

*Survey on Hongkongers’
Sense of Security on Savings 2019*

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18 September 2019

Background

- In July 2018, the Hong Kong Deposit Protection Board (HKDPB) commissioned Public Opinion Program (POP) (previously under HKU, now under HKPORI) for the first time to conduct a survey on Hongkongers' sense of security on savings. In July 2019, HKDPB once again commissioned POP to conduct this survey, with the following objectives:
 - To understand the general Hong Kong public's saving habits and their “sense of security” on savings;
 - To track the changes in saving habits and “sense of security” of the general public;
 - To understand, in particular, the saving habits of pre-retirees aged 50 to 65 and their views on retirement preparation.
- HKPOP consulted HKDPB when designing the telephone survey questionnaire, but HKPOP retained full autonomy in every aspect of the study and takes full responsibility for all findings reported.

Contact Information

Date of survey:	August 6 to 22, 2019
Survey method:	Random telephone survey conducted by real interviewers
Target population and sample size:	<p>1) Cantonese-speaking Hong Kong residents aged 18 or above <u>1,000</u> successful cases (incl. 499 landline and 501 mobile samples)</p> <p>2) Cantonese-speaking pre-retirees aged 50 to 65 <u>308</u> successful cases (incl. 180 landline and 128 mobile samples) Among them, 123 cases also belong to the general population sub-sample mentioned, while another 185 successful interviews with eligible pre-retirees were conducted by booster random sampling</p>
Effective response rate:	67.5% (based on eligible samples)
Sampling error:	Less than 1.5%, i.e., the maximum sampling error of all percentages should be no more than +/-2.9 percentage points, at 95% confidence level

Survey Results

** The raw data of the general public sample has been rim-weighted according to the latest figures provided by the Census and Statistics Department. The gender-age distribution was obtained from “Mid-year Population for 2018”, while the educational attainment (highest level attended) distribution and economic activity status distribution was obtained from “Women and Men in Hong Kong – Key Statistics (2018 Edition)”.*

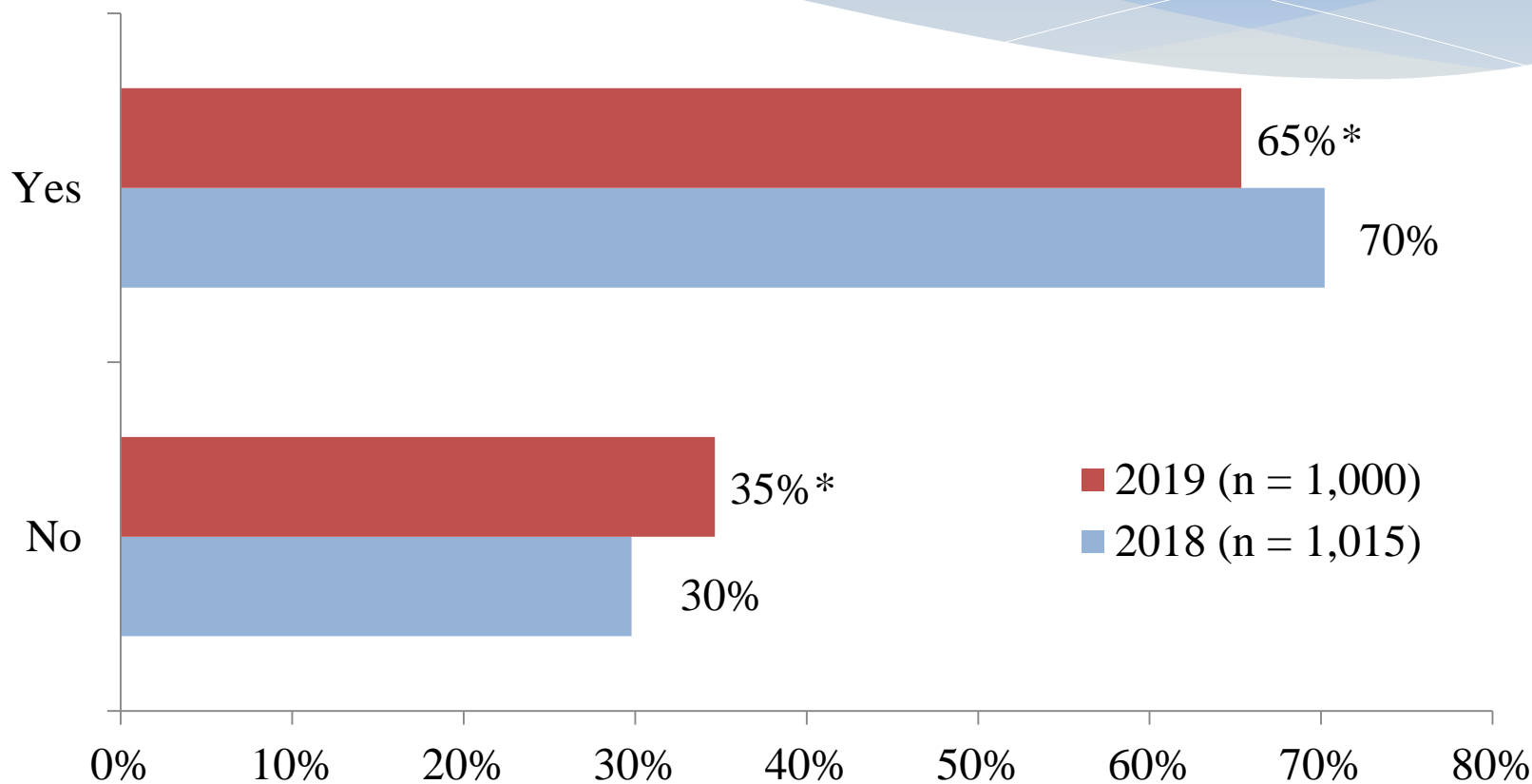
Statistical tests of “difference-of-proportions” and “difference-of-means” have been employed to check for significant changes between survey results in the two consecutive years

***denotes statistical significance at $p < 0.01$ level*

**denotes statistical significance at $p < 0.05$ level*

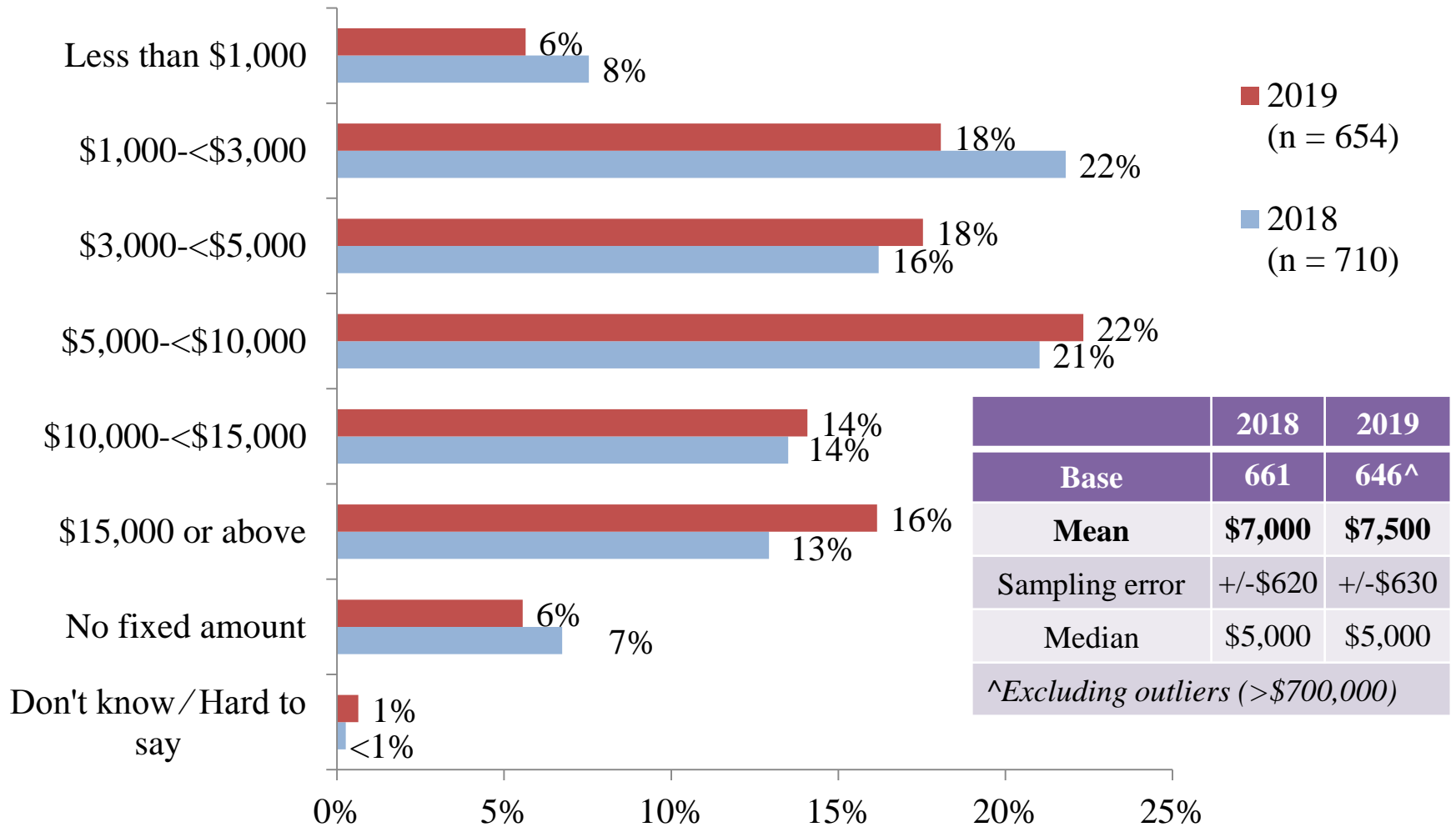
Part I.
Saving Habits of the General Public

65% of Hong Kong people interviewed have saving habits, a significant drop from last year



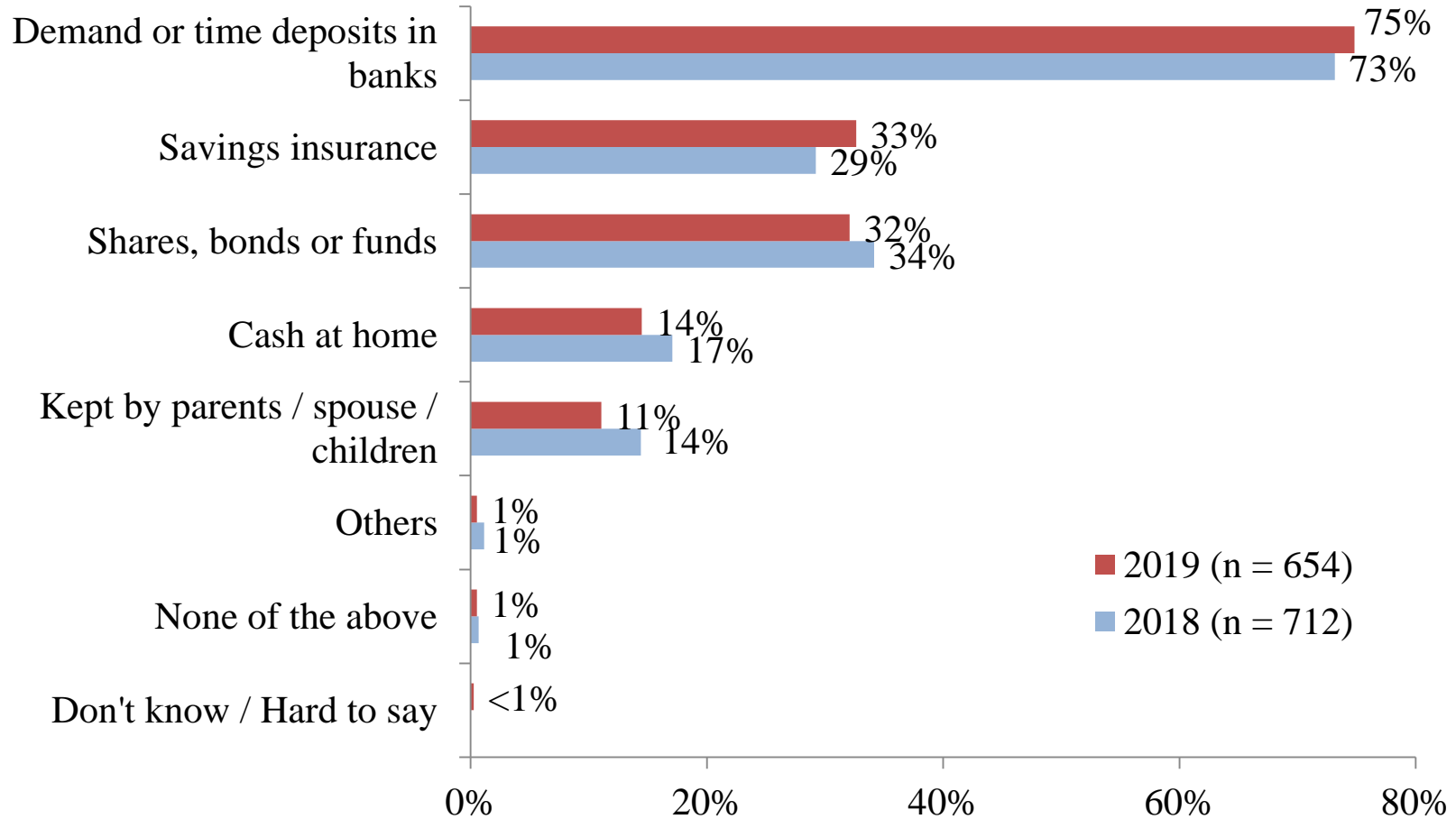
[Q1] Do you currently have any habit of saving money? Please include all kinds of savings, such as savings for yourself, savings for your family, etc. [One answer only]

The median monthly saving of Hong Kong people with saving habits is \$5,000 while their mean monthly saving is \$7,500



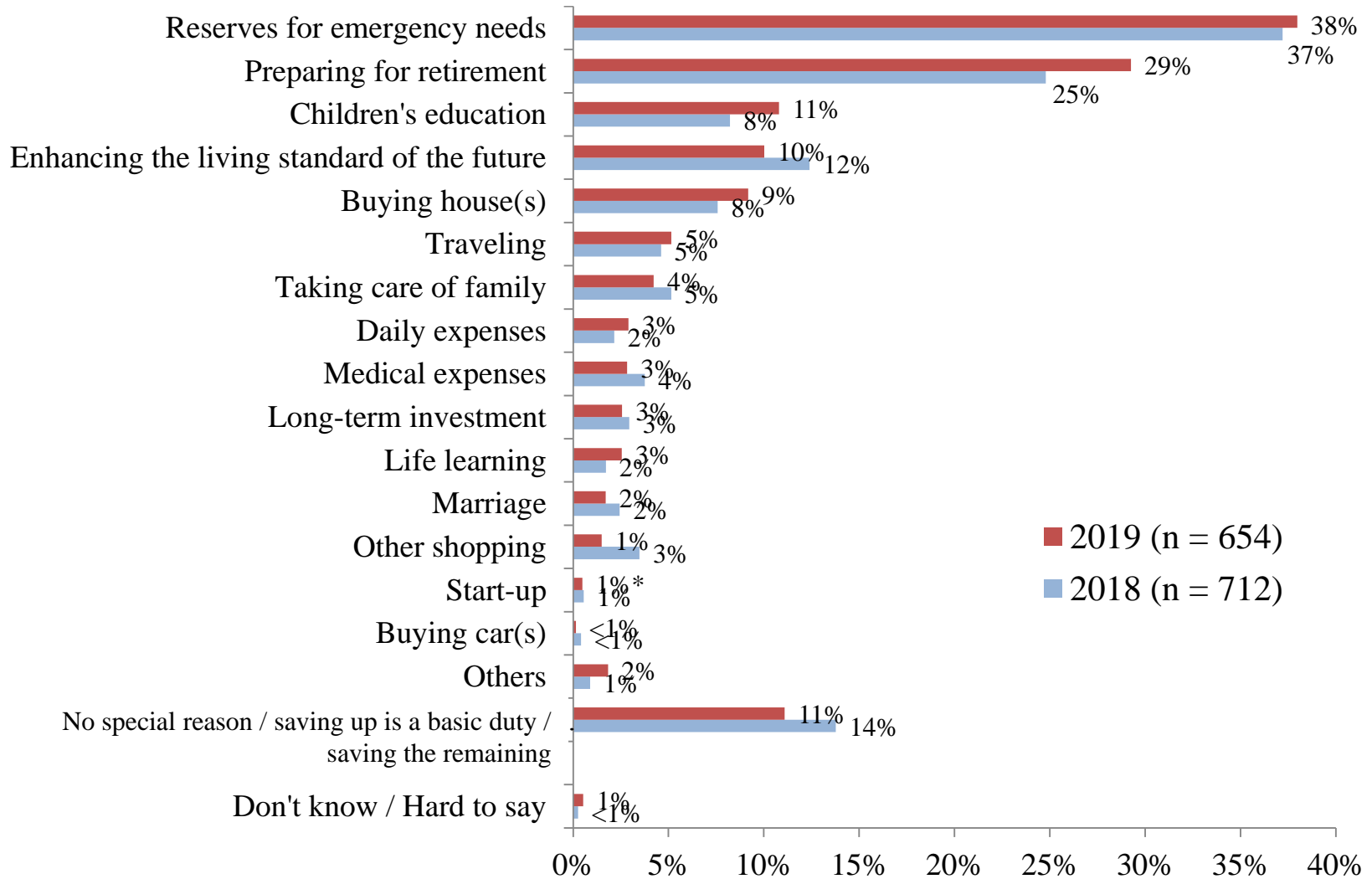
[Q2] [Only ask respondents who have saving habits] Then roughly how much do you save per month? Please include all kinds of savings, such as savings for yourself, savings for your family, etc. [One answer only]

Bank deposits continues to be the most common channel of saving money



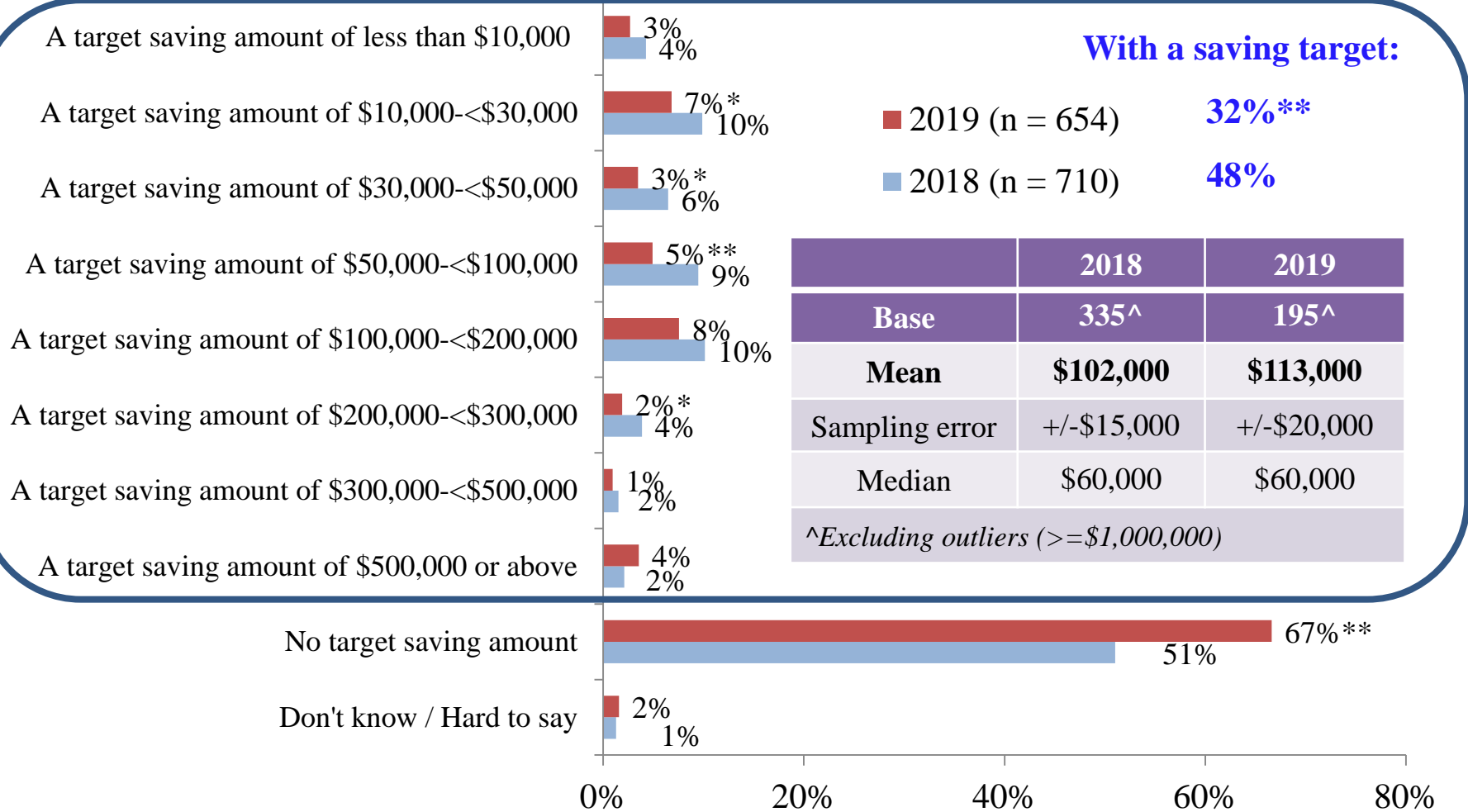
[Q3] [Only ask respondents who have saving habits] Where do you mainly save your money at? [Interviewer to read out the first 5 options, answers to be randomized by computer, multiple answers are allowed]

Same as last year, most people save up for emergency needs, followed by preparing for retirement



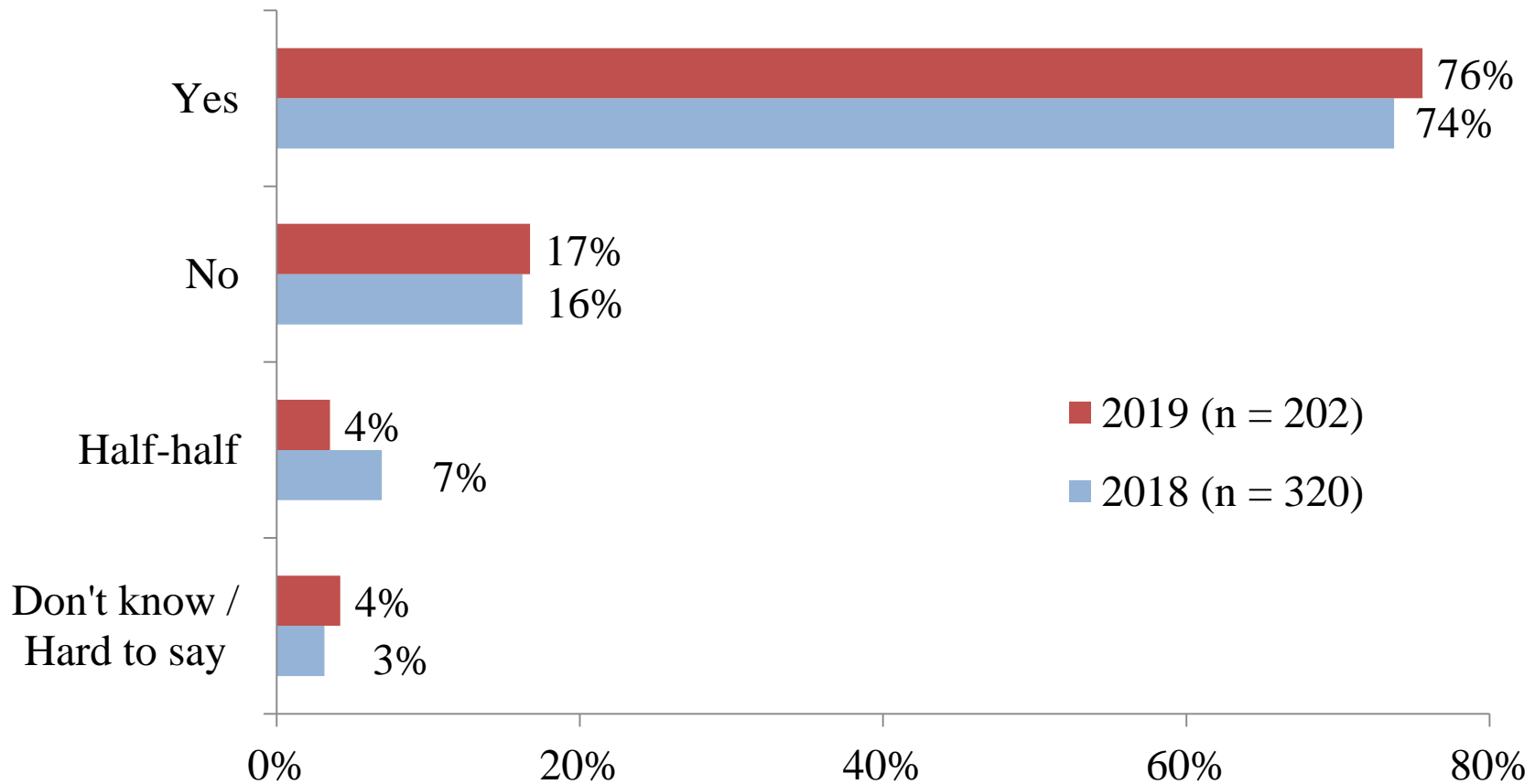
†

Two-thirds of those with saving habits do not have a saving target, significantly more than that in last year

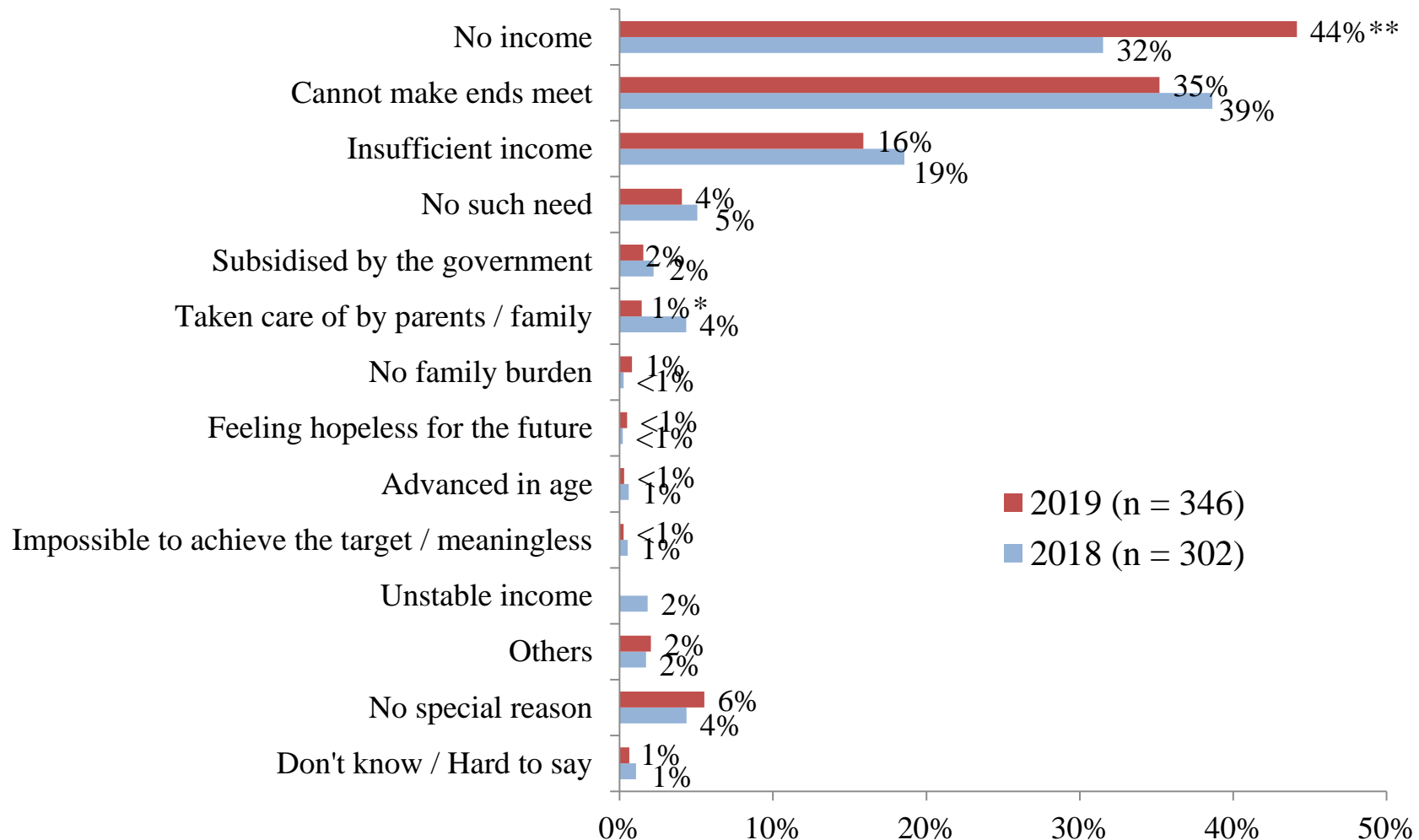


[Q5] [Only ask respondents who have saving habits] Do you have a target saving amount for this year (i.e. 2018 or 2019)? If yes, how much is it?

Majority of those with a saving target are confident in achieving their goals within the target year



“No income” is the main hindrance from saving up

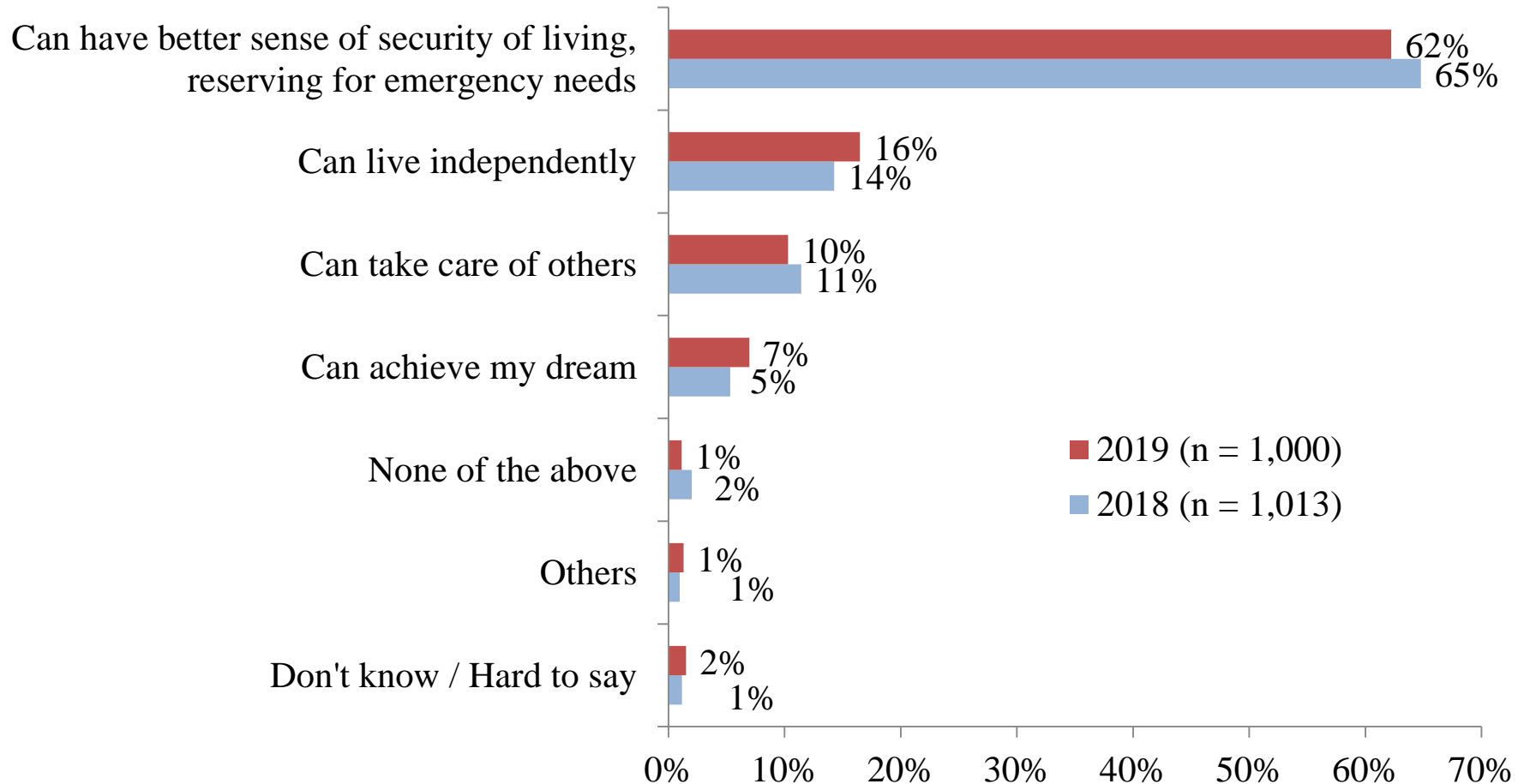


[Q7] [Only ask those who answered “no saving habit” at Q1] What is/are your major reasons(s) for not having a habit of saving money? [Do not read out answers, multiple answers are allowed]

Part II.

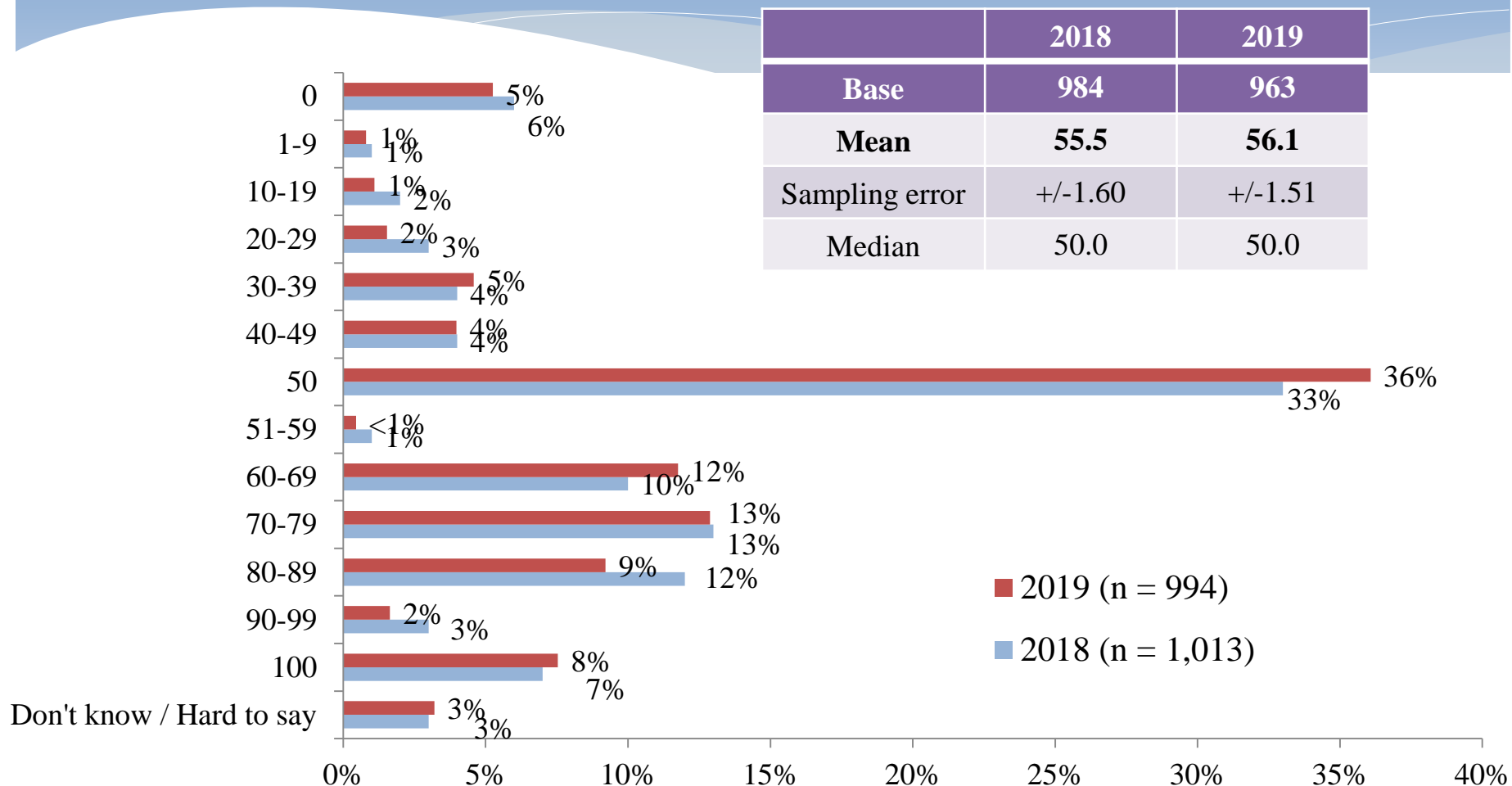
Sense of Security on Savings

The majority find the most significant meaning of having sufficient savings is to have a better sense of security in living



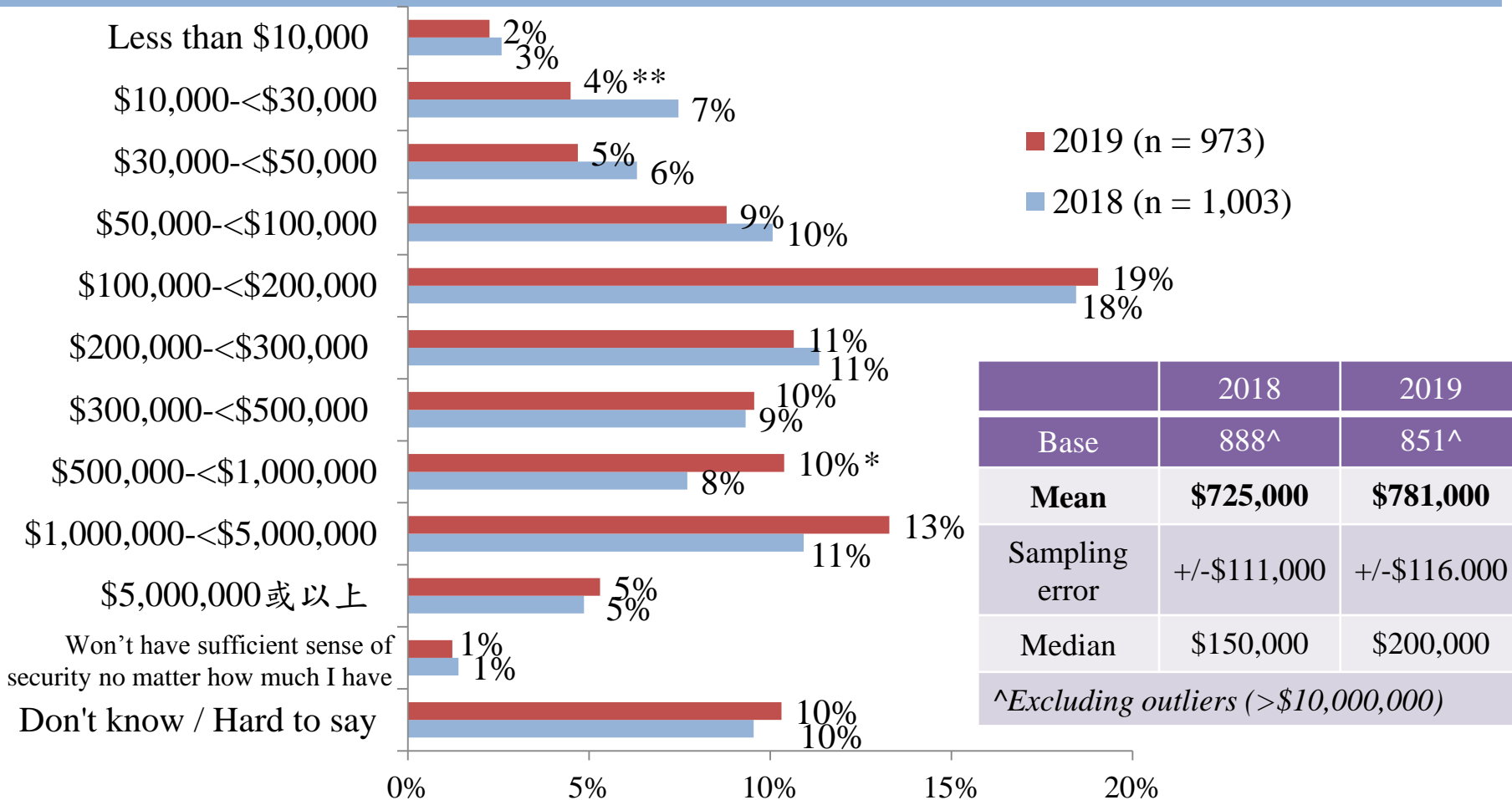
[Q8] In your opinion, which of the following is the most significant meaning of having sufficient savings?
[Interviewer to read out the first 4 options, order to be randomized by computer, one answer only]

Hong Kong people's rating on "sense of security on saving" stands at 56.1, not much change from last year



[Q9] On a scale of 0-100, how much sense of security do your current savings or liquid assets bring you? 0 represents completely no sense of security; 100 represents extremely high sense of security; 50 represents half-half. [One answer only]

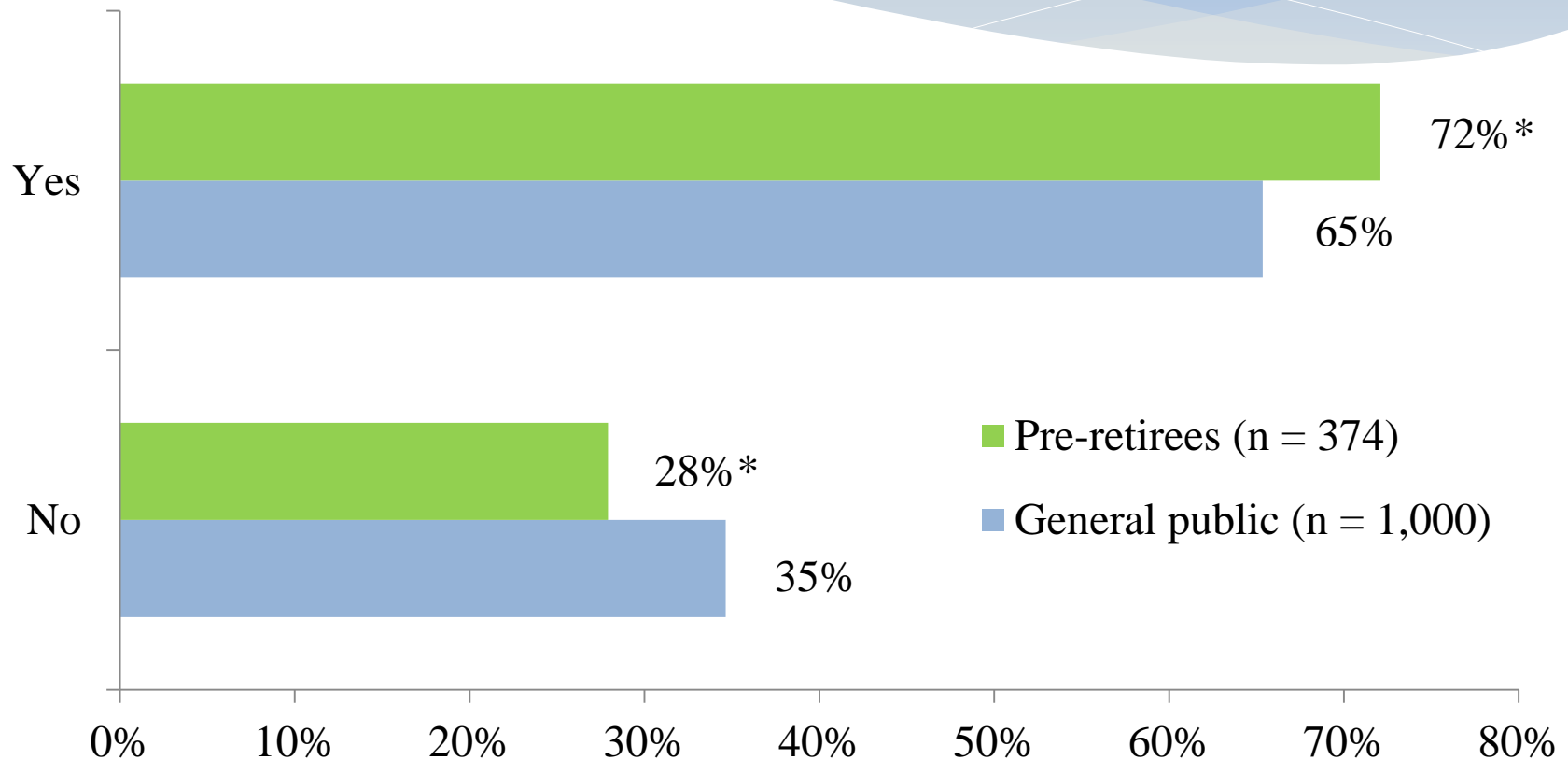
Hong Kong people think they need \$780,000 to gain sufficient “sense of security”, more than that of last year



[Q10] If to maintain your current living standard for another year, how much savings or liquid assets do you consider enough to build up sufficient “sense of security”? 16

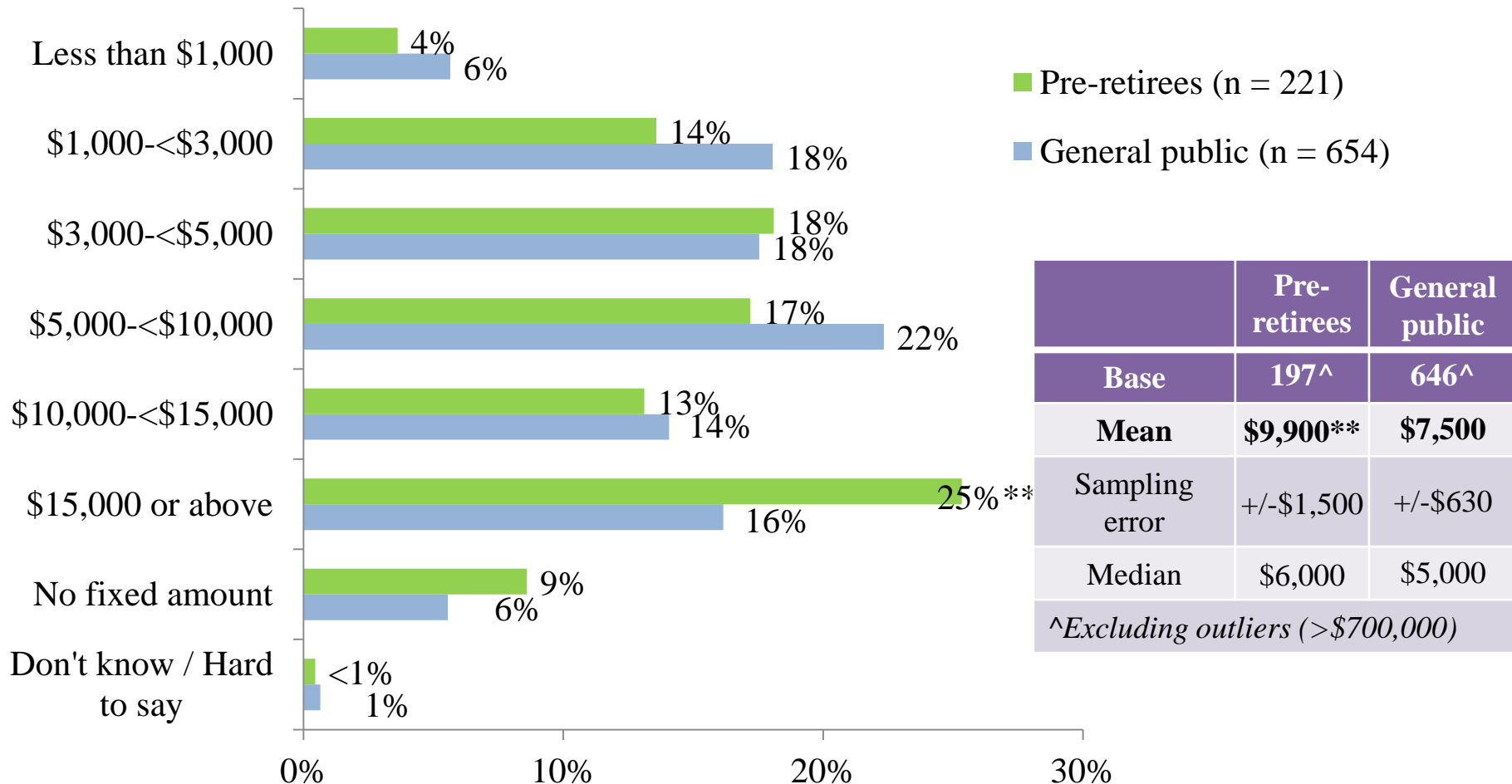
Part III.
Focus Study of Pre-retirees aged 50 to 65

Over 70% of pre-retirees have saving habits, significantly more than the 65% of general public



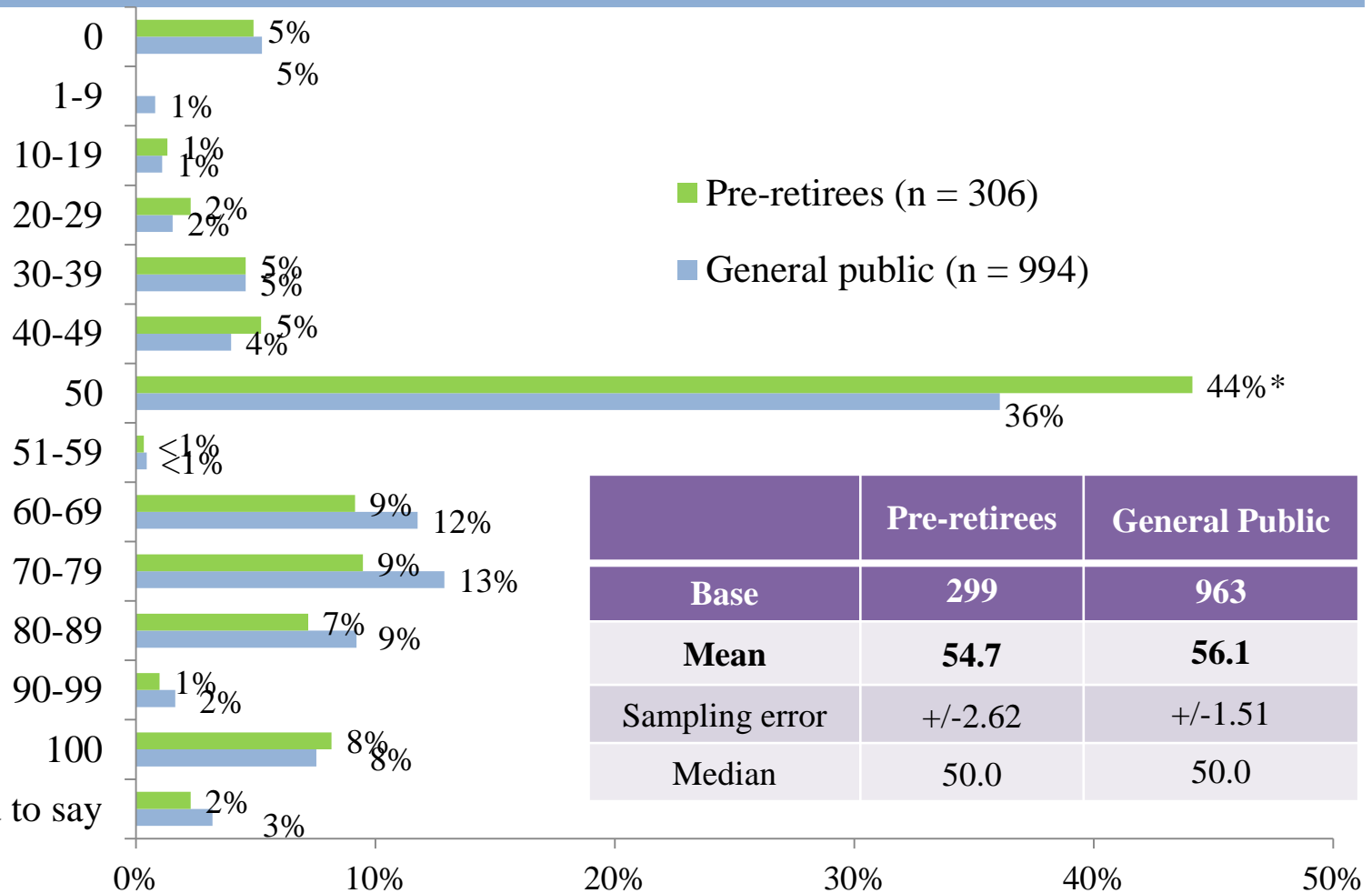
[Q1] Do you have any habit of saving money? Please include all kinds of savings, such as savings for yourself, savings for your family, etc. [One answer only]

The general public with saving habits save up \$7,500 per month on average, while pre-retirees with saving habits save up almost \$10,000 per month on average



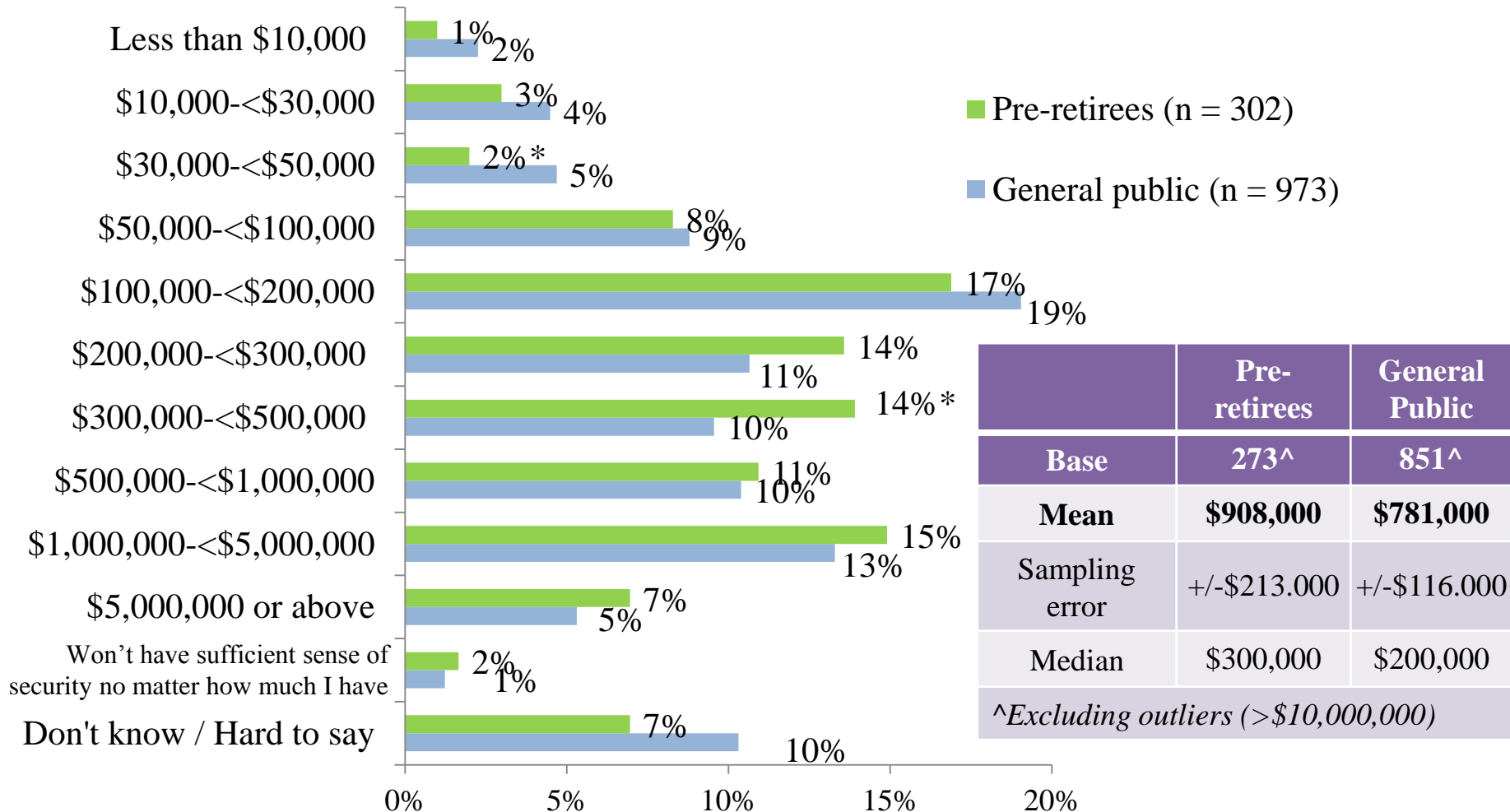
[Q2] [Only ask respondents who have saving habits] Then roughly how much do you save per month? Please include all kinds of saving, such as savings for yourself, savings for your family, etc. [One answer only]

The general public gave a mean rating of 56.1 marks for the sense of security in their current savings, while pre-retirees only gave 54.7 marks on average



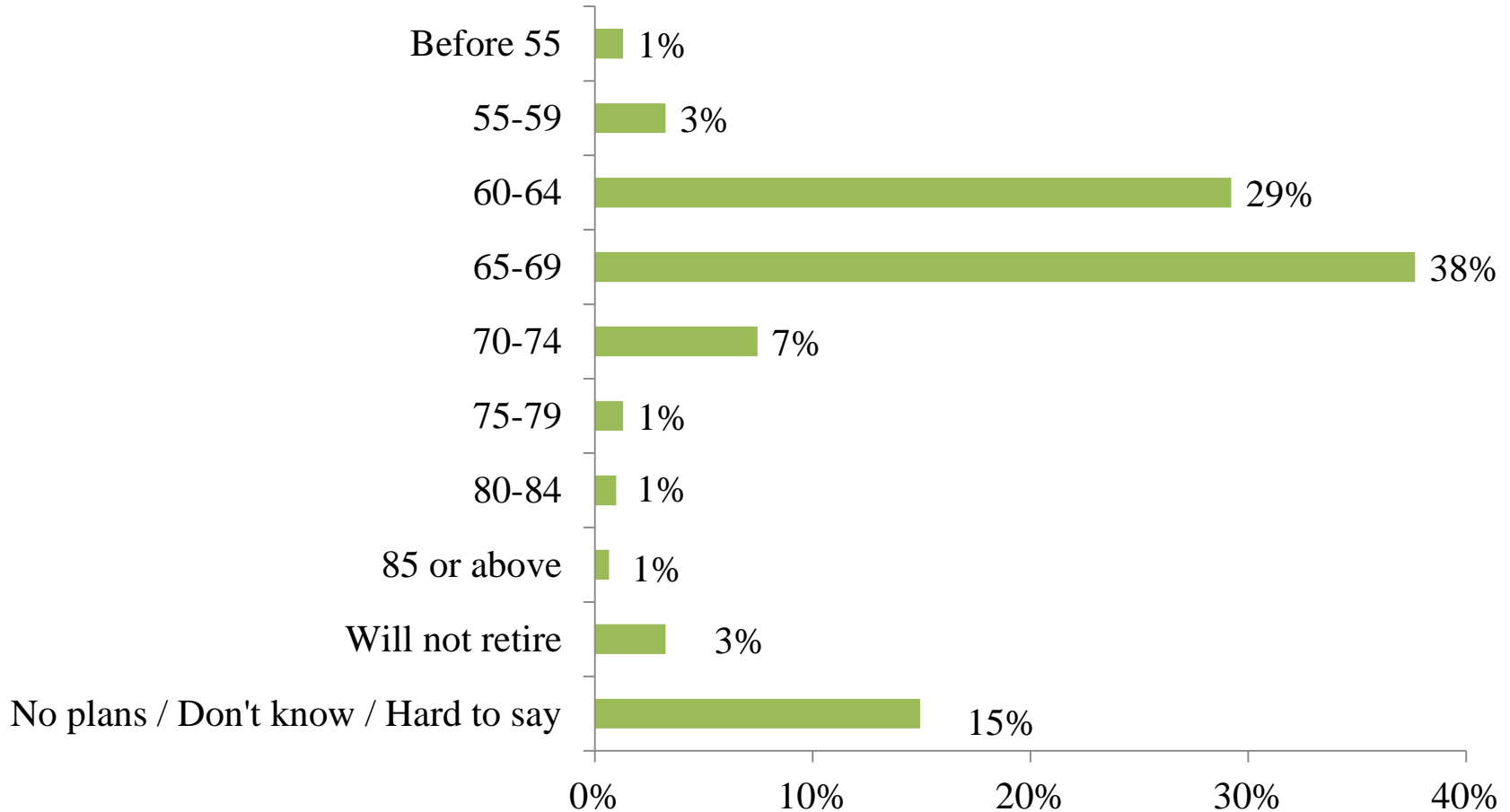
[Q9] On a scale of 0 to 100, how much sense of security do your current savings or liquid assets bring you? 0 represents completely no sense of security; 100 represents extremely high sense of security; 50 represents half-half. [One answer only]

The general public think they need \$780,000 to gain sufficient “sense of security”, while pre-retirees think they need \$910,000



[Q10] If to maintain your current living standard for another year, how much savings or liquid assets do you consider enough to build up sufficient “sense of security”? [One answer only]

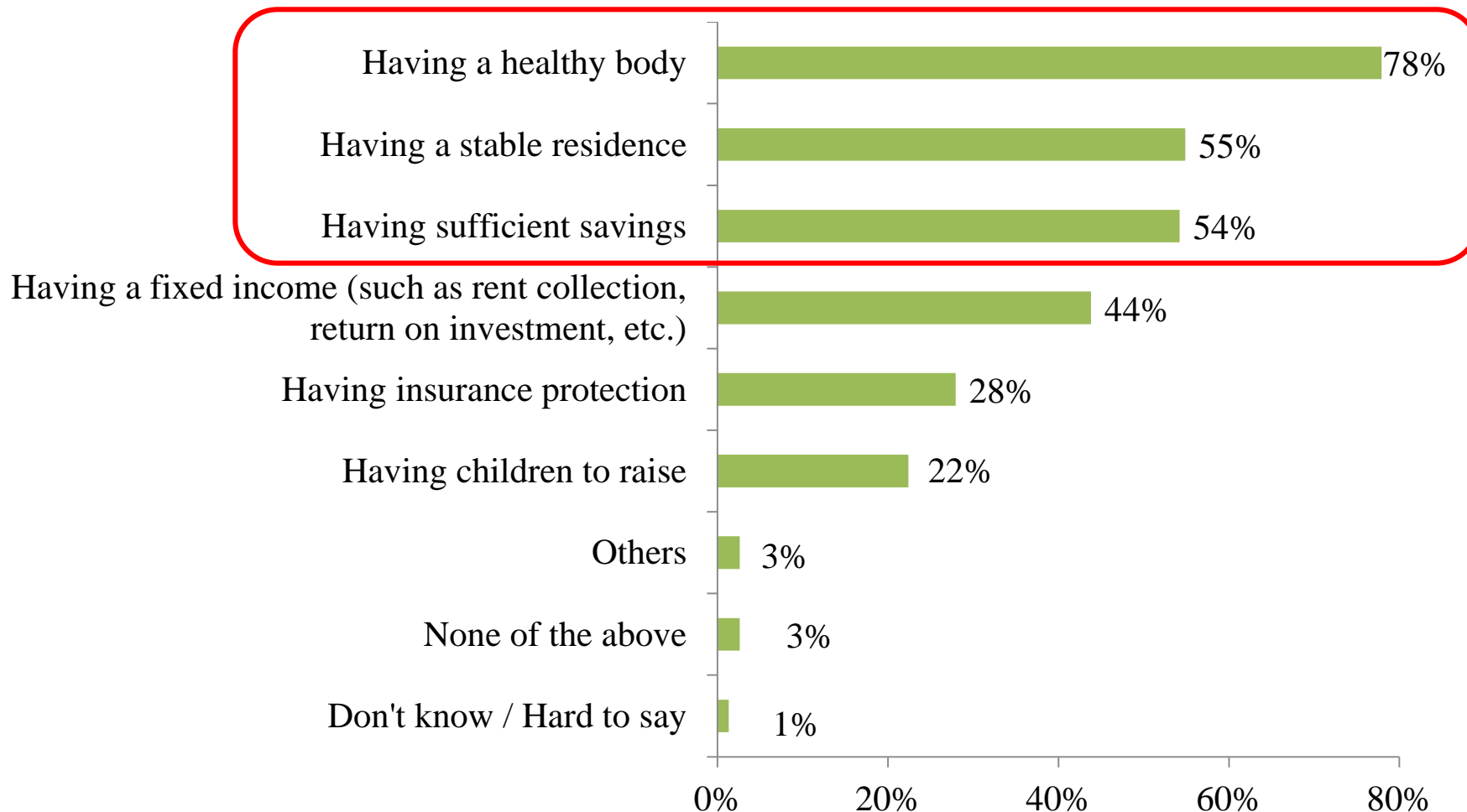
Most pre-retirees plan to retire between the age of 65 and 69



Pre-retirees aged 50 to 65 (n = 308)

[Q11] At what age are you planning to retire? [One answer only]

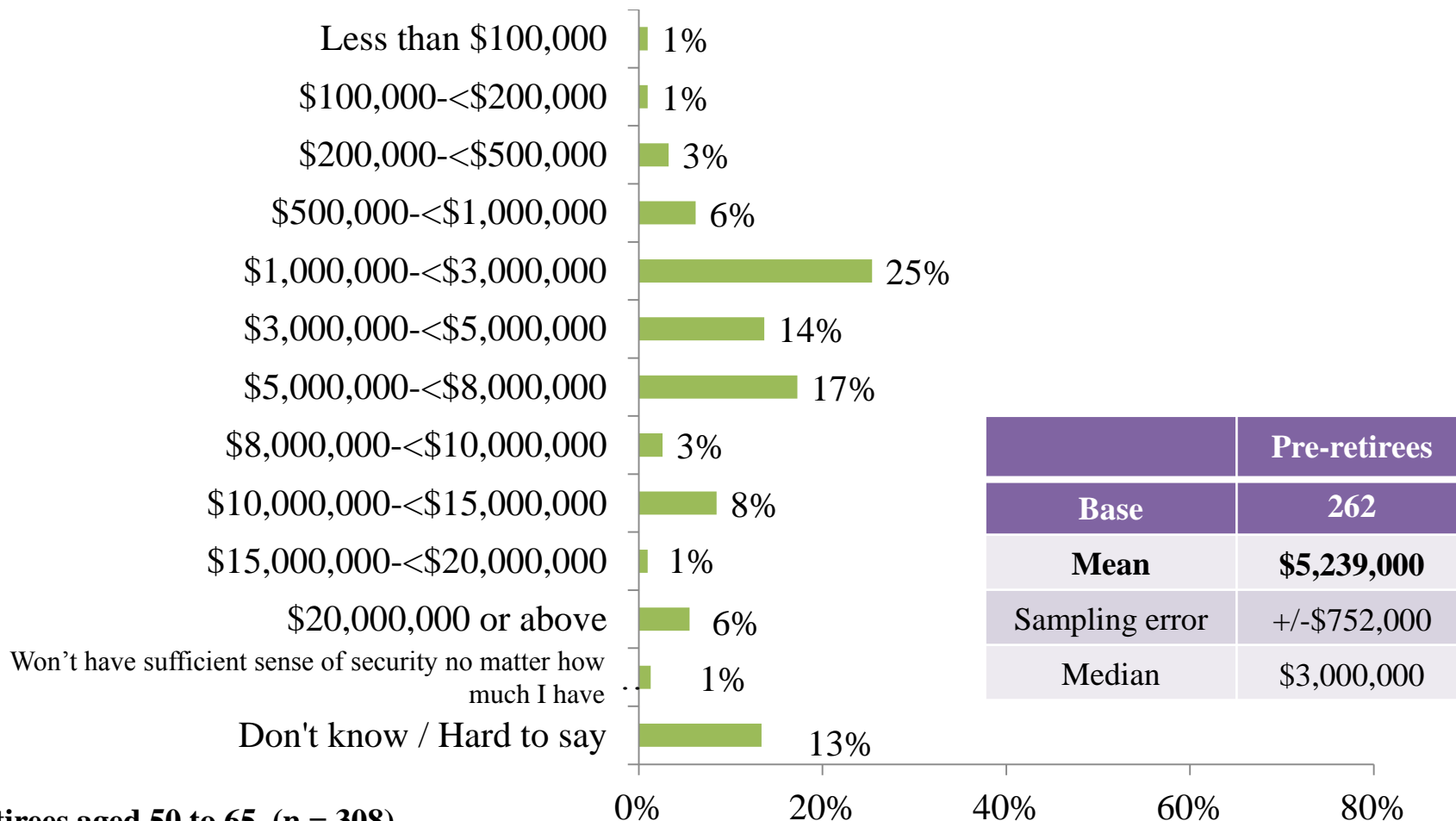
Healthy body, stable residence and sufficient savings are the three major factors affecting “sense of security” in retirement life



Pre-retirees aged 50 to 65 (n = 308)

[Q12] In your opinion, which of the following factor(s) most directly affect your “sense of security” in living after your retirement? [Interviewer to read out the first 4 options, order to be randomized by computer, one answer only]

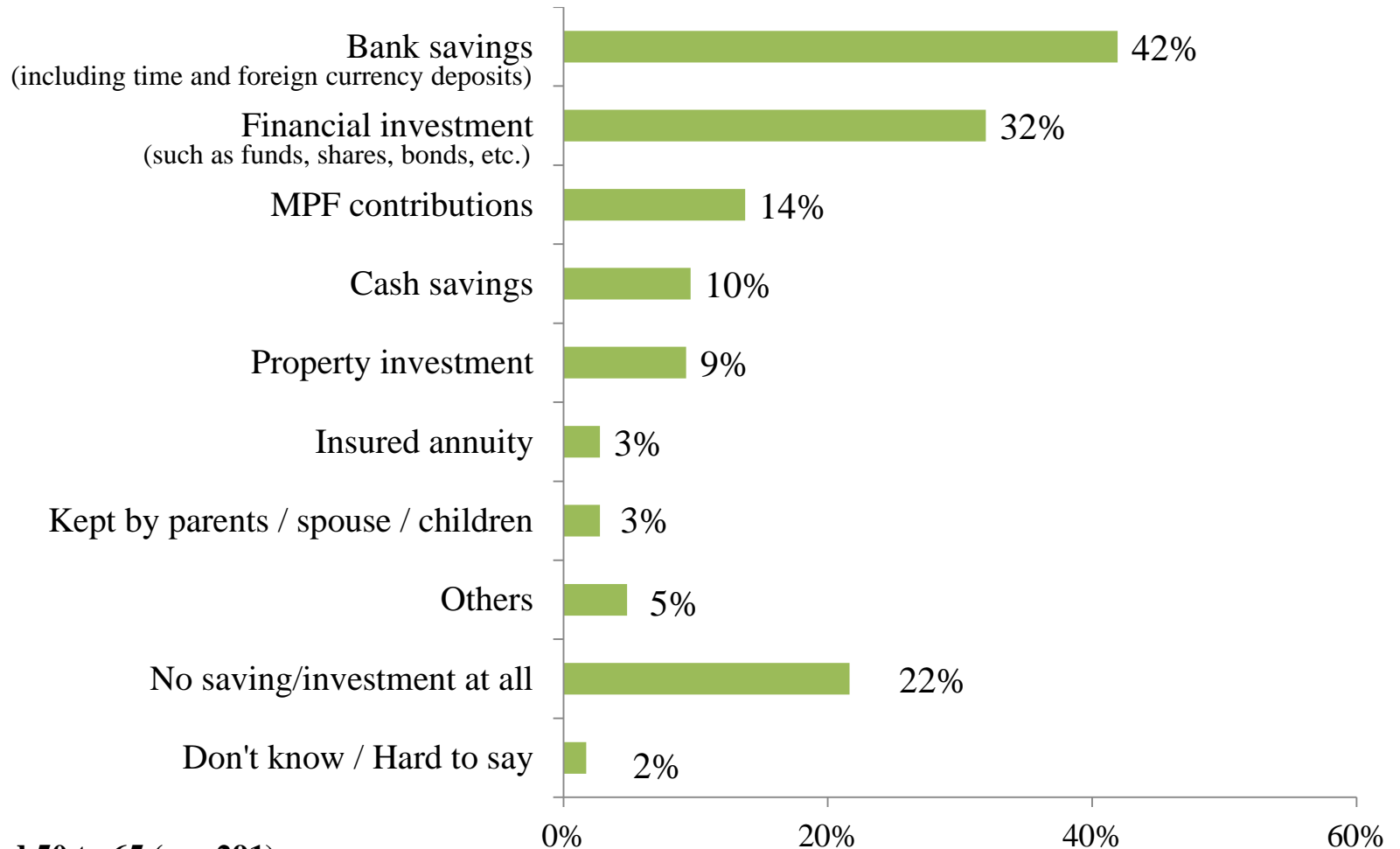
Pre-retirees think they need over \$5 million on average to have sufficient “sense of security” to retire



Pre-retirees aged 50 to 65 (n = 308)

[Q13] Then solely based on savings, how much savings do you need to have a sufficient “sense of security” to retire?
[One answer only]

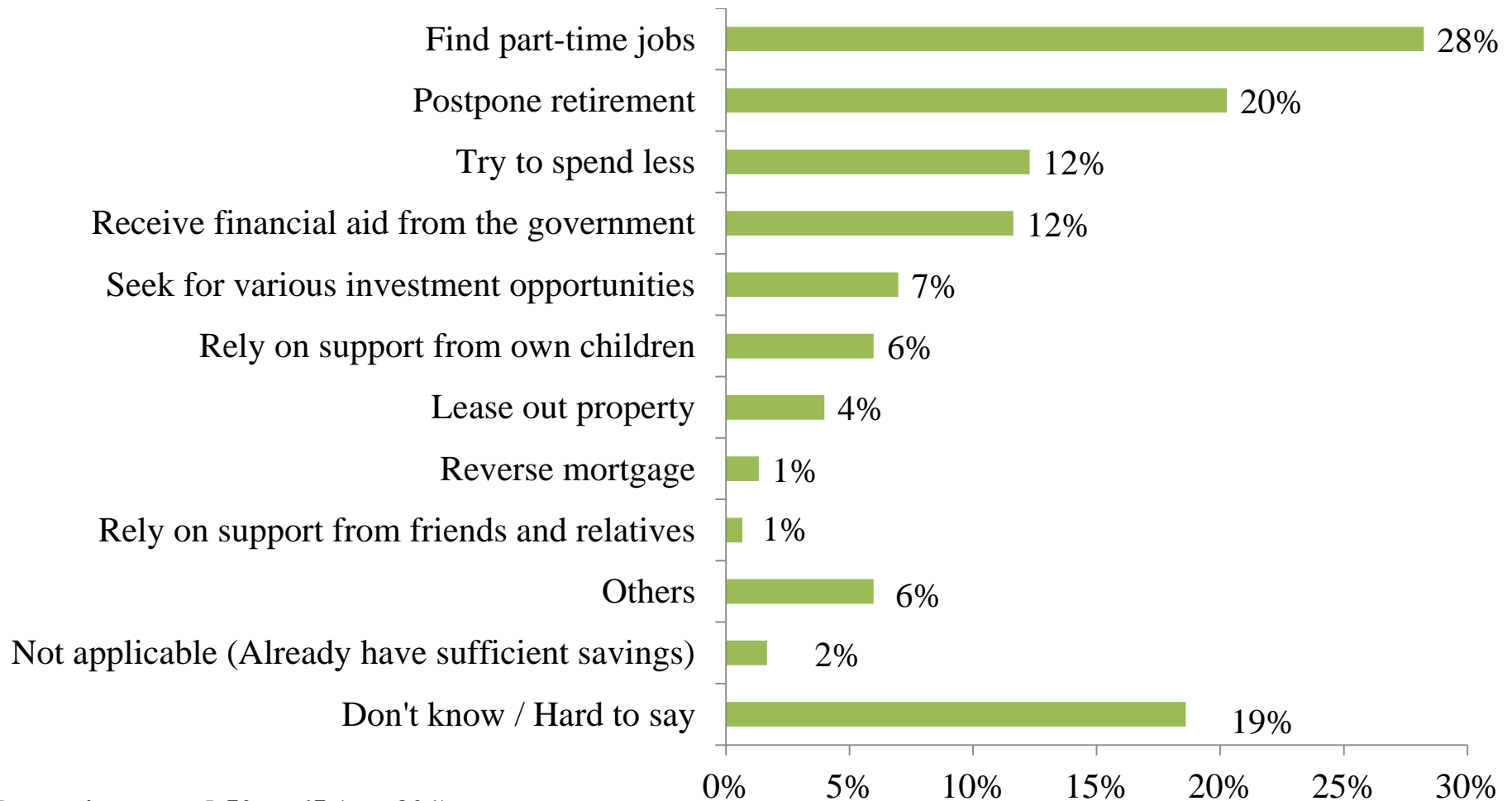
Pre-retirees generally use bank savings in preparation for retirement, followed by financial investment



Pre-retirees aged 50 to 65 (n = 291)

[Q14] What method(s) of saving are you currently using in preparation for your retirement? [Do not read out answers, multiple answers are allowed]

Almost 30% of pre-retirees would find part-time jobs if they do not have sufficient amount of savings by their planned retirement age



Pre-retirees aged 50 to 65 (n = 301)

[Q16] If you do not have a sufficient amount of savings by the time you wish to retire, how will you maintain a stable living after you retire?

Conclusion

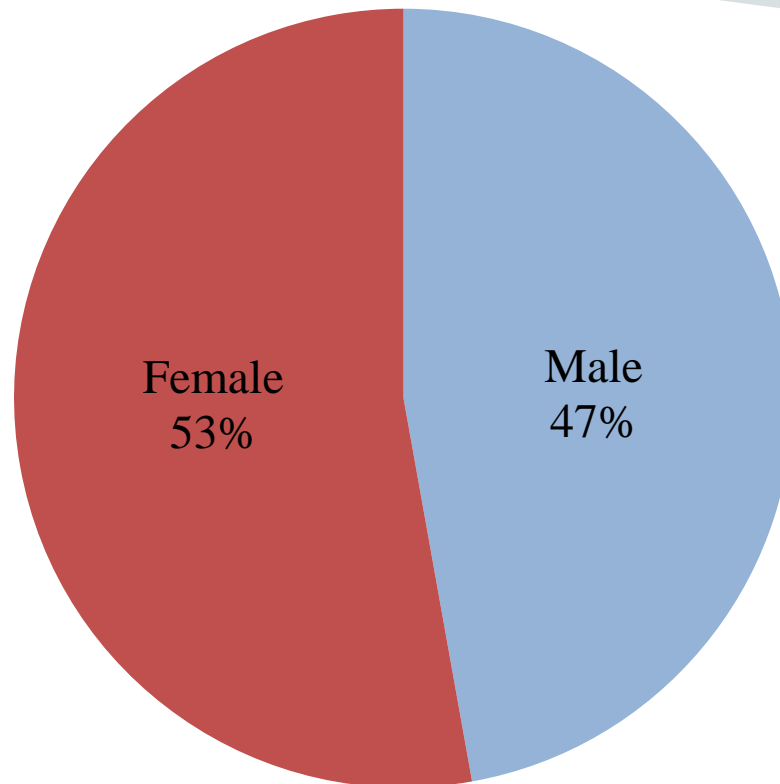
Conclusion

- * Overall, 65% of the general public have habits of saving up, with HK\$7,500 being the monthly average and HK\$5,000 as the median. The number of people with saving habits has decreased compared to last year, but the average amount of saving went up.
- * The major reasons for the general public to save up are getting ready for emergency needs and preparation for retirement. For those without saving habits, the main reason is having no income.
- * Most people save up money in the form of bank deposits, including demand or time deposits, followed by savings insurance and other financial investments.
- * Only one-third of those with saving habits have a saving target, and over three-quarters of these respondents are confident in achieving their targets. On a scale of 0 to 100, the general public rated 56.1 marks on average for the sense of security brought to them by current savings or liquid assets, which is more or less the same as last year's 55.5 marks.
- * Regarding pre-retirees aged 50 to 65, over 70% have saving habits, with an average saving amount of HK\$10,000 per month. Both figures are higher than that of the general public, but their sense of security on savings only scored 54.7 marks, lower than the 56.1 of the general public. On average, they see the need to save over HK\$5 million to have sufficient sense of security to retire, mainly relying on bank savings and financial investments.

Respondent Profile

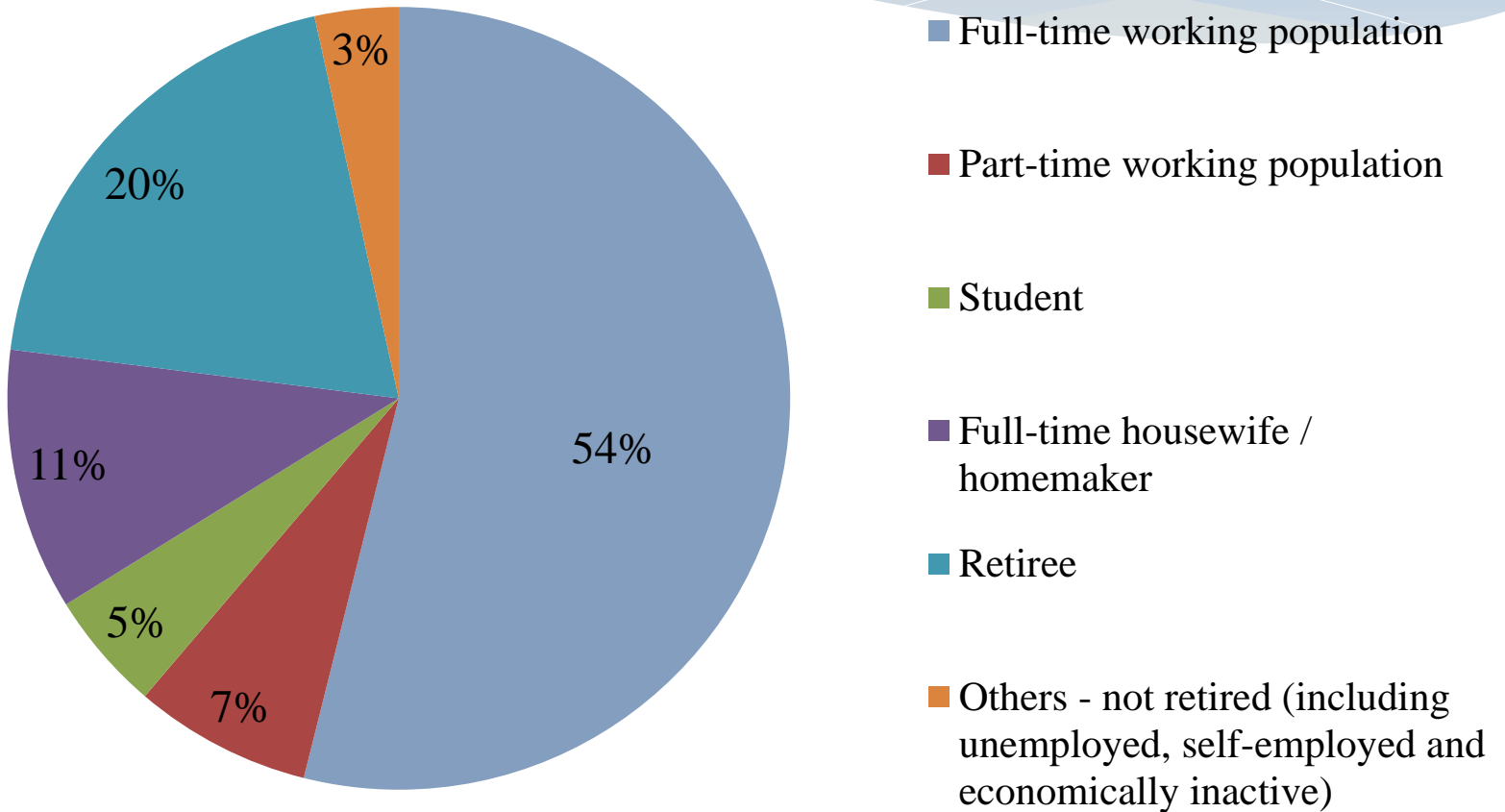
Gender

General public (n = 1,000)



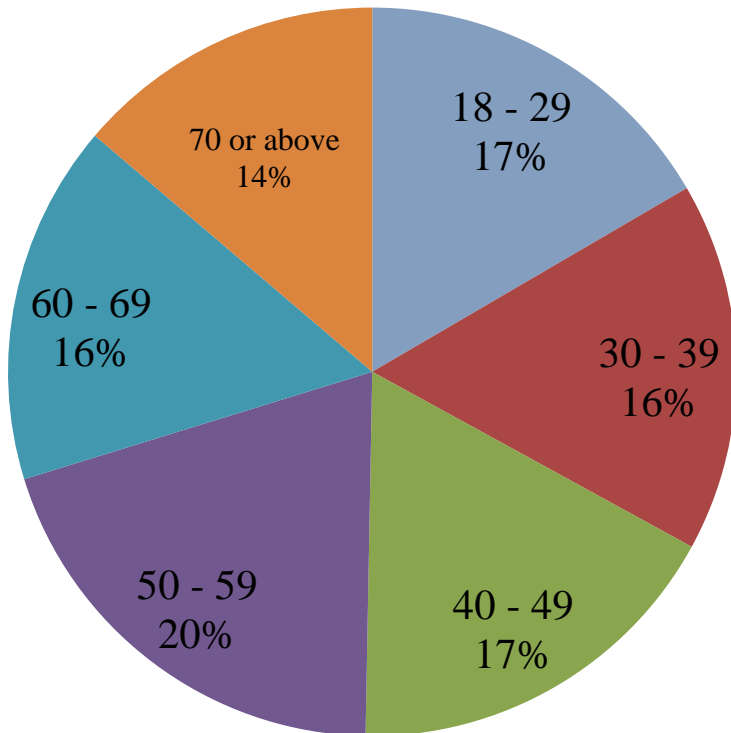
Employment Status

General public (n = 1,000)

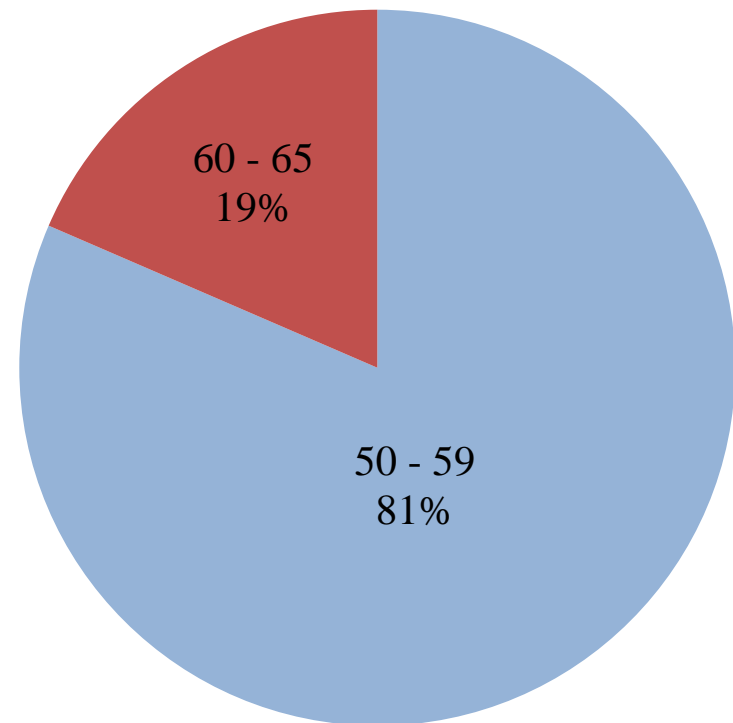


Age

General public (n = 1,000)

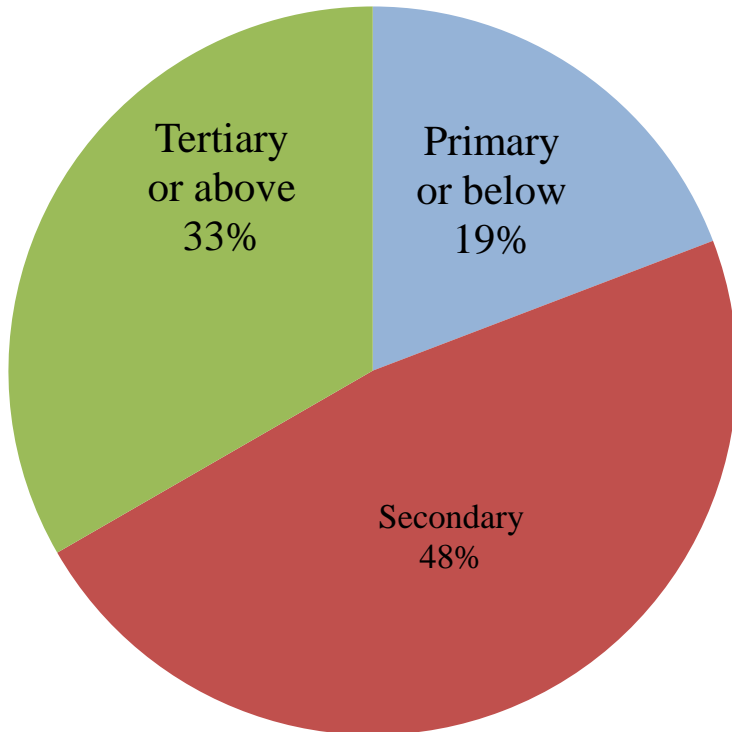


Pre-retirees (n = 308)

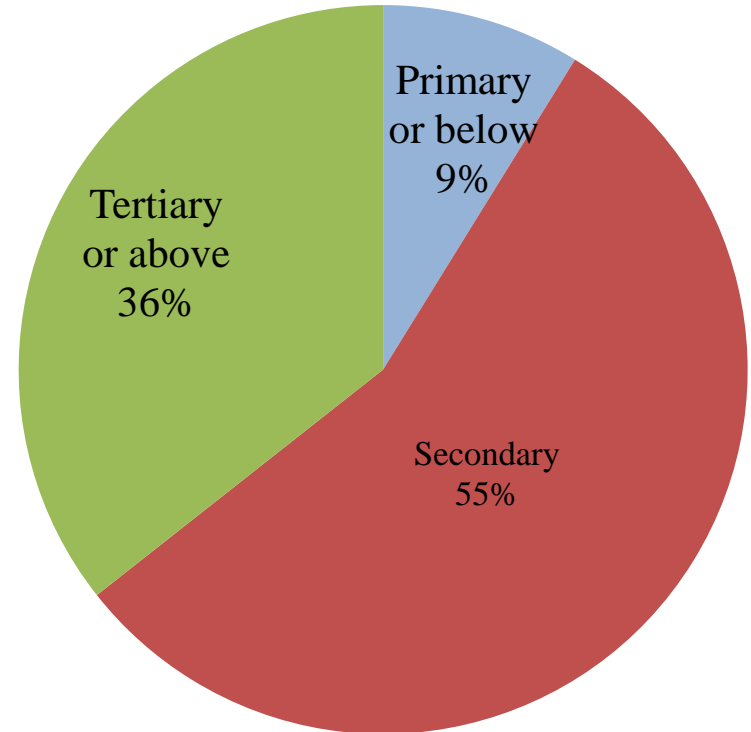


Educational Attainment

General public (n = 990)

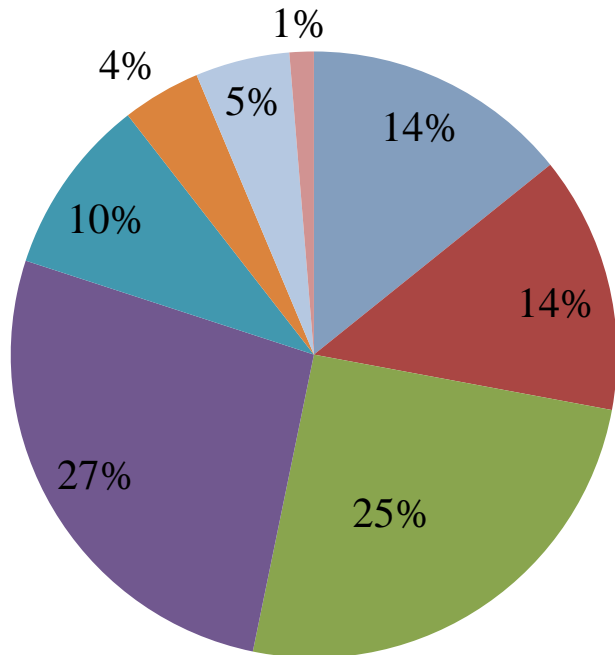


Pre-retirees (n = 306)

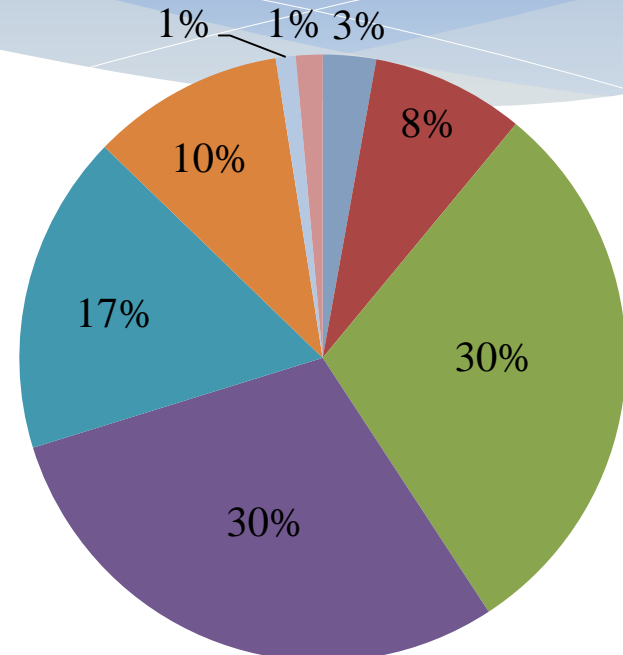


Monthly Personal Income

General public (n = 946)



Pre-retirees (n = 282)



- \$5,000 or below
- \$10,000-<\$20,000
- \$40,000-<\$80,000
- No income
- \$5,000-<\$10,000
- \$20,000-<\$40,000
- \$80,000 or above
- Unstable income

	General public	Pre-retirees
Base	887	275
Mean	\$24,000	\$33,000
Sampling error	+/- \$700	+/- \$1,400
Median	\$15,000	\$30,000

End of Presentation

For details, please visit

<http://pori.hk>