

Public consultation on Long Term Housing Strategy

<http://www.thb.gov.hk/eng/policy/housing/policy/lths/index.htm>

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Housing tops the list of livelihood issues that are of public concern, and is widely recognized as the foundation for a stable society. The Government formed the [Long Term Housing Strategy Steering Committee](#) (the Steering Committee) in September 2012 to make recommendations on Hong Kong's Long Term Housing Strategy (LTHS) for the next ten years. The Steering Committee issued a consultation document on 3 September 2013 to kick off a three-month public consultation exercise.

What are our housing problems?

Supply and demand for both public and private housing is severely imbalanced

- There has been limited supply of both public (including public rental housing (PRH) and subsidized sale flats) and private housing, leading to higher prices, deteriorating living condition and surging demand for PRH. As at 30 June 2013, the number of general applicants for PRH (i.e. family and elderly applicants) on the Waiting List (WL) and the number of non-elderly one-person applicants below the age of 60 under the Quota and Points System (QPS) stood at 118 700 and 115 600 respectively.

Affordability is deteriorating

- Apart from the shortage in housing supply, abundant liquidity with low interest rates has fuelled the surge in property prices in Hong Kong. On the other hand, the increase in household income has not kept pace with the surge in property prices and rents. Some people are being driven to live in subdivided units (SDUs), now numbering some 66 900 according to a survey commissioned by the Long Term Housing Strategy Steering Committee.

Demographics are changing

- The number of households in Hong Kong has persistently been growing at a much faster rate than population due to new household formation and household splitting. Our population is also ageing. These trends are adding pressure to housing demand.

Lack of suitable land in the medium to long term

- The Government has identified sufficient developable land to honour the pledge to provide 79 000 PRH flats from 2012-13 to 2016-17; to increase the supply of PRH with a production target of at least 100 000 units in total for the five years starting from 2017-18; and to provide 17 000 Home Ownership Scheme (HOS) flats over four years starting from 2016-17 onwards. However, since housing developments normally take several years to complete, unless we act in a timely manner to increase land supply, the stable supply of both public and private housing in the medium to long term will be affected.


What are the views and recommendations of the Steering Committee?

- (1) the Government should have the vision to provide each Hong Kong family with adequate and affordable housing;
- (2) the Government should enhance its role in the provision of housing in order to resolve the problem of supply-demand imbalance. Its future housing strategy should be supply-led, with public housing (including PRH and subsidized sale units) accounting for a higher proportion of the new housing production;
- (3) a practical and flexible approach should be adopted in projecting long term housing demand. A new projection of the total housing supply target for the next ten years (i.e. from 2013-14 to 2022-23) indicates a range from 440 000 to 500 000 units, with a proposed supply target of 470 000 units. The projection should be reviewed and updated annually in light of prevailing policies, and economic and property market conditions;
- (4) the public/private split for the new housing supply target for the next ten years should be 60:40 (public housing includes both PRH and subsidized sale flats). This ratio would need to be adjusted flexibly to cater for changes in circumstances, in order to balance the two major objectives of increasing production for public housing to satisfy demand and stabilizing the private housing market;
- (5) the ratio between PRH and subsidized sale flats (such as HOS flats) within the public housing category should be kept under review and adjusted to reflect changes in the housing market to retain flexibility. There is also a need for an increase in the supply of HOS flats above the number which the Government has pledged;
- (6) low-income families and low-income elderly persons should continue to be given priority for PRH and the average waiting time target of about three years for family applicants on the WL for PRH should be maintained. The waiting time for those non-elderly one-person applicants above the age of 35 under the QPS should be progressively reduced to three years by improving the QPS. The feasibility of building dedicated PRH blocks for singletons at suitable fill-in sites within existing PRH estates (such as those with a relatively lower plot ratio and with sufficient infrastructural facilities) should also be explored;
- (7) PRH should be the primary housing solution for inadequately housed households, including those living in SDUs. The Government should step up its enforcement action to eradicate SDUs which are illegal and in breach of building and fire safety regulations, and study the feasibility of introducing a licensing or landlord registration system to better regulate the safety and hygiene conditions of SDUs in residential and composite buildings. At the same time, the feasibility of providing transitional housing on temporarily vacant Government sites should also be explored;
- (8) the housing aspirations of the younger generation should be addressed by providing an effective housing ladder and with an increase in the supply of HOS flats. Consideration can also be given to other options (such as leveraging on the private sector capacity and implementing schemes for public-private co-operation) to increase the supply of adequate and affordable housing for the community;
- (9) the various procedures and approval requirements in relation to planning and land administration should be reviewed in order to speed up the release of land resources to

meet the urgent need for a substantial increase in housing; and to strike a balance between development needs and a sustainable environment in accordance with the community's aspirations;

- (10) under the current tight housing supply situation, with diverse views in the community, any rent assistance or rental control schemes would be counter-productive by driving up rents. Similarly, the case for re-launching the Home Starter Loan Scheme under the current acute housing supply situation is problematic; and
- (11) future new towns should be developed as generally self-sustained communities in an "integrated" manner, with an effective transport network, sufficient commercial/industrial activities, community facilities and employment opportunities. In the long run, the average living space per person should be progressively increased, starting perhaps with PRH in non-urban districts.



- [Details of the Public Consultation Document](#) 
- TV Announcements of public interest



Long Term Housing Strategy Steering Committee

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Forum for the public

The Steering Committee will organize public fora in three regions. Apart from inviting members of the local community, seats may be available for interested members of the public. Anyone who would like to participate in the fora can call the hotline 8108 8632

begin_of_the_skype_highlighting 8108 8632 FREE end_of_the_skype_highlighting within the respective registration period to register. Due to limited seats available, each registered person can reserve up to **two seats** on a first-come-first-served basis. The public fora, to be conducted primarily in Cantonese with simultaneous interpretation into English, will be held at the following dates and venues :

Date	Location	Registration period
23 September 2013 (7:30 to 9:00 p.m.)	Leighton Hill Community Hall	9 September 2013 to 16 September 2013 (Monday to Friday from 9:00 am to 6:00 pm, except Saturday and public holidays)
21 October 2013 (7:30 to 9:00 p.m.)	Henry G. Leong Yaumatei Community Centre	7 October 2013 to 11 October 2013 (Monday to Friday from 9:00 am to 6:00 pm, except Saturday and public holidays)
19 November 2013 (7:30 to 9:00 p.m.)	Hong Kong Heritage Museum	4 November 2013 to 11 November 2013 (Monday to Friday from 9:00 am to 6:00 pm, except Saturday and public holidays)

Forum for concern groups and stakeholders

The Steering Committee will also organize three fora for concern groups and stakeholders. Apart from inviting related groups and stakeholders, seats may be available for other interested parties. Interested parties who intend to participate in the fora can call the hotline 8108 8632 8108 8632 within the respective registration period to register. Due to limited seats available, each registered group or stakeholder can reserve up to **two seats** on a first-come-first-served

basis. The fora for groups and stakeholders, to be conducted primarily in Cantonese with simultaneous interpretation into English, will be held at the following dates and venues :

Date	Location	Registration period
7 October 2013 (7:30 to 9:00 p.m.)	Henry G. Leong Yaumatei Community Centre	24 September 2013 to 30 September 2013 (Monday to Friday from 9:00 am to 6:00 pm, except Saturday and public holidays)
7 November 2013 (7:30 to 9:00 p.m.)	Leighton Hill Community Hall	24 October 2013 to 31 October 2013 (Monday to Friday from 9:00 am to 6:00 pm, except Saturday and public holidays)
12 November 2013 (7:30 to 9:00 p.m.)	Hong Kong Heritage Museum	24 October 2013 to 31 October 2013 (Monday to Friday from 9:00 am to 6:00 pm, except Saturday and public holidays)

We would like to hear your views on the consultation document. Please send your comments to us on or before 2 December 2013 by :

E-mail: lths@thb.gov.hk
Post: Secretariat, Long Term Housing Strategy Steering Committee
 1/F, Block 2, Housing Authority Headquarters
 33 Fat Kwong Street
 Ho Man Tin
 Kowloon
 Hong Kong
Fax: 2761 5160

Note : all submissions will normally be made available to the general public upon request, and may be published in their original form (including senders' names, but with other personal information such as email addresses removed) as part of the consultation report to be compiled following the completion of the three-month public consultation exercise, unless the contributors ask us specifically to keep their views confidential.

Survey / Study commissioned by the Steering Committee :

- [Survey on Subdivided Units in Hong Kong](#) 
- [Focus Group Study on Long Term Housing Strategy of Hong Kong](#) 