

**HONG KONG:
OUR WORK TOGETHER
(extract on Housing)**

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THE 1995 POLICY ADDRESS

The Housing Priorities

83. Despite the priority which the Government and the community have given to our housing programmes over the last four decades, the lack of decent, affordable housing remains the single biggest source of complaint which I receive. I am sure that Members of this Council share this experience.

84. Hong Kong has moved far beyond the need to provide basic shelter for a poor immigrant population.

- 800 000 families now open their own homes, including 200 000 families whom we have helped to buy subsidized housing.
- 700 000 families, a full 41 per cent of the population, live in heavily-subsided public rental housing of an increasingly high standard.

85. The average waiting time to be allocated a Housing Authority flat is now below seven years, almost two years less than in 1992. Nevertheless, the waiting list for public rental housing remains too long. We are now pledging to reduce the average waiting time to under five years by 2001, but I should warn Members that this will be no easy task.

- We still have an enormous backlog to make up for, as we clear the temporary housing and squatter areas, for example, and press on with schemes to upgrade the earlier generations of public housing units to meet today's standards.
- We also have new and growing sources of demand for public housing, as we respond to the special needs of vulnerable groups such as the elderly and the new arrivals from China.

The Better-off Tenants

86. Let me put the problem of waiting lists another way. There are about 150 000 families on the general waiting list for public housing. At the same time, 70 000 families who live in public rental housing also own private flats. This means that they are benefiting from subsidized public housing flats while often using their other flats to collect rents as landlords. A further significant number of our public housing tenants have incomes or assets well beyond what they would need to buy their own homes. It is plainly wrong that public housing should continue to accommodate tenants who have the

financial resources to meet their own housing requirements at the expense of those with a genuine case for rehousing. I know that this issue has been the subject of detailed examination by the Housing Authority, and I look forward to receiving their proposals for a comprehensive solution by the end of this year. This Council will have the opportunity to discuss these proposals, and there will also be a public consultation exercise.

Estate Management

87. We also have to recognise our obligations to the Housing Authority's tenants, to the 700 000 families who live in public housing. They have a right to safe and pleasant homes, with responsive and efficient management and high standards of security, cleanliness and amenity in each housing estate. We have gone a long way to meeting these expectations, and we shall be doing even more in the immediate future.

- This year, we are spending some \$4 billion to renovate some 15 500 older flats and to maintain the quality of the public housing stock.
- We will relieve overcrowding. Over the next three years, we will rehouse at least 24 000 families whose living space per person is less than 5.5 square metres.
- By 1996, all public housing estate offices will have Customer Service Counters. We will also begin to privatize estate management on a trial basis next year. By 1997, all housing estates should have their own Estate Management Advisory Committees to give tenants direct access to management.
- By 1997, we will have provided adequate security facilities in all housing estates. Most tenants will be able to screen the identity of visitors from their own flats. Lighting and other security features will make estates a safer environment.

88. We are also determined to improve the conditions under which 40 000 people live in Temporary Housing Areas. Let me remind Members that in 1992 there were 55 THAs. By 1997, we will have cleared 42 of these. We will have met our earlier pledges in full. But it is simply not possible to make a pledge to clear all the remaining THAs. With the best will in the world, the flow of new arrivals from China and our success in clearing the

squatter areas mean that the only alternatives to the retention of some THAs are:

- either to allow people to sleep on the streets, which would be totally unacceptable; or
- to allow families affected by clearances to jump the queue for rehousing which would be grossly unfair.

89. I have personally visited 10 of these THAs, and I am very conscious of the inadequacies, in terms of space and facilities, and the constant struggle to maintain standards of cleanliness and security. I said earlier that I am determined to live up to the specific pledges on THAs which I made in previous Policy Addresses. Plainly, rehousing of existing THA residents is the only real solution. In the meantime, however, we have to improve the living conditions for those who still have to live in THAs. The Secretary for Housing has already made a start with a programme to renovate the THAs which will be retained and to improved their management. The aim is to achieve a secure and better living environment for all THA residents. In parallel, some older rental blocks in the urban fringe areas will be used to house families affected by clearance programmes. The Housing Authority is also developing new designs of temporary accommodation, which will provide more space and better-quality living and which will gradually replace the existing type of temporary housing.

Planning for the Future

90. Our ultimate aim must be to encourage families to become owner-occupiers. Over the next six years, the Government plans to provide subsidized programmes to help 190 000 families to become owner-occupiers. That is an impressive goal, and it is one that we can achieve without reducing our commitment to build public rental housing for 141 000 families over the same period. At the same time, we will use the Housing Project Action Team to fast-track residential developments in the private sector, where necessary, so that our targets for home ownership can be met.

91. I think we have reached the stage at which we need to take a hard look at our long-term housing strategy. The Secretary for Housing will shortly start work on a comprehensive reappraisal of our future housing objectives and every aspect of the way in which we manage the enormous resources committed to providing decent, affordable houses for this

community. I expect to receive his recommendations by the middle of next year. We will, of course, wish to consult this Council, the Housing Authority and the wider community about how they should be taken forward.