

How Covid is Affecting Low-income families

By Lee Hok Lam

General background:

-Definition

The poverty line in HK, calculated at half of the city's median monthly income, stands at HK\$4,400 for one person and HK\$20,400 for a four-person household.

The international poverty line is a monetary threshold under which an individual is considered to be living in poverty. It is calculated by taking the poverty threshold from each country—given the value of the goods needed to sustain one adult—and converting it into dollars. The current international poverty line is \$1.90 per day.

-Stats

Around 1.65 million people in Hk, or 23.6 per cent of the city's population, live in poverty. This is the highest rate since records began in 2009, when 1.35 million people, or 20.6 percent of the population, met the criteria.

About 9.2% of the world, or 689 million people, live in extreme poverty on less than \$1.90 a day, according to the World Bank.

About 97 million more people are living on less than \$1.90 a day because of the pandemic, increasing the global poverty rate from 7.8 to 9.1 percent; 163 million more are living on less than \$5.50 a day. Globally, three to four years of progress toward ending extreme poverty are estimated to have been lost.

Main Factors:

-Unemployment:

Hong Kong's unemployment rate hit a 16-year high of 6.6 per cent in the final quarter of last year, figures released on Tuesday showed, as the economy struggled during the coronavirus pandemic. The seasonally adjusted unemployment rate increased by 0.3 percent from 6.3 percent in the September to November period, with over 245,000 people out of a job.

Unemployment rose in almost all sectors, with a 13.8 per cent rate in the food and beverage service activities sector as coronavirus-related closures took a heavy toll. Secretary for Labour and Welfare Law Chi-kwong said the labour market had worsened further because of the latest wave of the pandemic.

Businesses were hard-hit by social-distancing rules such as the compulsory closures of gyms and beauty parlours, and group gathering restrictions of no more than two people.

This rise in the unemployment rate further worsened the economic situation of low-income families.

-School Closures:

A poll was conducted by the People Service Centre, a charity founded in 2002 to help the underprivileged residents. It interviewed 603 child carers, including parents and grandparents, between February and March. Seven in 10 respondents reported having a monthly household income of less than HK\$15,000 (US\$1,918), while more than 90 per cent lived in public rental flats or inappropriate housing such as subdivided flats. The survey, which was released on Tuesday, found about four in five interviewees scored eight or above on a scale of 0 to 10 for mental stress, while nearly one in three had a score of 10.

Respondents also said they were worried about the impact of school closures on children's education during the fifth wave

"Caring for families, especially children, has put mounting pressure on carers during the pandemic. All their stress came from their concerns about their families or children," said the project officer.

Nearly all of the carers said children had difficulty learning remotely, with issues including emotional problems, inability to concentrate and inadequate internet connections.

-Reducing learning opportunities

Many students are experiencing terrifying internet connections, or noisy background because of siblings having online learning in the same room. Some even do not have sufficient electronic devices leading to the loss of learning opportunities. Government can provide support to these students that are hindered back from learning, by giving them a suitable place to have school / offer them electronic devices in a cheap price so that they at least won't be held back.

-Expensive protective equipments:

The results from the same survey mentioned above also revealed another issue of how covid is affecting low-income families — the expensive protective equipment.

Families faced the additional cost of regularly buying protective equipment like masks and disinfectant, with almost all of the interviewees having said they could not afford their living expenses for the next three months.

How to help out!

-donate excess protective equipments, support organisations in the local community financially, or even physically.

-donate money to fundraising organisations (e.g. giving love) which use the money to buy protective equipments for low-income families

