

What Is the 'Problem' Of an Ageing Population?

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Civic Exchange

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'Problem' or crowning glory?

In Hong Kong, as in other developed economies, people are living longer and longer lives. Yet, at the same time, fertility rates have fallen dramatically, leading to a decline in population. Indeed, Hong Kong leads the world in having the lowest per capita birth rate. Immigration from the Mainland has also fallen in recent years. The combination of these factors has resulted in the increase of the average age of the Hong Kong population.

What impact will these factors have on society and how should public policy respond? Should ageing be framed essentially in highly negative terms as a 'problem'? What challenges does society face and how can they be addressed? Hong Kong's demographic trends and the issues that need to be explored are ably summarized by Paul SF Yip, Joseph Lee and CK Law in *Hong Kong's Challenge: Impact of Population Changes* (April 2005) and will not be repeated here.¹ Similarly, the issue of Hong Kong's highly discriminatory immigration policy and its possible longer-term impact in a rapidly globalizing world has already been noted by Christine Loh and Kee Foong in *Hong Kong as 'World City': Assessing its Attractiveness to Global Talent* (August 2005) and the issues brought up there will not be repeated in the section below on labour and productivity.²

Much of the discussion to date about demographic trends focuses on the fear of getting old and the consequences of an ageing society. Beyond personal concerns of the incapacities that come with old age, the policy concerns are that Hong Kong will not have a sufficient workforce for economic development, enough younger workers to support social security payments for those who are older, and difficulty in financing public healthcare for the elderly.³ Debate has been on-going for some years about attracting younger talent to live and work in Hong Kong, particularly from the Mainland,⁴ and more recently, there has been loose talk by senior officials about the desirability of Hong Kong families having three children.⁵

This paper takes issue with how the HKSAR Government's Task Force on Population Policy framed the debate. This paper argues that seeing ageing mainly in negative terms is short-sighted and will inhibit policy-makers from seeing longevity as a new phenomenon, with fundamental implications that must be addressed.⁶ What will become a "problem" is if

¹ Paul SF Yip, Joseph Lee and CK Law in *Hong Kong's Challenge: Impact of Population Changes*, April 2005, <http://www.civic-exchange.org/publications/2005/pop%20-%20yll.pdf>.

² Christine Loh and Kee Foong, *Hong Kong as a 'World City': Assessing its Attractiveness to Global Talent*, Civic Exchange, August 2005, <http://www.civic-exchange.org/publications/2005/pop-lohkee.pdf>

³ HKSAR Government, *Report of the Task Force on Population Policy*, 26 February 2003, pp. 33-35. See also 12 January 2005 Policy Address, *Working Together for Economic Development and Social Harmony*, paragraph 66. <http://www.policyaddress.gov.hk/2005/eng/p66.htm>

⁴ The Capital Investment Entrant Scheme has attracted 291 people to Hong Kong as at December 2004 and Admission Scheme for Mainland Talents and Professionals has attracted 10,241 since it started in July 2003, see Teddy Ng, "Call for bigger families," *The Standard*, 22 February 2005.

⁵ Teddy Ng, "Call for bigger families" reported that Donald Tsang, the then chief secretary, said "We will encourage people to have more children ... I think each family should have at least three children," *The Standard*, 22 February 2005.

⁶ The HKSAR Government's Elderly Commission called for setting a policy framework for an ageing society, http://www.elderlycommission.gov.hk/en/download/library/030215/chair_speech.ppt

society cannot adapt its mindset, structures and organizations to demographic realities soon enough. Policies need to be designed to respond to the needs of people who will enjoy very long lives that can be healthy. Ways must be found to ensure people have the knowledge and capacity to lead healthy and productive lives. If they are to work longer, they must be widely seen to be employable and employers must be willing to hire older people. Starting an earnest fight now against age discrimination is a must. Changing the language used to describe people who are older is advisable. Indeed, new perspectives are essential for policy-makers to understand the social and personal implications of the emerging demographic trends.

The HKSAR Government should consider adopting the International Plan of Action set in 2002 at the United Nations World Assembly on Ageing. The plan set three principle areas of focus – older people and economic development, advancing health and well-being into old age, and ensuring enabling and supportive environments.⁷ There is no reason why the capacity to live very long lives should not be seen as the crowning glory of human civilization rather than as a 'problem' of having too many 'old' people who are assumed to be unproductive and expensive to care for. This is not to say the long-term provision for social security and healthcare are not real challenges for society – they are, and we acknowledge that the HKSAR Government is beginning to pay attention to them, but what we wish to emphasize here is that we need to consider the impacts of demographic trends much more broadly.

Factors affecting fertility rate

Fertility rates are hard to predict but demographers believe very low birth rates are the probable pattern for many decades to come. Fertility rates depend on people's desire for children, social norms and economic conditions. As women wait longer to have children, there is a negative impact on fertility; women are most fertile before they reach about 35 years. The Task Force was right to review existing policies to see if they discouraged childbirth even though the HKSAR Government's stated approach was 'non-natalist'.⁸ However, the Task Force's policy review so far has been far too narrow.⁹ The size of homes, day care availability, flexible working conditions for parents, affordable house help, affordable education and difficult adoption arrangements are all factors that affect people's family planning but none of these were discussed in the Task Force report and do not appear to have been seriously discussed since the publication of its report in 2003. There is also the troubling issue of public health and fertility that has received hardly any policy attention.¹⁰ Hong Kong people's relatively low frequency in having sex may also be a

⁷ In 2002, when 159 nations met to convene the second United Nations World Assembly on Ageing, two decades after the first such gathering, the focus had shifted from basic demographic and economic issues of ageing to the inclusion of older people at all levels of society, a movement to expand the roles for older people, and active ageing policies. See <http://www.un.org/ageing>

⁸ It is unclear whether Donald Tsang's comments noted in footnote 5 represented loose talk or the prelude to the government changing to adopt a natalist policy.

⁹ HKSAR Government, *Report of the Task Force on Population Policy*, 26 February 2003, pp. 60-62. The issues mentioned were family planning policies, ante-natal, childbirth and post-natal health services; and child allowance under the salaries tax system.

¹⁰ Local studies indicate there may be a relationship between high mercury levels and sub-fertility, particularly in males, because of high seafood consumption. For a detailed discussion, see Moira

factor that needs to be taken into account in considering Hong Kong people's overall health.¹¹

Housing size in Hong Kong is not conducive to families having children.¹² The median size of a private sector flat is only about 50 sq.m.¹³ As for public sector flats, 80% of the rental flats are under 40 sq.m., and 80% of the public sector flats for sale are under 50 sq.m.¹⁴ The HKSAR Government calculates the average living space requirement for tenants in public housing to be only 11.3 sq.m. per person.¹⁵ With approximately 50% of households in low-income public housing of one sort or another, the very small size of homes is a deterrent to people having larger families.

Furthermore, with Hong Kong's median income at HK\$10,000 per month and median household income at HK\$16,000,¹⁶ typical younger couples are unlikely to be able to afford more than one child during their most fertile years. The group that can consider larger families are those enjoying higher incomes and can afford larger accommodation but those within this group that still want children is likely small. Giving tax deduction for all children irrespective of number was a useful change but not sufficient to address low fertility.¹⁷ For those who would like to adopt children, current adoption procedures discriminate against older people on the assumption that advancing age makes them less able to care for children.¹⁸

Indeed, there is little the HKSAR Government can do to urge couples to have more children in the foreseeable future. An alternative approach is to improve the 'quality' of the population. One way is to improve the physical conditions for learning at home and at school, and increase worker productivity in the office environment. For example, the small sizes of publicly built housing do not take into account that students have insufficient space to study at home, which must have a negative impact on the HKSAR Government's declared policy to promote learning and develop a knowledge society. Yet, there have so far been no signs that the government is thinking in this direction.

Chan-Yeung, *Chemical Contaminants in the Environment and in Food*, August 2005, Civic Exchange, <http://www.civic-exchange.org/publications/2005/chemical.pdf>

¹¹ Durex Global Sex Surveys, 2001-2004, show Hong Kong people to be consistently among those that have the lowest sex frequency <http://www.durex.com>

¹² Small accommodation did not deter previous generations from having more children, but that was at a time when social conventions were different and also contraception less effective.

¹³ Hong Kong Trade Development Council, <http://www.tdctrade.com/econforum/sc/sc000492.htm>

¹⁴ Housing Authority, 2003, <http://www.housingauthority.gov.hk/en/aboutus/resources/figure/0,,3-0-8955-2003,00.html>

¹⁵ Housing Authority, 2003, <http://www.housingauthority.gov.hk/en/aboutus/resources/figure/0,,3-0-8999-2003,00.html>

¹⁶ 1Q 2005, http://www.info.gov.hk/censtatd/eng/interest/ghs_index.html

¹⁷ Budget 2005, child allowances increased from HK\$30,000 to HK\$40,000 per child.

¹⁸ Adoption procedures currently also discriminate against single parent adoptions.

Labour and productivity

The HKSAR Government estimates that by 2031, 25% of the total population will be over 65, and described 58% of the then total workforce as 'economically inactive',¹⁹ which "implies an increasing dependency of the non-working population on the working population."²⁰ By 2031, the population of the over-65s is expected to increase threefold to over 2 million in a population of around 8.4 million – that is, 25% of the total projected population.²¹ Roughly, the 70-79 age group will also increase from well under 400,000 to over a million; and the over-80s will rise from under 200,000 today to over 500,000. These large rising numbers are a result of the 'baby boom' in the 1950s and 1960s and people living much longer than the generation before.²² Thus, with the proportion of younger people plummeting – a reflection of the 'baby bust' of more recent years – the concern is the ageing of the workforce.

How much of a concern should this be? We believe the HKSAR Government has based its conclusion on outdated assumptions.

Firstly, people are working longer and will be working longer still in the future. The Baby Boomers are likely to see themselves working through their 60s and into their 70s as this is a generation that have always identified themselves with work and career more than previous generations. Already today, Hong Kong people do not consider someone old until they are in their 70s. This is likely to shift to even later years if other countries' experiences are an indication of the trend. Today, many European countries indicate over 75 to be considered 'old' with perception of age directly connected to state of health and mobility.²³ A recent international survey showed that Hong Kong people retire very early compared with the rest of the world, that they are among the earliest in the world to cease all professional activities but among those most in favour of an increase in the retirement age.²⁴ Even if older people do not want to work full-time, they are likely to want to work part-time and/or volunteer for non-profit organizations.²⁵ There is in fact a not insubstantial pool of people reaching retirement age (55-65) now who are highly trained, in good health and whose experience is valuable to society. The HKSAR Government may wish to consider how this group could be facilitated to continue to work on part-time arrangements in order to capture their experience as well as setting the stage for longer working lives in the future.

¹⁹ Donald Tsang, Statement to LegCo on the Report of the Task Force on Population Policy, 26 February 2003, <http://www.info.gov.hk/gia/general/200302/0226229.htm>; and HKSAR Government, *Report of the Task Force on Population Policy*, 26 February 2003, pp.10-11,

²⁰ HKSAR Government, *Report of the Task Force on Population Policy*, 26 February 2003, p. 2.

²¹ The HKSAR Government projects that by 2031, Hong Kong's population will be 8.72 million.

²² Paul SF Yip, Joseph Lee and CK Law in *Hong Kong's Challenge: Impact of Population Changes*, April 2005, <http://www.civic-exchange.org/publications/2005/pop%20-%20yll.pdf>

²³ AXA Retirement Scope Survey, January 2005, http://www.retirementscope.axa.com/country/download/Hong_Kong_en.ppt#30

²⁴ Ibid.

²⁵ Ibid. According to the Elderly Commission, there are over 12,000 elderly volunteers in the Social Welfare Department's Senior Volunteer Programme.

Hong Kong's exceptionally early-retirement phenomenon has to do with the fact that the traditional civil service retirement age was 55, which in turn affected the setting of the retirement age of many non-government organizations, such as universities, and even commercial companies.²⁶ The civil service's retirement age has been extended to 60 but the government normally does not extend contracts beyond that.²⁷ Civil service practices therefore had a substantial influence on how working age and retirement is perceived in Hong Kong. One important area of review is for the HKSAR Government to open up public discussion on the likely need to delay retirement age in view of demographic trends.

Secondly, the capacities and abilities of the younger generations must not be underestimated. Even though boomers outnumber busters overall, the busters are better educated. In the academic year 1965-1966, approximately 2% of those between the ages of 17-20 were provided with full-time first-year-first-degree places at local universities whereas by 2003-2004, the figure had increased to about 17.2%. The most dramatic leap started in 1985-1986 from about 4% to over 14% by 1993-1994.²⁸ Today, the publicly-funded universities have about 87,000 full-time students.²⁹ Furthermore, the total number of students studying full-time at universities outside Hong Kong exceeds 40,000.³⁰ There are also 8,000 full-time students enrolled at the Open Learning Institute, 700 at the Academy of the Performing Arts and over 7,000 in vocational training and post-secondary colleges.³¹

Other ways to measure the capacity of the workforce include looking at the percentage of skilled personnel working as administrators, managers, professionals and associate professionals (these numbers have been growing steadily over the years),³² as well as looking at productivity. According to the HKSAR Government, labour productivity rose by an average of around 10% per year from 1991-2000.³³

The truth is Hong Kong needs even better skilled people, as well as more diversely skilled people, in order to grow faster. The HKSAR Government estimated that in the short-term, the financing, insurance, real estate and business services sectors have the fastest increase in manpower needs, followed by transport, storage, communications, community,

²⁶ The notion of setting a retirement age came into being in the late 19th century. The average life expectancy at the time was 55 years, when manual labour was the norm and life after retirement was short. The retirement age in Japan has been raised to 69 and South Korea/USA to 67.

²⁷ The normal retirement age for civil servant on pensionable terms is 55 under the Old Pension Scheme and 60 under the New Pension Scheme. The prescribed retirement age for disciplined officers under the New Pension Scheme is 55 or 57. As for staff covered by the Civil Service Provident Scheme (appointments after 2000) the normal retirement age is 55-57 for the disciplinary ranks, and 60 for all others.

²⁸ University Grants Committee, First-year-first degree Students of UGC-funded Programmes 1965/66-2003/04, <http://www.ugc.edu.hk/eng/doc/ugc/stat/chart/pdf>

²⁹ University Grants Committee, *Higher Education in Hong Kong: A Report by the University Grants Committee*, <http://www.ugc.edu.hk/HER/VW/CHAPTER2.htm>

³⁰ *Ibid.*

³¹ *Ibid.*

³² The figures rose from 23% of the workforce in 1991 to 32% in 2001 according to the Report of the Task Force on Population Policy, 26 February 2003, pp. 11-12.

³³ Financial Secretary, <http://www.info.gov.hk/gia/general/200111/06/1106217.htm>, 6 November 2001.

social and personal services sectors. What is interesting is that among the sub-sectors within these bands, notable increases in manpower needs are envisaged for insurance, postal/courier services, sanitary services, non-Chinese restaurants, as well as recreational and business services.³⁴ It is beyond this introductory paper to analyse what these requirements reflect about changing social, market and consumer needs but it is clear that the term 'skills' needs to be very widely defined for a service and knowledge economy, which is what we have in Hong Kong today.³⁵ Services jobs require people with solid general education who are able to absorb and make sense of a sizable quantity of diverse information that needs to be applied on a daily basis.

Literacy, languages, communication and numeric skills are indispensable to do services jobs well, which is why those with post-secondary and first degree level educational attainment are considered more employable across the board. These skills are foundational because they enable a person to use them as building blocks for life-long education. Yet, these skills are often not as well taught as they should be in our education system with school curricula too often focussing on cramming specific areas of information. Those without a reasonable standard in these skills are also much harder to retrain later in life in a service economy where the expectation of how things are done is continuously becoming more sophisticated. This is why there is a concern that those who have anything less than a full secondary education will face job market shrinkage.³⁶ Moreover, an education that helps young people to grasp global knowledge is essential as Hong Kong's economy is highly externally oriented. Furthermore, it is easier for the more educated to work into their later years than it was for the less educated since their 'white collar' capabilities often increase with age and experience rather than diminish as is the case for physically demanding labour.³⁷

The truth about skills and high productivity is that a society must be willing to invest heavily in them during times of economic growth as well as contraction. From the late 1970s, Hong Kong's political commitment to provide 9 years of universal education represented a watershed decision against some of the most influential business voices of the time who argued that it would reduce the cheap labour pool for the manufacturing industry. The fruits of education take time to ripen. The provision of education is one of the key

³⁴ HKSAR Government, *Report on Manpower Projection to 2007*, June 2003, http://www.emb.gov.hk/FileManager/EN/Content_411/ead_eng.pdf

³⁵ Take the example of running a restaurant – this is by no means low-skilled in terms of how to produce food in a certain setting that meets consumer need within a certain price range on a consistent basis. Food preparation has become technical and public health knowledge needs to be fully practiced. Another example is a hairdresser, who is expected to have several years of training in how to handle different types of hair, use of a range of different products, as well as deal with customers. The fact that a top hairdresser can charge over HK\$1,000 for a haircut is evidence that handling hair is as skilled a job as many other traditional professional services.

³⁶ HKSAR Government, *Report on Manpower Projection to 2007*, June 2003, http://www.emb.gov.hk/FileManager/EN/Content_411/ead_eng.pdf

³⁷ Issues relating to the top-end of the services sector, which has been referred to as the 'creative class' by some scholars, and how to make Hong Kong more attractive to this group of global talent; as well as the issue of language in Hong Kong, are discussed in Christine Loh and Kee Foong, *Hong Kong as a 'World City': Assessing its Attractiveness to Global Talent*, Civic Exchange, August 2005, <http://www.civic-exchange.org/publications/2005/pop-lohkee.pdf>

responsibilities of the public sector, and is expensive to provide. Hong Kong's spending cuts over the last few years in education may well turn out to be unwise. As could be seen from the 2005 Budget, the biggest saving on operating expenditure came from education. Spending dropped almost 10% on the original forecast. As one economist noted: "Justified or not, that is a deliberate trashing of the sector."³⁸ Hong Kong has no time to lose to think about how to in fact invest more intensively in schools, universities and training institutions.

Longevity – now and in the future

Today, people in general are fearful of ageing because it represents the loss of earning ability and good health both of which create uncertainties, insecurities and therefore anxieties. The fear of long illnesses, discomfort and pain is prevalent. The problem Hong Kong faces is that while older adults (40-50+) can be expected to live longer, their health is not necessarily improving in the sense that they are likely to face all sorts of illnesses. The likely morbidity factor within the population needs to be much better understood so that we have a better idea of the types of health treatments and costs involved in the coming years to ensure that they can be provided for to those who are unlikely to be able to pay for private care and will likely also need social security assistance. Moreover, there needs to be a wider public discussion about how society can deal with the final period of life with consideration and dignity for the dying individual when life can in effect only be sustained by artificial means.

The issue that is much less discussed is that increasingly longevity, which people will take for granted from birth, will alter the way they look at their lives. Younger people and those born today are likely to live to be centenarians.³⁹ Their 50s can be young; 60s youthful, 70s not old, and 80s still very healthy. Indeed, they have to adopt a different attitude than older adults today so that the issues in the preceding paragraph will not be repeated in the longer-term future. While personal health is primarily an individual's responsibility, public health must be society's priority. Public policy needs to focus and invest much more heavily in public health.⁴⁰

Cancer is responsible for 34% of all deaths in Hong Kong, higher than any other developing countries or regions globally. During the past decade, the incidence and mortality rates from cancer of the lung, larynx, and bladder have decreased. These cancers are associated with smoking. However, cancers of the prostate in men and breast in women, colon, rectum and non-Hodgkin's lymphoma have increased during the same period. While lack of dietary fibre intake may account for the increased incidence of colon and rectal cancer, the reasons for the increase in the incidence and mortality from other cancers are not entirely clear. Exposure to environmental chemical contaminants has been

³⁸ Philip Bowring, "Safety in numbers? Lip service budget," *South China Morning Post*, 17 March 2005, <http://www.bowring.net/scmpbudget2005.htm>

³⁹ Statistically, half of the girls born today are likely to be centenarians and half the boys will live until 95.

⁴⁰ See Moira Chan-Yeung, *Diet, Lifestyle and Health: Impact of Demographic Change*, Civic Exchange, April 2005, <http://www.civic-exchange.org/publications/2005/pop%20-%20mc.pdf>

postulated as a possible cause.⁴¹ The HKSAR Government clearly needs to study and track these issues very closely.

The idea of spending the early years in education and training, then have a career for 30 years before retirement at around 60 will become less and less practical. In the future, people are going to have more than one career, which will in turn alter the way they want to be educated. Instead of specialization at a young age, a broad education is likely to be much more appropriate. Furthermore, people will work for longer because they wish to and are in good health, able to remain highly productive for a long time. People may well prefer to mix study, work and recreation over the course of much of their lives after 18. The fact that young people may not wish to work at a frenetic pace should not be seen in negative terms. After all, they will have many decades of working time ahead. Society's interests are best served by them seeing a very long working life ahead and where the risk of early 'burn out' is reduced. Hong Kong people already work very long hours today to the detriment of family life and personal development.⁴² Personal development, maintaining well-being and enjoying recreation will become more and more obviously important, as our time horizon extends. Therefore, literature, music, other art forms and sports are going to become much more popular.

Longevity will also likely have a significant impact on our family structure. The age distribution will shift. Families used to have horizontal patterns with more cousins and few grandparents. In the future, vertical families with fewer cousins and more living grandparents and great grandparents are likely to be the norm. Furthermore, with the advancement of medical and health science, people can choose to have children when they are younger or much older. With a life horizon of 90-100 years, having children even in one's 50s will likely become quite viable whether by natural birth, surrogacy or adoption provided people feel they can afford children. People may well have more time to spend with their children as their career patterns will be different. However, during such a long life time, the likelihood of having more than one partner and having children with more than one partner becomes higher. Indeed, if the fertility rate is to rise, people's attitudes towards family formation will be an important factor: people need to want children and larger families.

Prepare for centenarians

A fundamental issue is whether and to what extent ageing is indeed a 'problem'. Aging in itself should not be seen as a 'problem' as it is part and parcel of the natural progression of life. Society can raise the definition of the 'elderly' from 65 to say 75 to reduce the perception of the 'problem'. Policy-makers have an urgent interest in reducing age discrimination in society.

⁴¹ For a detailed discussion, see Moira Chan-Yeung, *Chemical Contaminants in the Environment and in Food*, Civic Exchange, August 2005, <http://www.civic-exchange.org/publications/2005/chemical.pdf>

⁴² High stress is seen by many to be a fact of life living in Hong Kong. Policy makers must therefore also pay extra attention to the mental health of Hong Kong people. Suicide ranks as the 6th highest cause of death in Hong Kong (4th highest in terms of years of life lost; and 2nd in terms of productivity lost).

Indeed, ageing is only a 'problem' if people are unhealthy and unable to be productive resulting in younger people having to carry more of society's economic burden to provide for a larger pool of sick and/or unproductive people. Thus, the policy goal must be to ensure people stay as healthy as possible for as long in their lives as possible. This will require governments to promote much better diets, regular exercise, and to be even more aggressive in anti-tobacco campaigns. The mental health of the population must also be taken into account. Moreover, a population cannot optimize public health if the environment is degraded, and therefore governments need to focus a lot more attention on significantly cleaning up the environment. A poor environment is less than ideal also to bring up healthy children. There must also be much better programmes to improve occupational health since the strains and stresses of sedentary work habits are different from those of blue collar work conditions.

Recommendations

We believe policy-makers need to distinguish between an individual ageing (something that is inevitable) from an ageing society. This is a phenomenon that is not inevitable but comes out of demographics and for which a society may not have the experience to be adequately prepared. An ageing society is both a challenge and an opportunity in the sense that society must make the best use of the fact that its members are on average living longer and now have the potential to be healthier and more productive in later years than they were in the past.

The following is by no means a comprehensive list of public policy recommendations. The HKSAR Government is reviewing long-term healthcare financing for example, which is obviously important. There are however numerous obvious measures that can be taken but have so far been neglected:

1. Review internally what may be the extent of age bias within the civil service with a view to changing terms of employment where necessary.
2. Review the language the government uses to describe age to determine if there are negative connotations with a view of making changes where necessary.
3. Review government policies to assess whether there are biases that affect older adults where the assumptions behind the policies may no longer apply or be relevant.
4. Propose equal opportunity legislation to prohibit discrimination not only on the ground of age but also race and sexual orientation.
5. Commission studies to explore how to increase student and worker productivity through creating the right kind of studying and working environments such as through proper lighting, noise reduction, temperature control and indoor quality. These factors have been proven scientifically to have an impact on productivity.⁴³

⁴³ Christine Loh and Amory Lovins, *Joint Response – Consultation Paper on Future Development of the Electricity Market in Hong Kong*, Civic Exchange and Rocky Mountain Institute, 30 April 2005, <http://www.civic-exchange.org/publications/2005/EDLB%20Consultation.pdf>

6. Commission studies to explore housing size and facilities and their impact on Hong Kong socio-economic development and what options there may be to provide better quality housing that will have positive effects on productivity and human development.
7. Ask the Central Policy Unit to align new demographic trends to government expenditure projections on various heads of spending to ensure resources are appropriately allocated.⁴⁴
8. Focus much more tightly on those areas of public health policy that will affect the overall physical and mental health of the population in order to ensure a positive long-term impact.⁴⁵
9. Ask the Commission on Strategic Development to make demographic trends a key study area.⁴⁶

This paper also has referred to various issues raised in Civic Exchange's Population Research Project. Indeed, Civic Exchange embarked on this project because demographics is vitally important to Hong Kong's future but has so far been a neglected area of policy exploration and deliberation. The project's publications are:

- Christine Loh, *An Alternative Policy Address: 2005-2006*, December 2004.
<http://www.civic-exchange.org/publications/2004/apa05e.pdf>
- Paul S F Yip, Joseph Lee and C K Law, *Hong Kong's Challenge: Impact of Population Changes*, April 2005.
<http://www.civic-exchange.org/publications/2005/pop%20-%20yll.pdf>.
- Moira Chan-Yeung, *Diet, Lifestyle and Health: Impact of Demographic Change*, Civic Exchange, April 2005.
<http://www.civic-exchange.org/publications/2005/pop%20-%20mc.pdf>
- Christine Loh and Kee Foong, *Hong Kong as a 'World City': Assessing its Attractiveness to Global Talent*, Civic Exchange, August 2005.
<http://www.civic-exchange.org/publications/2005/pop-lohkee.pdf>
- Simon K W Ng, *Demographic Change and Sustainable Mobility in Hong Kong*, Civic Exchange, forthcoming in August 2005.

⁴⁴ Christine Loh, *An Alternative Policy Address 2005-2006*, December 2004, noted Hong Kong's track record in over-estimating population growth in the past and perhaps overbuilding on hardware infrastructure thereby neglecting investing much more heavily in soft infrastructure, <http://www.civic-exchange.org/publications/2004/apa05e.pdf>

⁴⁵ Moira Chan-Yeung, *Diet, Lifestyle and Health: Impact of Demographic Change*, April 2005, <http://www.civic-exchange.org/publications/2005/pop%20-%20mc.pdf> and *Chemical Contaminants in the Environment and Food*, August 2005, <http://www.civic-exchange.org/publications/2005/chemical.pdf>

⁴⁶ During his selection campaign, chief executive Donald Tsang said that he would expand the membership of the Commission on Strategic Development, which would focus on studying Hong Kong's long-term development.