

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Housing Authority

Household Profile in Public Housing

PURPOSE

This paper updates Members of the household profile in public housing.

BACKGROUND

2. From time to time, the Housing Department (HD) will analyze the socio-economic characteristics of households in public housing which provide important inputs in the formulation and review of public housing policies. These analyses are submitted for Members' information annually.

3. We have completed the update for 2000 and the analyses are derived from 3 main sources -

- (a) HD's administrative records;
- (b) General Household Survey (GHS) of Census and Statistics Department; and
- (c) HD's Recurrent Survey (RS) 2000 which was conducted between January and February 2000. It covered altogether 5000 households, including 3000 Public Rental Housing (PRH), 800 Tenants Purchase Scheme (TPS) and 1200 Home Ownership Scheme (HOS) households. The overall response rate was 92%.

Unless specified otherwise, all the analyses reflected the position in the first quarter of 2000. We will focus on two sectors: households living in PRH, TPS and HOS in general and those newly rehoused households in PRH and HOS.

GENERAL HOUSEHOLD PROFILE

Household Size and Composition

4. The average household size of TPS households was larger than others –

- (a) PRH : 3.5 persons
- (b) TPS : 4.0 persons
- (c) HOS : 3.5 persons

(Sources : HA Administrative Records & GHS)

5. Regarding the household composition, the majority of public housing households were of one family nucleus, i.e. married couples with or without children.

1-person households were mostly found in PRH.

	Households with one family nucleus	Households with one extended family nucleus i.e. a family nucleus with other related persons	Households with two or more family nuclei	1-person households	Other Non-family nucleus households
(a) PRH	68.2%	12.2%	5.3%	10.5%	3.8%
(b) TPS	78.2%	13.1%	4.5%	1.4%	2.8%
(c) HOS	76.1%	11.0%	5.2%	4.9%	2.8%

(Source : GHS)

Length of Residence and Age of Household Members

6. PRH households had the longest average length of residence in current flats –

- (a) PRH : 11.2 years
- (b) TPS : 9.2 years
- (c) HOS : 7.3 years

(Source : RS)

For those 10% of PRH households who had the longest stay in PRH, their average length of residence was 29 years.

7. Household heads of PRH households were generally older than others -

- (a) PRH : 51 years
- (b) TPS : 47 years
- (c) HOS : 45 years

(Source : GHS)

8. PRH households featured with a disproportionately large percentage of elderly households (all members being 60 or above) –

- (a) PRH : 12.9%
- (b) TPS : 2.6%
- (c) HOS : 4.3%

(Source : GHS)

Living Density

9. The median living density of HOS households was the lowest. Small households (1-2 persons) tended to enjoy more living space than large households (3 persons or above). In general, the living density of PRH and HOS households tended to be higher for those with a longer stay in their current flats.

	Median Living Density (IFA per person)				
	Overall	Household Size 1-2P	Household Size 3P+	Length of residence in current flat <10 years	Length of residence in current flat >= 10 years
(a) PRH	9.1 m ²	15.0 m ²	8.3 m ²	10.0 m ²	8.4 m ²
(b) TPS	9.1 m ²	16.5 m ²	9.1 m ²	-	-
(c) HOS	12.2 m ²	22.9 m ²	11.4 m ²	12.4 m ²	11.7 m ²

(Sources: HD Administrative Records and RS)

Income and Housing Expenditure

10. HOS households had more income-earners per household. The average number of income-earners for each public housing household was –

- (a) PRH : 1.5 persons
- (b) TPS : 1.7 persons
- (c) HOS : 1.8 persons

(Source : GHS)

11. HOS households earned most among the three groups of households. Median monthly incomes of small PRH and TPS households (1-2 persons) were far below those of large households (3 persons or above). Also, there was a positive correlation between the income of PRH households and their length of residence in PRH.

	Median Monthly Income ¹				
	Overall	Household Size 1-2P	Household Size 3P+	Length of residence <10 years	Length of residence > 10 years
(a) PRH	\$12,500	\$5,800	\$15,000	\$10,000	\$13,700
(b) TPS	\$17,000	\$8,700	\$18,000	-	-
(c) HOS	\$20,700	\$16,000	\$22,000	\$23,100	\$20,000

(Sources: GHS and RS)

12. The median rent of PRH households was \$1,200. Indeed, 73% of them paid less than \$1,500. Their median rent-to-income ratio (MRIR) was 9.9%. For additional rent-paying households, their median rent was \$2,000 and the corresponding MRIR was 6.3%.

13. The majority of HOS households (62.1%) and TPS households (55.7%) still paid mortgages. Excluding those mortgage-free households, the median mortgage-to-income ratio (MMIR) of HOS households amounted to 28% while the corresponding figure for TPS households was 13.3%. The monthly mortgage payment for HOS and TPS households were \$2,300 and \$7,000 respectively.

LIVING CONDITIONS OF NEWLY REHOUSED HOUSEHOLDS

14. In this section, we will focus on the living conditions of those households who have lived in their current flats for less than four years.

Cross-region Mobility

15. Three quarters of newly rehoused PRH households did not move out from the regions they originally lived. However, nearly half of new HOS households moved from one region to another.

Housing Type	Living region after rehousing	
	Same Region ²	Other Regions ²
(a) PRH	76.9%	23.1%
(b) HOS	52.9%	47.1%

(Source: RS)

Previous Housing Type

16. About half of new PRH and HOS households previously lived in PRH.

Note 1 : Data for financial year 1999/00.

Note 2 : Hong Kong Island, Kowloon, Extended Urban Area and rest of New Territories.

Previous housing type Current housing type	Public Rental (%)	Private Permanent (%)
(a) PRH	48.0	35.4
(b) HOS	52.6	41.8

(Source: RS)

Household Splitting

17. More than a quarter of these households split from another household to form a new one after rehousing –

- (a) PRH : 27.5%
- (b) HOS : 26.6%

(Source : RS)

Living Conditions

18. Most households had enjoyed better living conditions after rehousing. About 40% of newly rehoused PRH households were previously inadequately-housed³ but the corresponding proportion was much smaller for HOS households -

- (a) PRH : 43.6%
- (b) HOS : 7.4%

(Source : RS)

19. 85.2% of PRH households and 77.3% of HOS households enjoyed larger living area after rehousing. Their median living density had been improved by 89.5% and 45.3% respectively.

	Median living density before rehousing (m ² IFA per person)	Median living density after rehousing (m ² IFA per person)	Change (%)
(a) PRH	5.7	10.8	+89.5
(b) HOS	8.6	12.5	+45.3

(Source: RS)

Housing Cost⁴

20. Housing costs of all these new households increased after rehousing. The increase of HOS households was larger than those of PRH households.

Note 3 : Lived in non-self-contained quarters, quarters built of non-permanent materials or sharing quarters with other households.

Note 4 : Housing cost includes rent or mortgage only.

Note 5 : Excluding households not paying mortgages or rents.

	Before rehousing ⁵		After rehousing ⁵	
	Median Rent/Mortgage	Median Housing Cost to Income Ratio	Median Rent/Mortgage	Median Housing Cost to Income Ratio
(a) PRH	\$900	10.0%	\$1,400	14.5%
(b) HOS	\$1,500	10.0%	\$8,300	33.9%

(Source: RS)

21. 64.2% of PRH households had their housing cost-to-income ratio increased after rehousing. However, the same ratio indeed decreased significantly for households previously lived in private permanent housing, from 26.7% to 13.8%. For HOS households, 94.9% still had to pay mortgages.

22. A trend analysis on the average household size, median living density, median household income, median rent, MRIR, median mortgage payment and MMIR for PRH and HOS households from 1991/92 to 1999/00 is at **Annex** for Members' reference.

SUMMARY

23. The key findings of the paper are -

- (a) PRH households were comparatively older and financially less well-off. They stayed longer in their current flats, with a much larger proportion of elderly households (12.9%). Their median monthly household income was around \$12,500 while the median living density was 9.1 m² IFA per person.
 - (b) TPS households were relatively younger and richer than PRH households. They stayed in their current flats for less than 10 years and consisted of mainly middle-aged household heads. Only 2.6% were elderly households. Their median living density was similar to that of PRH households and the median monthly household income was \$17,000.
 - (c) HOS households were generally the youngest and the most well-off group. Their average length of residence in current flats was 7 years and the average age of household heads was 45. 4.3% of them were elderly households. They enjoyed a median living density of 12.2 m² IFA per person while the median monthly household income was \$20,700.
 - (d) The majority of HOS and TPS households had to pay mortgages. Housing cost of HOS mortgagors was higher than PRH and TPS households. The median mortgage payment of HOS mortgagors was \$7,000 and their MMIR was 28%.
- (a) Nearly half of newly rehoused HOS households moved away from their original regions. About 95% of these households had to pay mortgages. The increase in housing cost of HOS households was much higher than that of PRH households. For new PRH

households who lived in private housing previously, their housing expenditure dropped from 26.7% to 13.8% after rehousing.

- (b) Both new HOS and PRH households had improved their living conditions substantially after rehousing, in terms of both standard of living and living density. About 40% of new PRH households were inadequately-housed previously. Their median living density had been improved by nearly 90%.

INFORMATION

24. This paper is for Members' information.

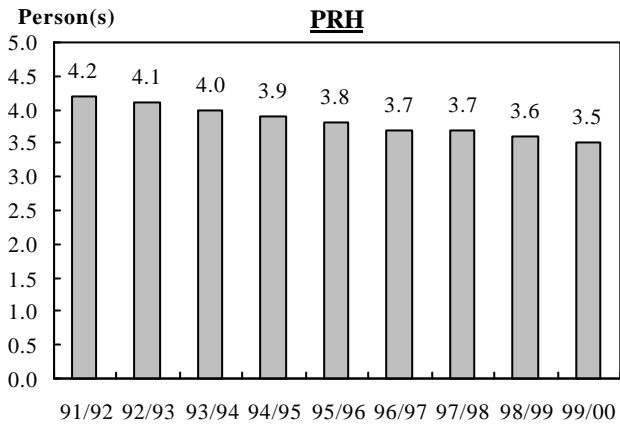
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c.c. Members of Home Ownership Committee
Members of Rental Housing Committee

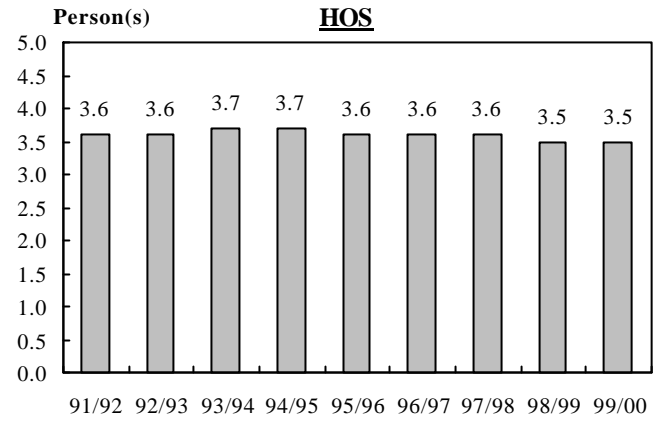
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Date : 18 September 2000

Average Household Size

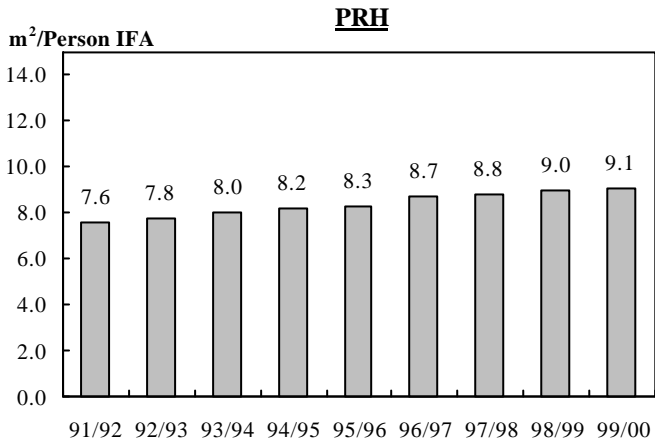


(Source : HD Administrative Records)

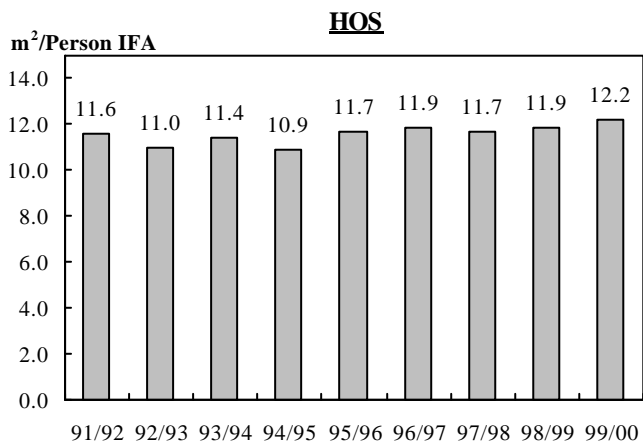
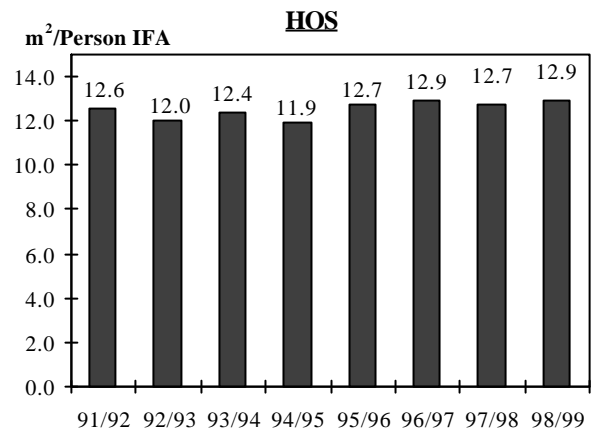


(Source: GHS)

Median Living Density

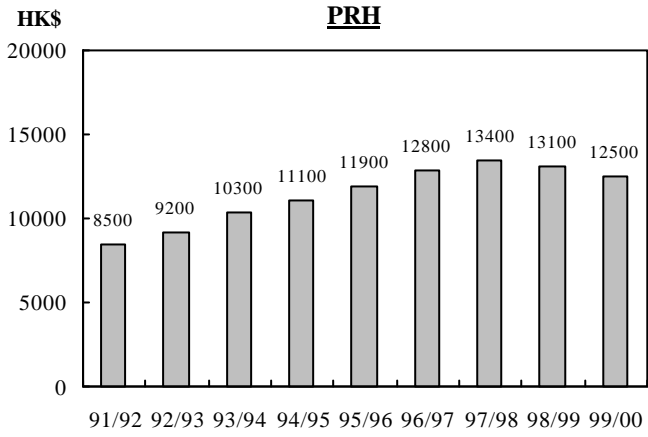


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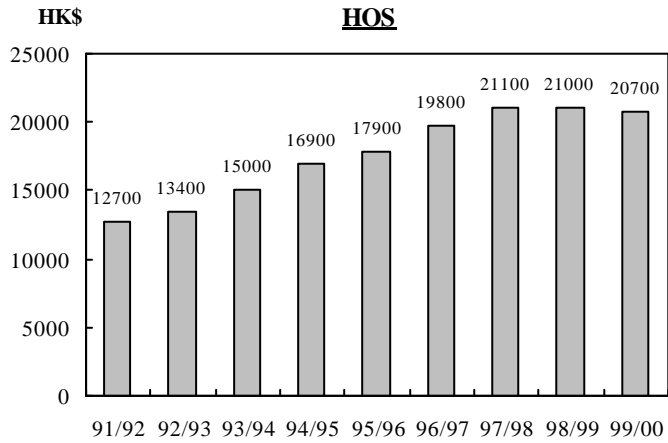
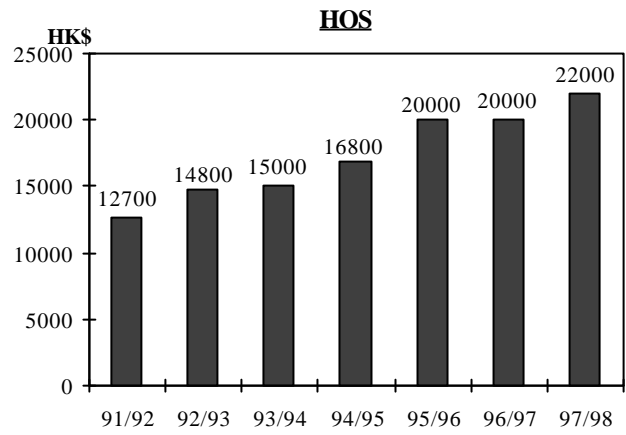


(Source : RS)

Median Household Income



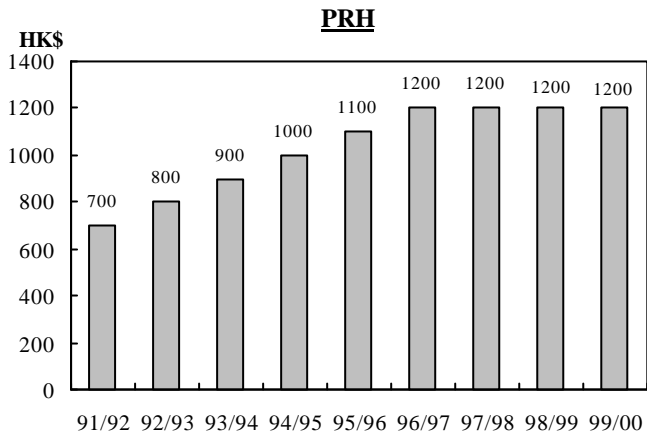
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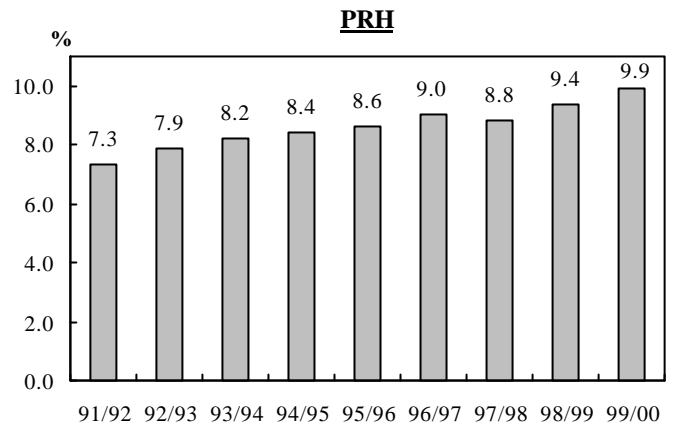
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Median Monthly Rent

Median Rent-to-income Ratio



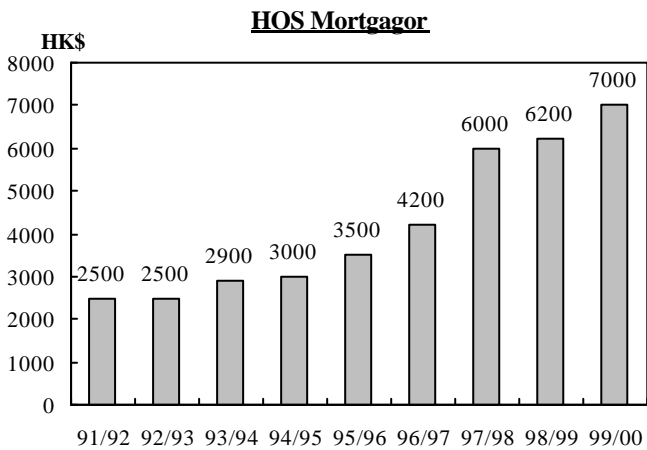
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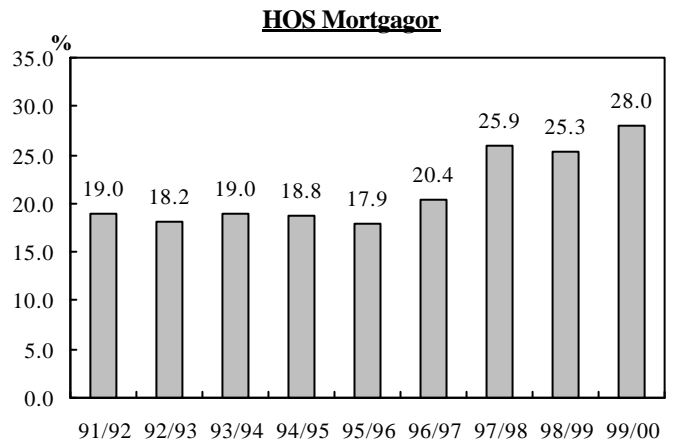
(Source : GHS)

Median Monthly Mortgage Repayment

Median Mortgage-to-income Ratio



(Source : RS)



(Source : RS)

