Consider the following information adapted from news articles in a local newspaper published in October 2009:

The Human Development Report, released by the United Nations Development Programme on 5 October 2009, shows Hong Kong had a relatively high Gini index of 50 in 2006.

<table>
<thead>
<tr>
<th>Country</th>
<th>Gini Index*</th>
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</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>0.51</td>
</tr>
<tr>
<td>Mainland China</td>
<td>0.45</td>
</tr>
<tr>
<td>India</td>
<td>0.35</td>
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<tr>
<td>Singapore</td>
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<tr>
<td>Britain</td>
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<td>Canada</td>
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<tr>
<td>United States</td>
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<tr>
<td>Australia</td>
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</table>

Here are some people's viewpoints regarding the wealth gap in Hong Kong:

- The wealth gap is a result of the movement of the city towards a knowledge-based economy.
- It is wrong for the government's policy to emphasise economic growth by favouring certain businesses or industries over supporting the poor.
- As rental costs increase, companies have to cut staff wages to stay competitive.

*The Gini Index is an indicator of the degree of inequality in the distribution of income in a society. A society that scores 0 has perfect equality in income distribution. The higher the number (over 0), the higher the inequality, and a score of 100 indicates total inequality.*

Most of the data above were taken from 2006, except those for India, Britain and Canada, which were taken from 2005.

(a) ‘The inadequate support of the Hong Kong Government for the poor has led to a serious wealth gap in Hong Kong society.’ Do you agree with this statement? Explain your answer in the light of the above information and according to your own knowledge. (10 marks)

(b) To what extent has the serious wealth gap adversely affected the social harmony of Hong Kong? Explain. (10 marks)
Exemplar 1

(a) I agree with this statement to only a small extent. Wealth gap is mainly caused by the economic structure of the society and the population group of the community. The government only contribute a little effect on the wealth gap.

The government has already provided subsidies to unemployed, senior population and poor family such as CSSF which help to support their daily expenses. However, the government hasn't set up the minimum wage which can actually protect the welfare of the less-educated ones and the poor. This may be the inadequate support given by the government to help the poor among the generation gap.

The wealth gap could be caused by other factors. For example, the movement of the city towards a knowledge-based economy may result in the less-educated population being unemployed and become poor. The government has already offer re-training courses for them but some only rely on CSSF. This widen the wealth gap of the society.
The wealth gap could be caused by the immigration of Mainlanders, especially for those with low education level. There are hundreds of Mainlanders come to Hong Kong to give birth to their babies but they contribute nothing to the society and cannot find a better-off job due to low education level. This widen the wealth gap.

The wealth gap could also be caused by economic recession. During economic recession, the cutting-off of wages of people getting lower salaries would have greater influence on family revenue than that of people getting higher salaries. This further widen the wealth gap.

The government has been providing subsidies and welfare to those poor people, such as CSSA, renting rents of public housing, providing subsidies for water and electricity supply. The HK SAR government has also provided some rehabilitation training courses for the unemployed people so as to help them to get a better job.

However, the government may sometimes provide too much advantage or help to those middle-class population such as the refunding of tax salary tax in which middle-class population is getting more refund than those lower-class population. Early in April, the government has implemented the policy to alleviate the continuing raising of selling price of private flats. Only upper-class and middle-class are benefitted and only they have the ability to buy those flats but not the lower-class population.
Exemplar 2

(a) I agree with this statement. Hong Kong citizens suffer from a huge wealth gap as the poor could hardly make a living by working for some low-paid company or survive the month with the little amount of financial support from the Comprehensive Social Security Allowance, some of them even live in cage house; meanwhile, the richer population live in big, extravagant flats that cost over 10 million dollars.

The Hong Kong Government had continued to emphasize that Hong Kong is an international financial centre. They pay full attention on how to attract more foreign businessmen to invest while neglecting the minority, the poor, in the society. As from the source, people have complained on the lack of support for the poor. Because of economic reform, former labours from factories lost their job and do not have the skills to integrate into the society. Their unemployment causes them to have no financial support even if they do want to join vocational training courses.
They may choose to work as cleaners or other low wages job. Their income couldn’t support their living. Even if the government provide them with a few thousand dollars every month, their family still need more support.

The government may provides textbook or travelling subsidy for grassroot children and fruit money for elderly. However, the small amount of money could hardly offset their basic expenditure.

The government also provides vocational training or overseas scholarships for youngsters. The vocational training may assist them in seeking jobs after acquiring certain skills. Yet not many teenagers would have the privilege to travel overseas and pursue further studies. A huge crowd of youngsters with no specific skills would then suffer from poverty and cause an increase in the poor population every year.

For jobless adults, the government gives no support except the Comprehensive Social Security Allowance, which has no long term effects at all. Only do education could lead the population out of poverty. Further studies should be encouraged. Financial support should also be provided.

According to the Source, rental costs have been increasing among the years, the government should set up policies to prevent further inflation on the cost of land. The government could also give support to small enterprises so that they would not shut down, and hence prevent a higher unemployment rate.

Another way to release the tension of wide wealth gap is through setting up a minimum wage. With a minimum wage, the work of labours are qualified and they will receive enough
money for them to make a living. However, the Hong Kong Government is worried about one drawback of setting a minimum wage, which is lower the competitiveness of the business. The Government do not want a loss in GDP every year after Hong Kong has set up a minimum wage because places like Shanghai, Malaysia and Singapore are going to attract more investors or even investors in Hong Kong are going to move away their investment from Hong Kong to other cities.

As seen from the source, Hong Kong has the highest Gini index among other big countries, which indicates a serious wealth gap. And I believe the government’s supports for poor children, youngsters, elderly and especially adults are not enough, because the government put too much emphasis on financial industry and refuse to set a minimum wage or prevent inflation on land cost.

Marks: 7

Exemplar 3

(a) There is a serious wealth gap between the rich and poor in Hong Kong. Is wealth gap in Hong Kong a result of inadequate support from government to the poor?

I support that "The inadequate support of the Hong Kong Government for the poor has led to a serious wealth gap in Hong Kong society."
Firstly, privatisation is one of the problems the government has which lead to providing inadequate support for the poor. In these few years, the government starts to privatise some of its services for public to limited companies e.g. toilet cleaning services. As a result, as these limited companies aim to earn money and maximise profit, they try to cut down the number of workers and thus more people especially the poor become unemployed. Moreover, as the poor usually have low education level and Hong Kong is a knowledge-based economy, thus it is more difficult for the poor to find a stable job.

Secondly, government has given the poor inadequate support on their wages. As companies usually aim to maximise profit, they always have to cut staff when rental costs increase, they have to cut staff wages to keep them competitive. However, the government doesn’t adopt minimum wage system, which people’s wages are not guaranteed on a certain amount of wages, that people are guaranteed to obtain. This will lead to people, especially the poor do not get a stable income and do not have enough money to lead a life even they get wages.

Thirdly, nowadays the government emphasizes too much on the economic development. Therefore, certain businesses or industries like finance and banking get too much support but the poor doesn’t get enough support from government. The government should put more emphasis on helping people to improve their living conditions, especially the poor. Without helping the poor, the wealth...
gap will be widen continuously. The government can help the poor by providing them subsidies to live in public estate or provide them job opportunities so they can earn a living by their own abilities.

The support from government to the poor in Hong Kong is certainly inadequate. Hope government can give them more support and also can help narrowing the wealth gap.
Exemplar 4

(a) I totally agree with the statement ‘The inadequate support of the Hong Kong Government for the poor has led to a serious wealth gap in Hong Kong society.’

First of all, according to the information given, some people think that the government’s policy is wrong that they emphasise economic growth by favouring certain businesses or industries over supporting the poor, this may only higher the wealth gap between rich one and the poor one.

Second, as the government emphasise economic growth, it will led to the other things raising their price also such as rental costs, if the rental costs increase, companies may have to cut staff wages to stay competitive or even fired them, this may also increase the risk of wealth gap.

Third, the wealth gap is a result of the movement of the city towards a knowledge-based economy, as Hong Kong are more likely find jobs based on educational level but not as before that if you are willing to work hard then you may have a better life.
(a) Yes, I agree with this statement. According to the Human Development Report, it shows that Hong Kong had a high degree of inequality in the distribution of income in a society which is 50 in 2006. And Hong Kong is the highest Gini index. The wealth gap is a result of the movement of the city towards a knowledge-based economy. The poor are the elderly who did not study much. And the rich who work hard and have much more knowledge than the elderly so that they can earn more money and become the rich. Therefore, the inadequate support people become rich.

The economic growth by favouring certain businesses or industries would be emphasised for the government's policy over supporting the poor. If the Hong Kong Government support the poor, that would affect the Hong Kong economy and the income of Hong Kong. So, the inadequate would not support the Hong Kong Government to support the poor. Therefore, I agree with the statement.
(b) Exemplar 1

To a huge extent do I believe that a large wealth gap has worsen social harmony in Hong Kong. First, the poor population feels like being neglected by the city because the government doesn't provide support to them, for that the government is burying their head into ways of enhancing Hong Kong's international stature. The grassroots do not live a happy life because their income could barely support their daily expenditure. They feel like the minority of the society.

Second, with the widening of wealth gap, the line between the rich and the poor is becoming more and more significant, especially with schemes like the Direct Subsidy Scheme where only rich children could afford to attend elite schools and the scholarship holders are viewed as the special and 'privileged' one. This 'line' lowers social cohesion because they are likely to view themselves as two entirely different groups and may not be willing to work together.
Third, the poor population may face discrimination because they areusually labeled as 'the worse', 'the lazy' or 'the under-privileged'. The rich may leathe them for that they take up a large part of the government expenditure, which comes from taxes collected from citizens. And the poor may feel uncomfortable when being around the richer.

Fourth, because the rich and the poor look for different things from the society, they are likely to fall into heated arguments. The poor wants more financial support from the government or better community facilities when the richer looks for more freedom like democracy and freedom of protests. With different expectations, the government could not always fulfill both sides need. The population is going to split and have serious social discontent.

However, to a very small extent I believe there is a chance for the wide wealth gap to connect the rich and the poor.

The richer population may realise the support the poorer need, and feel sympathetic for them. They may work together to urge the government to face the social problem of wide wealth gap as soon as possible. Undeniably, there is a chance for them to work together.

Yet, the two populations usually care more about their personal need and they don't care about social problems. They need to negotiate and understand each other's problem in order to work together.

Small parts of the richer population may realise how serious the problem is. But how many individual does it take to make the whole population realise the problem?

Wide wealth gap worsens social harmony.
Exemplar 2

(b) To a large extent that the serious wealth gap has
affected the social harmony of Hong Kong.

The lower class population or the poor population of the
wealth gap may unite together and form some parties that
help ask for their benefits and welfare. They may organise
protests, demonstration or even suspension of work which may
cause social unrest or arguments among the employees and
employers. In between March and April, the discussion of minimum
wage was raised by a group of lower-class population. It
brought much attention and arguments between different political
parties and protests. Some of the Lagco members were even
scooled for their viewpoints on the minimum wage. This
issue brought much arguments affect the harmony, especially
the harmony among different political parties.

Take the example of the demonstration on 1st of July
in recent years, there were voices saying that the government
had inadequate support for the poor and only emphasised
on the middle-class and upper-class. The government's
policy lead to uneven distribution among the wealth and
the poor and a wealth gap. We can see that majority of
protestors are affected by the wide wealth gap and
that protestings is one of evidence to show that social
harmony is affected.

However, sometimes there may be other issues that
lead to social harmony but only in minority. For example,
the debate on universal suffrage between different
political parties and the 'de facto referendum' had lead
to negative impact on social harmony. There were some
people rebuking the actions of five Lagco member and
there are some pro-government camp members rebuked
the wasting of money to organise the by-election. The
debate on the idea setting up an advisory body for
RTHK also prove many debates which lead to
negative impact on social harmony.
Serious wealth gap will definitely adversely affect the social harmony of Hong Kong.

First of all, as there are more extremely rich and poor people in Hong Kong, poor people have a larger chance to compare himself with the rich people. This may lower his self-esteem and negatively affect his self-image. For example, the poor may think that he is useless as his money is less than the rich etc. Moreover, the poor may be labelled by the rich and are discriminated by them.

Secondly, serious wealth gap may lead to more social conflicts between the rich and the poor. For example, the issue of minimum wage has led to a lot of conflicts. For the rich people (companies) point of view, they would not like to adopt the minimum wage as this will lower their profit. However, the poor (workers) would like to have the minimum wage system as they want to have a stable and income and wages won't be easily cut down. This is an example of social conflict arisen by serious wealth gap.

Therefore, serious wealth gap will adversely affect social harmony of Hong Kong.
Exemplar 4

(b) The serious wealth gap has adversely affected the social harmony of Hong Kong.

First of all, in government, there will be many concerns under the serious wealth gap as the government wants to raise up the economy, but when deciding the policies, they must think about how they can be support the poor. In nowadays, government are still concern about that as there are not enough money to help those who are in need.

Second, in School, there are many schools in Hong Kong, as the poor have no enough money to join the activities, they may lack of skills like playing sports, drawing etc. The school might want to help them, but it is difficult to help all of them. Sometimes, some of the students which come from some wealthy families may show off in class to prove how rich they are, and those poor may feel not that good, this may affect the social harmony of Hong Kong.

Third, in Office, most of the poor may because of they have limited skill or education level, they are not able to have a higher wages for a better quality of life, when those rich have enough money for them to have
a better education level and skills, they more easy to find jobs with high wages without working long hours, this may appears a unfair society as nowadays will apply jobs based on education level and skills but not like the past, if you can work hard, you can have better life then.

In solution, it is seriously affected the social harmony of Hong Kong through different ways, we must improve and make the wealth gap away.
Exemplar 5

(b) The wealth gap is a serious problem in Hong Kong. That would affect the economy of Hong Kong and don’t believe the Hong Kong Government.

Firstly, the people would think that they can’t change their position. Whatever how hard they do, they still can’t be rich. Because wealth gap this problem has been happening in Hong Kong for quite a number of year already, they would still have this idea in their mind. And they might saw their father has worked very hard for their halt life and who still is not rich. So they would not work very hard because they think that they can’t change their position and that would lose their energy to improve. So, that would make the Hong Kong economic stop and don’t move forwards.

Secondly, due to the wealth gap problem has been happening in Hong Kong for quite a number of year, and this problem still has not been solved. Therefore, the citizen would not believe the government slowly. That would make the citizen mistrust the government. That would affected the relationship between the citizen and the government.

Therefore, the homoeg of Hong Kong can be affected by the wealth gap.

Marks: 2