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Title	Profile of Households in Public Housing
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	THE HONG KONG HOUSING AUTHORITY
	Memorandum for the Housing Authority
	Profile of Households in Public Housing
	PURPOSE
	The purpose of this paper is to present the socio-economic characteristics of households in public housing and changes in the living condition of newly rehoused households.
	BACKGROUND
	2. In formulating and reviewing housing policies and schemes, certain basic information and data are frequently used for reference. Among these, information on the socio-economic characteristics of households in public housing and their living conditions is of major interest. This paper presents the findings of such matters as household size, household income, living density, rent and rent to income ratio, which have recently been updated through a survey conducted last year.
	DATA COVERAGE
	3. The statistics presented in this paper cover public rental housing (PRH) and Home Ownership Scheme (HOS) households and refer to the August/September 1994 position.
	FINDINGS
	4. The major survey findings are summarized below -
	A. HOUSEHOLD CHARACTERISTICS
	Household size
	(a) (i) The average size of households in PRH was 4 persons, same as in 1993.
	(ii) The average size of HOS households was 3.8 persons, similar to the figure of 3.7 in 1993.
	(iii) The average household size was 3.5 persons for Hong Kong as a whole.
	Living density
	(b) (i) The median living density was 8.1 sq.m. per person for households in PRH, similar to the figure of 8 sq.m in 1993.
	(ii) For 4-person (4p)households in particular, their median living density was 8.3 sq.m. comparatively, 4p households in private permanent housing had a living density of 11.6 sq.m.; or 9.3 sq.m. if only households with monthly incomes below \$12,400(1) were considered.
	(iii) PRH households living in new flats between one and two years old enjoyed a larger living area of 9.2 sq.m. per person.
	(iv) The median living density was 11.9 sq.m. for HOS households. As regards own-occupier households in private permanent housing, the median living density was 13.9 sq.m. for those households with monthly incomes below \$22,000(2).
	Household income
	(c) (i) The median monthly income of PRH households was \$11,000, representing an increase of 10% from \$10,000 in 1993. The median income ranged from \$8,000 for those who had lived in PRH for one to two years, to \$13,600 for those who had lived in PRH for more than 10 years.
	(ii) The median income was \$16,800 for HOS households, representing an increase of 12% from \$15,000 in 1993.
	(iii) The median income rose by 11.5% to \$14,500 for Hong Kong as a whole.
	Rent and rent to income ratio (RIR)
	(d) (i) The median rent paid by PRH households was \$960, representing an increase of 11.6% from \$860 in 1993. The corresponding RIR was 8.2%, similar to 1993 (8.1%).
	(ii) The median rent paid by additional rent paying households was \$1,380. Their RIR was 6%.

(iii) As regards renters living in private permanent housing, their median rent was \$3,100 and the corresponding RIR was 23.3%.

Mortgage payment and mortgage to income ratio(MIR)

(e) (i) Among those respondents who were paying a mortgage for HOS flats, the median monthly mortgage payment was \$3,000.

(ii) The median MIR was 18.8%, which varied from 14% for those living in flats over 5 years old to 27.5% for those between one and two years old.

(iii) The median monthly mortgage payment for owner-occupier households in private permanent housing was \$6,000, with a MIR of 26.1%. The corresponding figures were \$11,000 and 42.2% for those who lived in flats of less than two years old.

Management fee

(f) The median management fee for HOS flats was \$390, or 80?per sq.ft. salable floor area. The fee was slightly lower(\$380) for flats managed by HD than those managed by agencies and PSPS flats. As regards private permanent flats with sizes comparable to HOS flats(i.e. 30 sq.m.to 80 sq.m.), the median management fee was about \$400, or 80( per sq.ft.

B. CHANGES IN LIVING CONDITION OF NEWLY REHOUSED HOUSEHOLDS

This section presents the changes in the living condition and housing cost of households recently rehoused into PRH and HOS flats. The analysis included only households who have lived in their current accommodation for less than three years.

Changes in living condition after rehousing

PRH households

(a) 44% of the newly rehoused households in PRH also lived in PRH before rehousing. Another 32% previously lived in private permanent housing.

(b) Most (80%) of the PRH respondents said that their living condition as a whole had improved after rehousing. Improvements in the following aspects are worth noting -

(i) The majority (77%) were now living in larger flats. Their living space increased significantly from 4.7sq.m. to 9.2sq.m. per person.

(ii) 30% previously lived in non-self-contained or temporary structures.

(c) (i) Although households newly rehoused into PRH enjoyed better living conditions, they had to pay more for their current accommodation. Their current median RIR was 10.1%, compared to 8% before rehousing.

(ii) On the current rent level, 61% of the respondents considered it reasonable. 35% felt that it was too high.

(d) Some newly rehoused PRH households would have chosen to buy an HOS flat instead of taking up the present PRH accommodation if they had the opportunity to do so. The survey findings indicate that 17% claimed that they had applied for HOS before rehousing. The main reasons for not taking up HOS flats were failure in HOS balloting (58%) and unaffordability (30%).

HOS households

(e) 58% of the newly rehoused households in HOS lived in PRH before rehousing. Another 32% previously lived in private permanent housing.

(f) The majority (83%) of the respondents said that their living condition as a whole had improved after moving into HOS flats. In fact, most (92%) were now living in larger flats. Their living space increased significantly from 6.8 sq.m. to 12.6 sq.m. per person.

(g) Among households newly rehoused into HOS, the median monthly mortgage payment was \$4,600 and the corresponding MIR was 25.8%. For those HOS households who previously lived in rental flats in private housing, they were now spending a smaller proportion of their income on housing than before (previous median RIR being 28%).

## PRESENTATION

5. This paper is issued for Member's information.

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c.c. Members of the Management and Operations Committee Members of the Home Ownership Committee Members of the Commercial Properties Committee Members of the Building Committee Members of the Appeal Panel

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