Hong Kong’s Housing Statistics form the Perspective of Sustainability

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• Housing development in Hong Kong
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• Prices and affordability of private housing

Recent Efforts towards Sustainability
• Environmental-friendly designs in PRH
• Revitalization and rehabilitation of old districts and buildings
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Background of Hong Kong’s Housing Development
Major Housing Providers in Hong Kong

Public Housing
• Hong Kong Housing Authority (HA)
• Hong Kong Housing Society (HKHS)

Private Housing
• Private developers

Redevelopment
• HKHS
• Urban Renewal Authority (URA)
• Private developers
Origin of Hong Kong’s Housing Policy

• Shek Kip Mei fire (24th December 1953)
  – Triggered a series of resettlement programmes
  – Multi-storey resettlement buildings constructed for settlement
Housing Development in the Past 60 Years

Traditional approaches

• Public Rental Housing
  – Heavily subsidized flats at economy rent

• Public Subsidized Housing
  – Subsidized flats sold by the government at discounted prices
    • Home Ownership Scheme (HOS)
    • Flat-for-Sale Scheme (FFSS)
    • Sandwich Class Housing Scheme (SCHS)
    • Tenant Purchase Scheme (TPS)

• Private Housing
Hybrid approaches

- Public-private Co-development
  - Private Sector Participation Scheme (PSPS)

Redevelopment

- Obsolete PRH
- Obsolete private housing

Past-and-redeveloped Kwai Chung Estate.
Source: Sustainability Report 2007/08, Hong Kong Housing Authority.
## Housing in Hong Kong

### Occupied Quarters by Type of Quarters, 2001, 2006 and 2011

<table>
<thead>
<tr>
<th>Type of Quarters</th>
<th>2001</th>
<th>2006</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td><strong>Permanent quarters</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public rental housing units</td>
<td>624 349</td>
<td>31.0</td>
<td>691 488</td>
</tr>
<tr>
<td>Subsidized sale flats</td>
<td>320 039</td>
<td>15.9</td>
<td>362 910</td>
</tr>
<tr>
<td>Private residential flats</td>
<td>886 032</td>
<td>44.0</td>
<td>990 819</td>
</tr>
<tr>
<td>Other quarters in private permanent housing</td>
<td>144 066</td>
<td>7.1</td>
<td>152 417</td>
</tr>
<tr>
<td>Non-domestic quarters</td>
<td>14 590</td>
<td>0.7</td>
<td>10 723</td>
</tr>
<tr>
<td><strong>Temporary quarters</strong></td>
<td>26 159</td>
<td>1.3</td>
<td>17 717</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2 015 235</td>
<td>100.0</td>
<td>2 226 074</td>
</tr>
</tbody>
</table>

## Housing in Hong Kong

### Population by Type of Housing, 2001, 2006 and 2011

<table>
<thead>
<tr>
<th>Type of Housing</th>
<th>2001</th>
<th>2006</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td><strong>Population in Domestic Households</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public rental housing</td>
<td>2 115 465</td>
<td>31.6</td>
<td>2 096 126</td>
</tr>
<tr>
<td>Subsidized home ownership housing</td>
<td>1 121 792</td>
<td>16.7</td>
<td>1 204 324</td>
</tr>
<tr>
<td>Private permanent housing</td>
<td>3 223 342</td>
<td>48.1</td>
<td>3 278 708</td>
</tr>
<tr>
<td>Non-domestic housing</td>
<td>13 134</td>
<td>0.2</td>
<td>10 034</td>
</tr>
<tr>
<td>Temporary housing</td>
<td>71 350</td>
<td>1.1</td>
<td>44 795</td>
</tr>
<tr>
<td><strong>Population in Non-domestic Households</strong></td>
<td>157 411</td>
<td>2.3</td>
<td>227 293</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6 702 494</td>
<td>100.0</td>
<td>6 861 280</td>
</tr>
</tbody>
</table>

Characteristics of Housing in Hong Kong

Strengths
• Close proximity to different facilities
• Easily accessible by public transportation
• Wide range of housing types helps promote upward mobility in the housing ladder

Challenges
• Scarce land resources
• High density
• Hygiene and health hazards
• Rising public expectation
• Burden on public expenditure
• Affordability of private housing
• Social conflicts arising from redevelopment

Escalator to Mass Transit Railway incorporated into basement of PRH.
Housing-related Statistics from a Sustainability Perspective
Sustainability of Housing Development in Hong Kong

Sustainability

• Brundtland Commission of the United Nations on March 20, 1987: “sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”
• It is the capacity to endure
• Have to consider what should be “sustained”
• Different strands of sustainability to be considered, e.g. ecological, social, economic and cultural sustainability

Sustainability of Housing Development

• Stewardship that long-term responsible management of land resources for housing use and other purposes is necessary
• Long-term housing need of different sectors of the population to be met
• Environmental, social and economic considerations of housing development
Housing-related Statistics on Sustainability

Public Housing

- **No. of applicants on Waiting List of PRH**
- **Key Performance Indicators**
  - Average waiting time for PRH (target – 3 years)
  - Annual average cost per PRH unit
  - % of rent arrears
  - Vacancy rate
  - Average turnaround time for vacant flat refurbishment
- **Waiting List Income/Asset Limits**
- **Survey on Waiting List applicants**
- **PRH Tenant satisfaction surveys**
- **PRH Tenant income surveys (for rent review)**

Survey on Household Income of PRH Tenants
## Number of Waiting List Applicants by Application Type, 2007-2012

<table>
<thead>
<tr>
<th>Application Type</th>
<th>Elderly One-person</th>
<th>Non-elderly One-person</th>
<th>Elderly Family</th>
<th>Ordinary Family</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>5 500</td>
<td>37 500</td>
<td>2 300</td>
<td>61 900</td>
<td>107 300</td>
</tr>
<tr>
<td></td>
<td>(5%)</td>
<td>(35%)</td>
<td>(2%)</td>
<td>(58%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>2008</td>
<td>6 100</td>
<td>38 700</td>
<td>2 300</td>
<td>64 500</td>
<td>111 600</td>
</tr>
<tr>
<td></td>
<td>(5%)</td>
<td>(35%)</td>
<td>(2%)</td>
<td>(58%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>2009</td>
<td>5 400</td>
<td>43 100</td>
<td>1 900</td>
<td>64 000</td>
<td>114 400</td>
</tr>
<tr>
<td></td>
<td>(5%)</td>
<td>(38%)</td>
<td>(2%)</td>
<td>(56%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>2010</td>
<td>5 400</td>
<td>51 700</td>
<td>2 300</td>
<td>69 700</td>
<td>129 100</td>
</tr>
<tr>
<td></td>
<td>(4%)</td>
<td>(40%)</td>
<td>(2%)</td>
<td>(54%)</td>
<td>(100%)</td>
</tr>
<tr>
<td>2011</td>
<td>6 100</td>
<td>63 800</td>
<td>2 700</td>
<td>79 800</td>
<td>152 400</td>
</tr>
<tr>
<td></td>
<td>(4%)</td>
<td>(42%)</td>
<td>(2%)</td>
<td>(52%)</td>
<td>(100%)</td>
</tr>
</tbody>
</table>

Source: Survey on Waiting List Applicants for Public Rental Housing 2011, Hong Kong Housing Authority.
Housing-related Statistics on Sustainability

Private Housing

- No. of private housing supply in primary market
- Transactions records of private premises
- Average prices/price indices of transactions
- Average rents/rent indices
- Residential Mortgage Survey
  - Delinquency ratio
  - Mortgage-to-income ratio & Rental-to-income ratio

Index compiled by NGO

- Social Development Index (Housing Subindex)
Actual Completion of Private Residential Units\(^{(1)}\) (As at 31.3.2012) \(^{(2)}\)

Source: Statistics on Private Housing Supply in Primary Market (As at 31\(^{st}\) March 2012), Transport and Housing Bureau.
Price Indices of Private Domestic Dwellings by Class (1999=100)

Notes:
1. Private domestic units are defined as independent dwellings with separate cooking facilities and bathroom (and/or lavatory).
2. Public sector developments (e.g. HOS, TPS, etc.) are excluded.

Source: Property Market Statistics, Rating and Valuation Department.
Delinquency Ratio (%) of Residential Mortgage (Jun 1998 – Apr 2012)

Note: Institutions being surveyed were expanded since the Dec 2000 round. The old series were maintained until May 2001 round.

Source: Residential Mortgage Survey, Hong Kong Monetary Authority.
Mortgage-to-income ratio (%)\textsuperscript{1,2} and Rental-to-income ratio (%)\textsuperscript{3}, Q1 1991 – Q2 2012

Notes:
1. The percentage of average mortgage payment to median income of households.
2. Assumptions: public housing households are excluded; a household buying a private housing flat in the secondary market with a saleable area of 45 square meters; average mortgage rate; loan amount of 70% of the purchase price; and repayment periods of 20 years.
3. Ratio of average rental for a private secondary flat with a saleable area of 45 square meters to the median income of households, excluding those living in public housing

Source: Property Market Statistics, Rating and Valuation Department.
Social Development Index: Housing Subindex (1991=100)

Note:
The Housing Subindex consists of two indicators sourced from official statistics: i) Expenditure on housing as share of total household income; and ii) Number of waiting list applicants for Housing Authority rental flats.

Source: The Hong Kong Council of Social Service.
Recent Efforts
Towards Sustainability
Environmental-friendly Designs in PRH

- Cross-ventilated corridors, natural ventilation
- Micro-climate studies
- Modular flat designs
- Vertical green panels and green roofs
- Utilization of solar energy and wind power
Revitalization of Old Districts

- Co-operation between HKHS and the Home Affairs Department since 2006
  - Improve living and business environment
  - Rejuvenate old districts
  - Enhance overall cityscape
  - Attract inter-district visits

Sources of pictures: Hong Kong Housing Society.
Rehabilitation of Old Buildings

- Assistance and technical support in organizing building repairs and maintenances, especially those without owners’ corporations
  - Legal assistance
  - Loans/subsidies

Sources of pictures: Urban Renewal Authority.
Latest Initiatives

Resumptions of subsidized housing schemes
• HA
  – Enhanced HOS
• HKHS
  – My Home Purchase Plan (MHPP)
  – Joyous Living for retired seniors

Review of long-term land supply
• Reclamation outside Victoria Harbour
• Rock Cavern Development
Reclamation outside Victoria Harbour

Source: Civil Engineering and Development Department
Preliminary Feasibility Studies for cavern scheme

Source: Geotechnical Engineering Office, Civil Engineering and Development Department.
More Demand on Housing-related Statistics

Housing Stock
• Number of quarters by type of quarters by area
• Number of vacant quarters by area
• Inadequately-housed households

Housing Demand
• Population projections
• Household projections
• Hong Kong residents living/staying in the Mainland
Thank You!