of November and the 8th of December 2006. 10 young people were successfully interviewed with 4 males and 6 females aged between 18 and 32. Among them, one was a student, eight were employed, and one was unemployed / seeking employment.

In this chapter, the results of our Study are summarized for discussion and conclusions drawn with relevant recommendations.

Discussion

1. There is a trend of prolonged “adolescence” as Hong Kong’s youth become more financially dependent.

There have been plenty of discussions and available data overseas on how a prolonged adolescence would affect the financial situations of families. Comparatively, such discussions have been scant in Hong Kong and hence the lack of available data. This Study first analyzed data from the Census and Statistics Department and compiled them with the Study findings, with a view to forming a synthesis to understanding the trend of prolonged adolescence among Hong Kong’s youth.

According to the data from the Census and Statistics Department, the median age for first-time employment was 19 in 1997 and 21 in 2004. In terms of levels of educational achievement, the percentage of first-time employment was higher among graduates from tertiary institutions in the years during 2001 to 2004.

On the other hand, there has been a consistent increase in the median age of first marriage for both men and women in Hong Kong. The median age for women increased from 23.9 in 1981 to 28 in 2005, whilst that for men increased from 27 in 1981 to 31.2 in 2005. It showed that more people opted to delay their marriages and hence their family plans.

From our telephone survey, among the 535 respondents aged 18 to 34, 54 were between 18-19, 145 were between 20-24, 151 were between 25-29, 177 were between 30-34. Data showed that 19.2% in the 30-34 age group had families paying for their accommodation.

On the other hand, 9.6% in the 30-34 age group still received financial assistance from their families; while 23.3% said they did not give money to their parents or shoulder any family expenses. Conventionally, the age of 30 signified the beginning of being financially independent. The above data thus showed that some of the respondents were still far from entering adulthood as they continued to cling to their families for support.

The above showed that there was a trend of prolonged adolescence among Hong Kong’s youth. It signified a delay in attaining independence as young people

remained financially reliant on their families.

2. According to the findings, many respondents believed that “having a stable income”, “having a full-time job” and “not asking for money from their family” meant they were financially independent. Besides, many thought people only became financially independent “after they turned 30”.

According to Jones and Wallace, all adolescents face a transitional stage as they leave “childhood” to become an “adult” and become stuck between “financial dependence” and “financial independence”. On the other hand, “financial independence” is an important milestone for young people to move on to adulthood. As overseas studies showed, that a full-time job, decent personal and family incomes are some of the indicators in measuring whether young people have attained financial independence¹.

The telephone survey listed a number of conditions to understand how the respondents viewed “financial independence”. According to the findings, many respondents believed that “having a stable income” (57.5%), “having a full-time job” (55.6%) and “not asking the family for money” (46.4%) meant “financial independence”.

On the other hand, many respondents believed that to become “financial independent”, one should first “own a property” (28.9%), “increase financial support to the family” (18.0%) and “go travelling” (17.8%).

Findings also showed that 17.8% of the respondents believed “the age of 30” signified financial independence. Another 18.4% expected to move out when they became 30 which matched the conventional wisdom of “independence at 30” as a demarcation from adolescence to adulthood. Nevertheless, as adolescence got prolonged, the boundary between “adolescence” and “adulthood” was blurred or it even got overlapped.

3. Continued education, low-income employment, cultural factors, economic factors and housing factors all contributed to young people’s prolonged financial dependency on families.

¹ Timothy M. Smeeding and Katherine Ross Philips. Cross-National Differences in Employment and Economic Sufficiency in Annals. AAPSS, 580, March 2002.

Having synthesised the data from government sources, telephone surveys and case study interviews, we found that continued education, low-income employment, cultural factors, economic factors and housing factors all contributed to young people's prolonged financial dependency on families.

(1) Continued education: The pursuit of tertiary education delayed many young people's age of first employment; hence their financial independence was delayed as well.

As tertiary education became more attainable, more young people chose to further their studies. The total number of students studying in courses sponsored by the University Grants Committee (including both full-time and part-time courses) increased from 47,404 in the year 1986/87 to 74,735 in 2005/06 – an annual increase of 2.4% on average. On the other hand, the participation rate of tertiary education among eligible youths has risen to 64.0%. It signified a generation of more educated young people with an extended period of schooling.

In the case studies conducted, an interviewee had her family pay for the full costs of her secondary school tuitions, three-year associate degree and the two-year bachelor degree courses. She continued to pursue her education in order to enhance her personal qualifications for better career prospects. In spite of all this, she thought that she might lag behind her peers as she eventually entered the employment market upon graduation after passing 25.

Enhancing personal competitiveness has become vital for one's survival in a knowledge-based economy. The Study showed that the increase in university places and the emphasis on life-long learning all led to the trend of continued education for young people in Hong Kong. This in turn would push back their age to engage in full-time employment and hence continue their financial dependency on families.

(2) Low-income employment: To the less qualified young people, low-income employment weakened their abilities to attain financial independence as well as continued their financial dependency on families.

In a highly competitive job market, young people lacking in academic qualifications and employment skills are more prone to be marginalized and

unemployed. For those who found employment, their low income hampered their pursuit for a financially independent life.

According to the Census and Statistics Department, the proportion of young people aged 15-19 and 20-24 whose monthly incomes were respectively below \$3,000 or \$5,000 has increased substantially. In 2000, respectively 8.8% and 25.6% among those aged 15-19 earned less than \$3,000 or less than \$5,000. In 2005, both figures increased to 24.4% and 49.9% respectively. For those aged between 20 and 24, respectively 2.6% and 13.9% earned less than \$3,000 or less than \$5,000 a month in 2000. Both figures inflated to 7.7% and 25.5% respectively in 2005. The statistics showed that even though some young people were able to find jobs, their incomes were far from satisfactory.

According to the telephone survey, the less educated the respondent, the more often he would earn less than \$5,000 a month, and the more likely he would receive financial assistance from his family. It showed that the less-educated young people were confronted with two problems - low income and continued dependence on the family for financial support.

In the case studies, a Form 5 graduate reported monthly earnings of only about \$4,000 and required continued family financial support just to get by.

In conclusion, for those less educated young people who were in the job market, their low income remained a hindrance to their attaining financial independence as it prolonged their financial dependency on families.

(3) Cultural factors: Our traditional family values reinforced the parents' sense of obligation to continue support of their grown-up children.

Traditional Chinese culture emphasizes parental support for children. The strong sense of parental obligation, to a certain extent, prolonged young people's financial dependency on their families.

According to the survey, 46.4% of the respondents would seek help from parents when they ran into financial difficulties. 57.9% believed that "no matter how old they were their families were willing to provide financial support to them". In short, parents were an important source of financial support for young people.

One interviewee in a case study was brought up in a very caring family. Despite lacking any financial abilities, the interviewee was still able to fulfil her dreams of furthering her studies and travelling thanks to her family's financial support. This somehow resulted in the interviewee's reliance on her family. Moreover, another interviewee reported that the financial assistance from his parents and family had helped start his career.

In conclusion, continued parental support on the one hand reflected our traditional family values; but on the other hand it also indirectly encouraged young people's financial dependency on their families.

(4) Economic factors: Young people did not see the need to seek financial independence as they continued to enjoy parental support.

Many young people chose to stay home to be taken care of by their parents, as well as to take benefits from family resources to reduce personal spending and escape from family chores. It led some interviewees to continue their reliance on families with no plan to attain financial independence.

According to the telephone survey, 58.1% of the respondents had no plan to move out at present. Among them, 30.8% said they lacked financial abilities, 8.7% wanted continued family care, and 7.5% wanted to save money. It showed that many respondents were pleased with their families' care and support.

An interviewee in a case study chose to stay home despite being financially capable to move out. To that interviewee, the family provided both financial and day-to-day support so as to enable him to concentrate on his personal affairs. The savings on accommodation also allowed him to have better financial plans. Another interviewee said that the safety net offered by the families more or less diminished her sense of seeking financial independence.

In conclusion, continued parental care and family financial support resulted in many young people having no motivation to seek financial independence.

(5) Housing factors: Housing is the pre-requisite for young people to lead an independent life.

Housing is a must for young people seeking independence. Under Hong Kong's high property prices and increased rental costs, it is never easy for those who are fresh in the employment market to be able to own or rent an apartment unit. In addition, the lack of government policies to facilitate young people's applications for public housing also led to their continued financial reliance on families.

According to the Rating and Valuation Department, this year saw an upward trend for rents and purchase prices of private residential units compared with the same period last year. On the other hand, under the current public housing policy, single applicants are required to fulfil the normal conditions meant for family applicants. In light of the current points system, applicants aged 18 receive zero points. Those who are 19 get 3 points and thereafter they receive one point for each additional year. This policy is aimed at restraining young single applicants from applying for public housing.

Among those who had moved out as revealed in the telephone survey, 53.1% lived in rented private units while 16.5% lived in their own properties. Among those who had owned either private units or Home Ownership Scheme units, 39.6% had parents pay for their first deposit. On the other hand, 55.1% considered purchasing properties and 24.4% might consider applying for public housing units. Although most respondents had expectations of owning properties, it is questionable whether they would be able to fulfil their dream of being able to lead an independent life under the current high property prices environment.

In a case study, one interviewee lived in a rented private apartment unit following his marriage. Only after receiving financial assistance from his family was he able to pay the first deposit in order to purchase a flat. Another interviewee could not afford to move out and said he could save living expenses by staying with the family.

The findings showed that under the high property prices and unfavourable public housing policies for single young applicants, it is not easy for young people to move out. So, many choose to stay home and hence prolong their dependency on family.

4. Young people in Hong Kong began to experience their non-linear transition from adolescence to adulthood, which in turn affected their financial dependency on families.

The concept of adolescence between childhood and adulthood only came into effect after industrialisation. The transition from childhood to adulthood used to be linear. It began when one finished his education, entered the labour market, gained financial independence, moved out and finally had a family of his own.

As the societies changed and kept changing, such linear transitions became obsolete. Biggart and Walther analogized the new transition between adolescence and adulthood with the motions of a swinging yo-yo, which signified the fluctuations and uncertainties involved. It illustrated the situations of young people going back to school after graduation and obtaining employment. It would mean a return to the adolescent “financial dependence” after achieving financial independence in one’s adulthood as well as a prolonged period of family reliance.

Findings showed young people in Hong Kong began to experience their non-linear transition from adolescence to adulthood, which in turn affected their financial dependency on families. Among the 123 surveyed respondents who were still at school, 14 had engaged in full-time employment before going back to seek full-time education. They presented the classical example of a swinging yo-yo.

Among the 345 respondents who had full-time work experience, 44.7% had only completed Form 5 when employed for the first time, while 44.4% had already completed their tertiary education at the time of the survey. It showed that many young people kept seeking further education after entering the job market. Some opted to go back to school and quit their jobs at different times in life that resembled the swinging motions of a yo-yo.

On the other hand, 53.4% of the respondents (employed and unemployed) had plans to further their studies. Among them, 93.3% would “study while working”; only 6.7% said they would engage in full-time education. When asked whether they would require family financial assistance, 18.1% said they would. Respectively 19.6% and 12.6% of those aged 25-29 and 30-34 indicated they would need family assistance.

In one of the case studies, an interviewee, who had worked for two years after graduating with a bachelor’s degree, decided to pursue a full-time master’s programme after receiving financial support from his family. In another case, the interviewee aspired to enhance his personal competitiveness after having completed his junior secondary school education. Because of constraints in family finance, he

attended evening courses after work as he decided to complete Form 5. The above interviewees had either gone back to school after working for some time or managed to do both at the same time. Both presented examples of a swinging yo-yo.

The above showed that there was no longer a linear transition between adolescence and adulthood as young people illustrated the motions of a swinging yo-yo as they hopped back and forth between full-time employment and full-time / part-time education. It signified that more Hong Kong young people were stuck between “financial dependence” and “financial independence” and had prolonged their period of family reliance. In addition, it showed that the transition to adulthood no longer presented a standard pattern, with young people having their own considerations in planning their continued education, employment and future career.

5. The trend of prolonged “adolescence” will pose heavy financial burdens on less well-off families as young people continued to rely on family support.

Overseas studies illustrated different situations as young people transitioned to adulthood. They included: (1) Young people remaining financially dependent on families; (2) Young people staying with parents to enjoy family resources despite having financial abilities to move out; and (3) Young people living alone while continuing to receive financial support from their parents. In any circumstance, whether young people could rely on family support largely depended on the financial situations of their families.

The employment situations of young people are closely linked with the extent of their financial dependency on families. With the changing economic structures and the 2003 SARS epidemic, figures from the Census and Statistics Department showed that at the peak of unemployment in 2003, the unemployment rate for those aged 15-19 was as high as 36.1%, while that of those aged 20-24 amounted to 14.6%. Unemployment fell as the economy later recovered. In the second quarter of 2006, the unemployment rates for those aged 15-19 and 20-24 were respectively 26.4% and 7.9%. Nevertheless, the uncertain economic prospects continued to affect the employment situations for young people and hence their financial dependence on families.

Among the 39 who were unemployed / seeking employment, 55.4% had been unemployed for one to six months and 39.9% had been unemployed for seven months or more. During the period of unemployment, 72.4% had not given money to their parents or shouldered any family expenses. On the other hand, 38.1% had received their family's financial support during unemployment. It showed that the longer the unemployment period, the more adverse the impacts would be on young people and their families. The financial pressure would be even higher for those low-income families.

On the other hand, among the 412 respondents who were employed, unemployed or seeking employment, 53.4% had plans to further their studies. Among them, 93.3% said they would choose to "study while working". Only 6.7% would choose to "study full time". If required to study further, 18.1% said they would need family financial assistance. In the competitive job market, many young respondents have already realized the importance of continued education. It can be expected that more and more young people will return to school or further their studies on a part-time basis; thus, the financial conditions of one's family becomes more important.

In one of the case studies, the financial hardship of the interviewee's family hampered his plans to pursue career goals. His career path was tough with restricted options. It therefore took him longer before he could begin an independent life. On the other hand, the financial strength of another interviewee's family helped him plan and pursue career goals. His career path was smooth with more options open. It was easier for him to kick start an independent life.

The extended period of "adolescence" will inevitably prolong many young people's financial dependence on their families. Better family finance provides young people with more choices in pursuing a financially independent life. On the other hand, family financial hardship does not only affect young people in their pursuits but also exerts heavy financial pressure on their families. In addition, the crowded living conditions in many Hong Kong families easily lead to friction between the two generations. If not dealt with properly, there will be worrying consequences.

Recommendations

This study showed that like many overseas countries, Hong Kong saw a trend of young people prolonging their financial dependence on their families. It both delayed young people attaining financial independence and affected their own growth and future family life. With opportunities for tertiary education keeping on expanding, young people who were under-qualified and unskilled continued to lag behind in this recovering economy. Coupled with consistently high property prices and rental costs, the prolonged financial dependence for young people will only persist and intensify. In light of this, we have the following recommendations for reference:

1. To keep track of the trend

According to this Study, there is an upward trend of extended adolescence among young people in Hong Kong. Hence, many young people are not prepared to transit to adulthood and continue to rely on family financial support. This may require policy adjustments in areas like education, family, labour policies and social welfare. A comprehensive and systematic study on future youth development becomes very important.

There have been plenty of discussions and available data overseas on prolonged adolescence. Comparatively, the relevant information was scant in Hong Kong as this Study is only at a preliminary stage. Therefore, we recommend that the government compile and supplement relevant data on a regular basis so as to better grasp the latest trend and development.

2. To encourage young people to start their life plans early

The study showed that the transition to adulthood was no longer a standard process as young people had their own considerations in career plans. Thorough understanding and visions for a future career will help young people pursue financial independence and reduce their dependency on

families and society.

Collaboration of government departments, youth service organizations and the business sector in the past have worked well in relieving young people's plights in seeking employment. On the other hand, in an uncertain job market and a knowledge-based economy, a thorough and comprehensive career plan becomes vital for each young individual.

According to overseas experiences, the "Life Planning" concept has become widely developed. It provided young people with professional, personal and comprehensive life planning and consultation services so that they could be well prepared and less dependent on families financially. Based on present services and infrastructure, the government should further explore relevant overseas experiences and consider setting up a service centre modelled on the "Life Planning" concept, and provide comprehensive career counselling services for our young people.

- 3. To accumulate a resources pool that is contributed by the government and business sector, and to set up more scholarships and financial awards.**

In a knowledge-based economy, personal qualifications and experiences are closely linked with one's future career. As tertiary education became more available, more young people would engage in continued education to enhance their competitiveness. To low income families, tuition fees became huge financial burdens. Although the Student Financial Assistance Agency has been providing loans to tertiary students, the uncertain job market exerts pressure on student recipients who are worried about future repayment.

An extended adolescence may exert huge financial pressure on low-income families. In order to allow the aspired and talented young people in financial hardship to continue their studies, the

government should encourage the business sector to provide more financial awards and scholarships along with governmental subsidies. Both society and the government should work together to help those young people in need.