



Public housing

Figure 1 — Completions of public rental housing flats

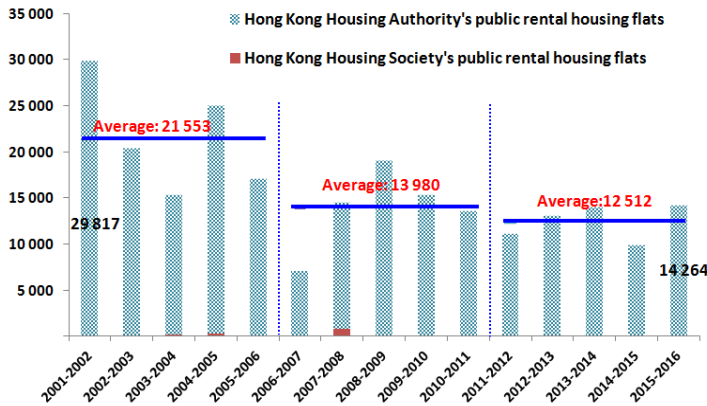


Figure 2 — Applications for public rental housing

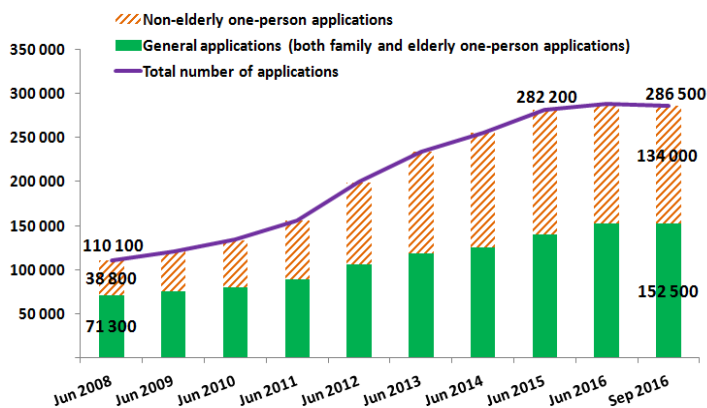
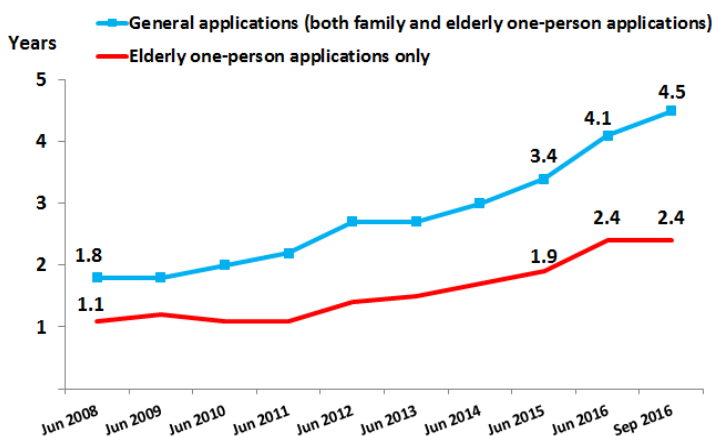


Figure 3 — Average waiting time*



*Average waiting time refers to the average of the waiting time of applicants who were allocated a flat in the past 12 months.

Highlights

- In Hong Kong, public housing plays an important role in meeting the housing need of the general public. Currently, about 31% of households are living in public rental housing ("PRH") flats and 15% in subsidized sale flats (mainly the Home Ownership Scheme ("HOS") flats). The Government ceased the production of subsidized sale flats from 2003 to 2010 and resumed the production of HOS flats in 2011. Yet the first batch of new HOS flats will only come on stream in 2016-2017.
- Amid shortage of housing land, the annual supply of PRH flats averaged at 13 980 between 2006-2007 and 2010-2011, much lower than that between 2001-2002 and 2005-2006 (Figure 1). The easing trend continued into 2011-2012 to 2015-2016, albeit of lesser extent.
- The tight supply of PRH cannot catch up with substantial increase in demand fuelled by rising property prices and private flat rentals in recent years. As a result, the number of applications for PRH flats has surged to over 280 000 since 2015 (Figure 2).
- Meanwhile, the average waiting time for general applicants has exceeded the three-year target, reaching 4.5 years as at end-September 2016. Among the general applicants, the average waiting time for elderly one-person applicants has risen to 2.4 years (Figure 3).

Public housing (cont'd)

Figure 4 — Overcrowded public rental housing households

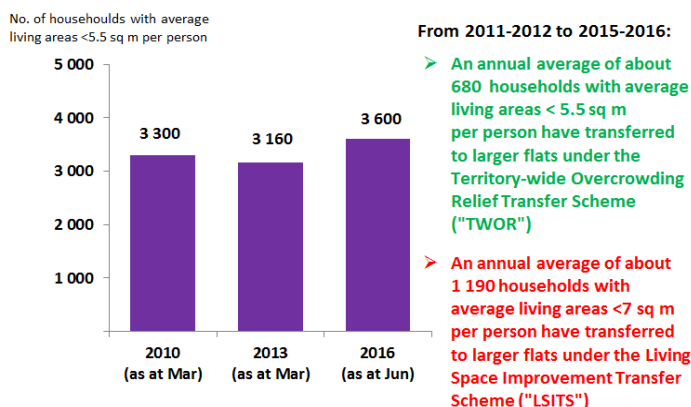


Figure 5 — Well-off tenants

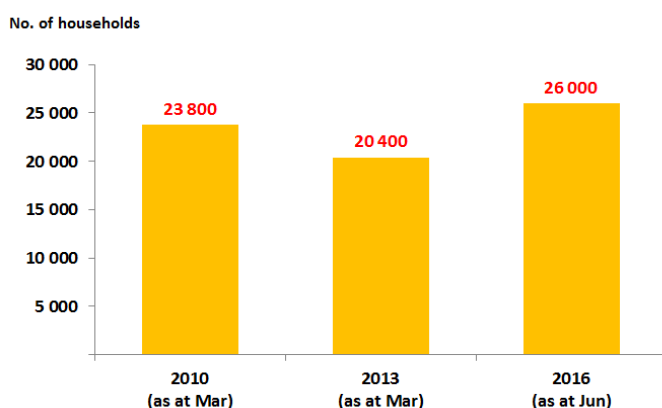


Figure 6 — Five-year projection of public housing production*

	PRH flats		Subsidized sale flats		Total
	HA [^]	HS [#]	HA [^]	HS [#]	
2016-2017	13 300	100	3 000	-	16 400
2017-2018	16 800	-	200	-	17 000
2018-2019	15 100	-	6 600	1 000	22 700
2019-2020	13 700	1 000	6 400	600	21 700
2020-2021	11 800	-	4 800	-	16 600
Five-year total	71 800 (36%)		22 600 (28%)		94 500 (34%)
LTHS 10-year target (2016-2017 to 2025-2026)	200 000		80 000		280 000

*Figures are rounded to the nearest hundred.

HA[^]: Hong Kong Housing Authority; and HS[#]: Hong Kong Housing Society.

Highlights

- As at June 2016, there were about 3 600 PRH households living in overcrowded flats with average living areas of below 5.5 m sq per person (**Figure 4**). Overcrowded households are able to improve their living conditions by applying for flat transfer. Over the past five years, about 680 overcrowded households have transferred to larger flats annually under TWOR, and about 1 190 households transferred annually under another transfer scheme LSITS.
- Under the Well-off Tenants Policies, about 26 000 households (about 3.4% of all PRH households) were paying additional rent as at June 2016 (**Figure 5**). Those with the household income and net asset value exceeding the prescribed limits are required to vacate their flats. Together with other grounds, on average about 230 flats were recovered from well-off tenants annually during 2011-2012 to 2015-2016.
- Looking forward, based on the latest five-year projection, supply of both PRH and subsidized sale flats from 2016-2017 to 2020-2021 will amount to 94 500 units (**Figure 6**). The five-year projected production, however, will be less than half of the 10-year supply target under the Long Term Housing Strategy ("LTHS").

Data sources: Latest figures from the Hong Kong Housing Authority and the Census and Statistics Department.

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