

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Housing Authority

Profile of Households in Public Housing

PURPOSE

This paper presents the updated socio-economic characteristics of households in public housing and those of newly rehoused households.

BACKGROUND

2. In formulating and reviewing public housing policies, information on the socio-economic characteristics of households is of major interest. This paper presents the findings of the latest annual survey regarding household size, household income, living density, rent and rent to income/mortgage to income ratios among public rental housing (PRH) and Home Ownership Scheme (HOS) households. The survey was conducted between December 1997 and January 1998 and covered a random sample of 4,000 PRH and HOS households. A total of 3,707 households were successfully enumerated.

FINDINGS

3. The major findings of the survey are summarized below -

A. HOUSEHOLD CHARACTERISTICS

Household Size and Composition

- (a) The average size of PRH households was 3.7 persons, compared to 3.8 persons in 1996/97.
- (b) The average size of HOS households was 3.6 persons, same as in 1996/97.
- (c) The majority of the PRH (68.5%) and HOS (72.6%) households comprised one family nucleus, i.e. married couples with or without never-married children or single parent households. 13.6% of PRH and 13.5% of HOS households comprised one extended family nucleus, i.e. a family nucleus with other related persons. 5.9% of PRH and 8.5% of HOS households comprised two or more family nuclei. The rest were 1p households (8.3% for PRH and 2.8% for HOS) and non-family-nucleus households (3.5% for PRH and 2.8% for HOS).

Living Density

- (d) The median living density of PRH households was 8.7 sq. ft. per person, an increase from 8.4 sq. ft. in 1996/97. PRH households living in new flats for less than two years had a larger living area of 10.8 sq. ft. per person.
- (e) The median living density of the HOS households was 12.7 sq. ft. per person, a slight decrease from 12.9 sq. ft. in 1996/97.

Household Income

- (f) The median monthly income of PRH households was \$13 700, representing an increase of 5.2% from \$13 000 in 1996/97. The median income was \$21 700 for HOS households representing an increase of 8.4% from \$20 000 in 1996/97.

Rent and Rent-to-Income Ratio (RIR) of PRH Households

- (g) The median rent paid by PRH households was \$1 200, same as in 1996/97. The corresponding median RIR was 8.6%, compared to 8.9% in 1996/97.
- (h) The median rent paid by additional rent paying households was \$2 000, compared to \$1 900 in 1996/97. Their median RIR was 6.6%, compared to 7.1% in 1996/97.

Mortgage Payment and Mortgage to Income Ratio (MIR)

- (i) Among the HOS households with outstanding mortgage for HOS flats, the median monthly mortgage payment was \$6 000, compared to \$4 200 in 1996/97.
- (j) Their median MIR was 25.9%, compared to 20.4% in 1996/97.

B. CHANGES IN LIVING CONDITIONS OF NEWLY REHOUSED HOUSEHOLDS

4. This section presents the changes in the living conditions and housing cost of households recently rehoused into PRH and HOS flats. The analyses include only households who have lived in their current accommodation for less than four years.

Changes in living condition after rehousing

PRH Households

- (a) 47.2% of the newly rehoused households in PRH also lived in PRH before rehousing. 28.3% and 16.7% previously lived in private permanent housing and temporary housing area/cottage area respectively. 5.3% lived in private temporary structure before.
- (b) Most (80.3%) of the newly rehoused households in PRH said that their living conditions as a whole had improved after rehousing. Improvements in the following aspects are worth noting -
 - (i) The majority (86.7%) were now living in larger flats. The median living space of newly rehoused households increased significantly from 5.3 q. . IFA to 10.8 q. . IFA per person.
 - (ii) 39.2% previously lived in non-self-contained flats, temporary structures or shared accommodations.
- (c) Overall, 63.1% of the newly rehoused households in PRH spent a higher proportion of their incomes on rent. Their median RIR increased from 5.3% to 11.4%. However, households who previously lived in private permanent housing experienced a marked reduction in their median RIR, a decrease from 24.0% to 11.9%.
- (d) 16.1% of the newly rehoused PRH households claimed that they had applied for HOS before rehousing.
- (e) Among the newly rehoused PRH households who did not consider to buy HOS before rehousing, the main reasons were "affordability" (78.5%), and "the rent of PRH flat was cheap" (11.9%). Their median household income was \$10 900.

HOS Households

- (f) 57.1% of the newly rehoused households in HOS lived in PRH before rehousing. 35.1% previously lived in private permanent housing. 4.0% lived in Housing Society rental flats before.
- (g) The majority (75.2%) of the newly rehoused households in HOS said that their living conditions as a whole had improved after moving into the HOS flats. Most (86.2%) were now living in larger flats. Their living space increased significantly from 7.4 q. . IFA to 13.8 q. . IFA per person.
- (h) Among households newly rehoused into HOS, their median monthly mortgage payment was \$9 000 and the corresponding median MIR was 37.5%.

C. HISTORICAL COMPARISON

5. The comparison of the present findings with those of the previous surveys is at **Annex**.

INFORMATION

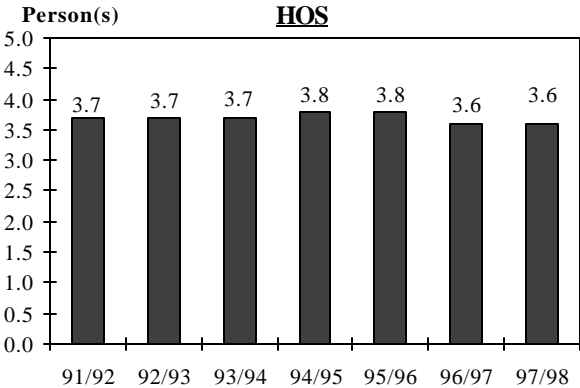
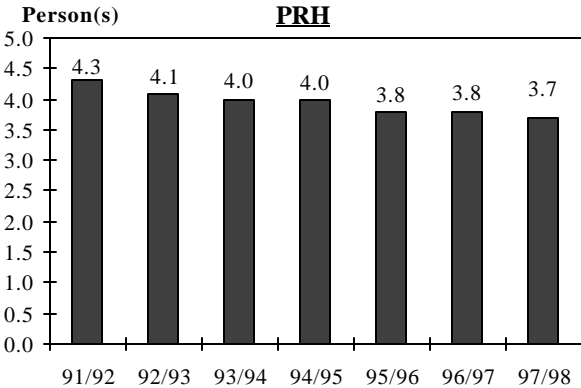
6. This paper is for Members' information.

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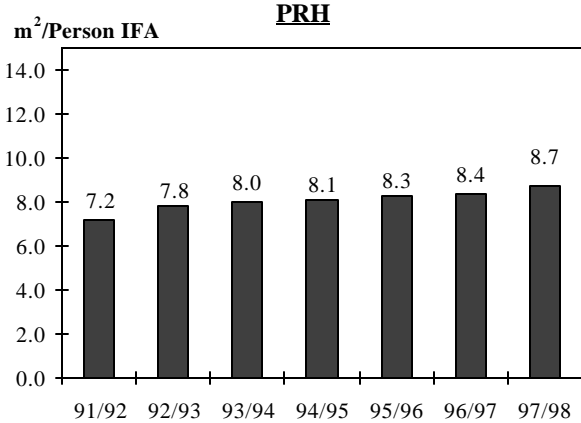
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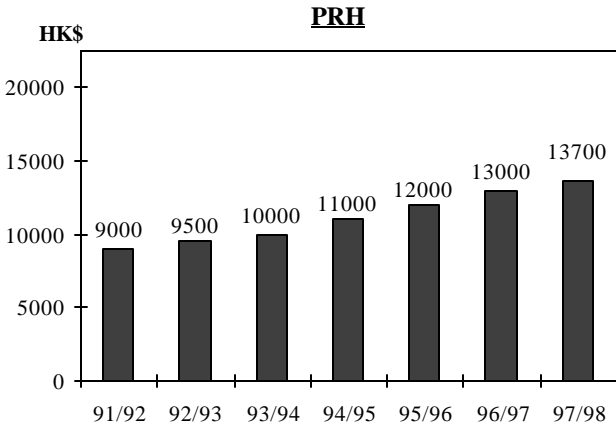
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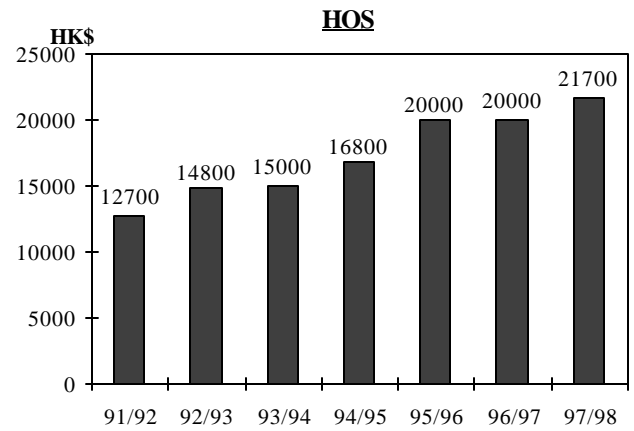
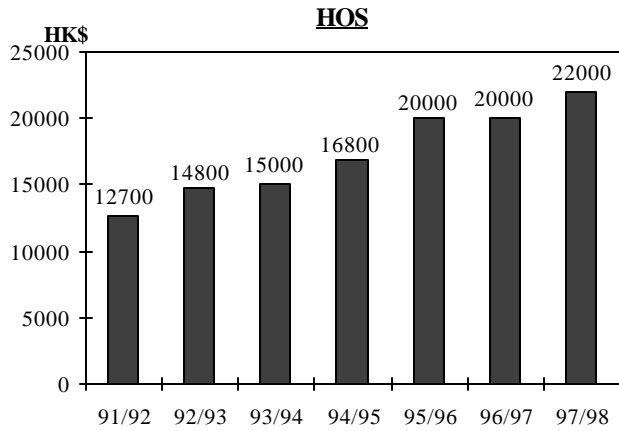


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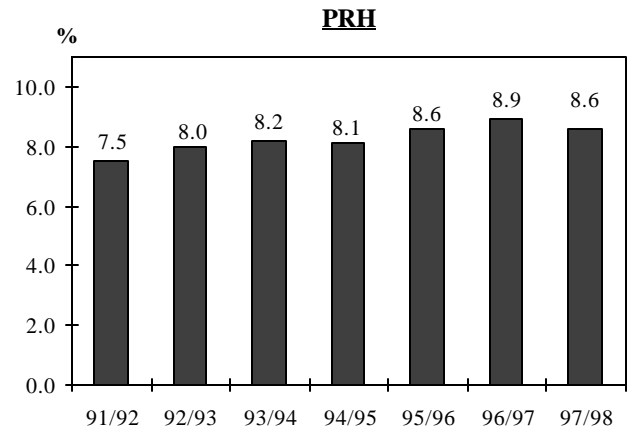
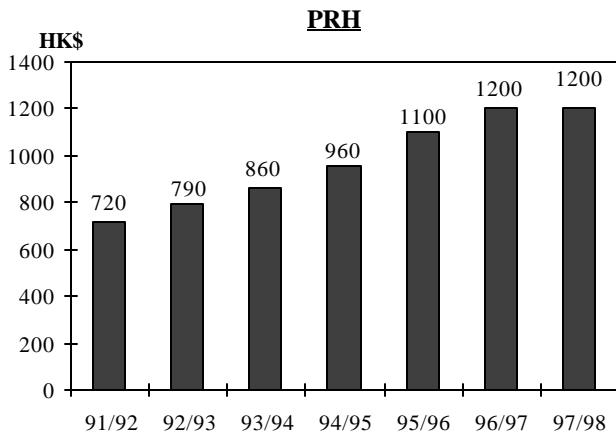
Median Household Income





Median Monthly Rent

Median Rent-to-income Ratio



Median Monthly Mortgage Repayment

Median Mortgage-to-income Ratio

