

## **SPECIAL REVIEW**

### **ANALYSIS OF HOUSEHOLDS REHOUSED INTO PUBLIC RENTAL HOUSING AT THE TIME OF INTAKE**

This review article describes briefly the different groups of households eligible for public rental housing, gives an account of the supply of rental flats, and analyses the characteristics of households rehoused into Housing Authority rental estates at the time of intake for the period from 1973/74 to 1983/84.

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### ANALYSIS OF HOUSEHOLDS REHOUSED INTO PUBLIC RENTAL HOUSING AT THE TIME OF INTAKE

#### Introduction

1. This article gives a brief account of the classification of households eligible for public rental housing and of the supply of public rental flats, and analyses the main characteristics of households rehoused into Housing Authority rental estates at the time of intake. The characteristics covered in the analysis include household size, household income, the proportion of rent to household income, geographical distribution of 'reception' estates and average waiting time for the allocation of public rental housing. The analysis is for the period from 1973/74 to 1983/84. However, it should be noted that some statistics for the earlier years of the period are not available.

#### *Classification of Households Eligible for Public Rental Housing—Rehousing Category*

2. Households eligible for public rental housing are classified into a number of groups, known as rehousing categories, as follows:

- (i) **Waiting List Applicants**—this category refers to households which apply for public rental housing by first registering on the computerized waiting list maintained by the Housing Department. These households should not own any domestic flat and must not exceed the income limit laid down by the Housing Authority. They have to await their turn for the allocation of public rental flats.
- (ii) **Development Clearances<sup>#</sup>**—this group refers to households which are eligible for public rental housing because the land on which they squat has to be cleared to make way for development.
- (iii) **Redevelopment/Conversions of Mark I/II Blocks<sup>†</sup>**—the households in this group are tenants of Mark I/II Blocks of public rental housing. They are rehoused to other public housing estates because the blocks in which they are living have to be redeveloped or converted into new self-contained rental blocks.
- (iv) **Junior Civil Servants**—this category refers to junior civil servants who, meeting the eligibility criteria laid down by the Civil Service Branch, apply for public rental housing through the Branch. Like the Waiting List Applicants, they have to await their turn for the allocation of public rental flats.
- (v) **Re-use of Temporary Housing Areas**—this group refers to households of the Housing Authority Temporary Housing Areas which are rehoused into public rental housing because they meet the criteria laid down by the Housing Authority in respect of the length of residence in the areas and household income.
- (vi) **Relief of Overcrowding**—this category refers to households living in public rental housing and occupying a net living area (excluding toilet, kitchen and balcony) of less than 4 m<sup>2</sup>/person and which are rehoused into larger housing units on application.
- (vii) **Transfer from Mark I/II Blocks**—the households in this group are tenants of Mark I/II Blocks of public rental housing who apply for transfer to other public housing estates that have better facilities. The transfer also facilitates the redevelopment of Mark I/II Blocks.
- (viii) **Compassionate Cases**—this group refers to households which are eligible for public housing on compassionate grounds, such as elderly persons and those households referred to the Housing Department by the Social Welfare Department.
- (ix) **Miscellaneous**—this includes the victims of fires and natural disasters, occupants of huts and other structures in dangerous locations and the ex-tenants of dangerous buildings.

#### Number and Categories of Households Rehoused

3. When the Housing Authority was established in 1973/74, it rehoused 12 700 households into public rental housing during that year. In recent years e.g. 1981/82 to 1983/84, the number of households rehoused has climbed to an average of more than 32 000 per year. This was achieved by a rapid increase in the production of public rental flats in these years. (see para. 5–7 below)

4. The size of each rehousing category in terms of the number of public rental flats allocated in a year varies, depending on the prevailing allocation policy. In general, the relatively larger rehousing categories are 'Waiting List Applicants' and 'Development Clearances'; whereas 'Compassionate Cases' and 'Transfers from Mark I/II Blocks' are comparatively smaller. Table 1 shows the number of households rehoused by rehousing category for the period 1973/74 to 1983/84.

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<sup>#</sup> As from 1984/85, people in squatter areas which were cleared for non-development purposes are also eligible for public rental housing.

<sup>†</sup> These refer to those early rental blocks which are provided with communal cooking, washing and latrine facilities and were built between 1954 and 1964.

**TABLE 1 NUMBER OF HOUSEHOLDS REHOUSED BY REHOUSING CATEGORY  
FOR 1973/74 TO 1983/84**

Rehousing category	<i>No. of households</i>										
	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
Waiting List Applicants	2 153 (17)	5 265 (44)	6 707 (41)	4 209 (26)	5 127 (35)	2 231 (13)	10 727 (38)	12 915 (47)	12 279 (39)	12 148 (36)	13 461 (40)
Development Clearances	3 264 (26)	1 442 (12)	1 771 (11)	3 013 (18)	3 194 (22)	7 093 (40)	6 207 (22)	5 166 (19)	6 834 (22)	7 736 (23)	8 057 (24)
Redevelopment/Conversions of Mark I/II Blocks	779 (6)	1 160 (10)	1 113 (7)	2 019 (12)	1 704 (12)	2 994 (17)	4 257 (15)	2 858 (10)	2 781 (9)	5 648 (17)	5 682 (17)
Junior Civil Servants	2 306 (18)	508 (4)	1 176 (7)	1 506 (9)	708 (5)	486 (3)	1 095 (4)	1 076 (4)	1 497 (5)	1 526 (4)	1 503 (4)
Re-use of Temporary Housing Areas	395 (3)	1 525 (13)	1 309 (8)	1 486 (9)	207 (1)	778 (4)	1 925 (7)	540 (2)	1 165 (4)	1 371 (4)	1 343 (4)
Relief of Overcrowding	469 (4)	655 (5)	1 915 (12)	2 573 (16)	2 155 (15)	2 382 (14)	1 642 (6)	1 239 (5)	1 432 (5)	1 519 (4)	997 (3)
Compassionate Cases	829 (7)	483 (4)	935 (6)	441 (3)	572 (4)	731 (4)	747 (3)	769 (3)	854 (3)	905 (3)	1 025 (3)
Transfers from Mark I/II Blocks	—	—	—	—	—	—	—	1 937 (7)	1 764 (5)	962 (3)	255 (1)
Miscellaneous	2 542 (19)	957 (8)	1 257 (8)	1 135 (7)	826 (6)	956 (5)	1 317 (5)	904 (3)	2 659 (8)	2 020 (6)	1 414 (4)
<b>Total</b>	<b>12 737 (100)</b>	<b>11 995 (100)</b>	<b>16 183 (100)</b>	<b>16 382 (100)</b>	<b>14 493 (100)</b>	<b>17 651 (100)</b>	<b>27 917 (100)</b>	<b>27 404 (100)</b>	<b>31 265 (100)</b>	<b>33 835 (100)</b>	<b>33 737 (100)</b>

Note: Figures in ( ) refer to the corresponding percentages.

### Supply of Public Rental Flats

5. The supply of Housing Authority rental flats is from two sources. The major one is the production of new public rental flats and the other is the recovery of rental flats by the Housing Department upon the removal of tenants from their existing flats to Home-ownership Scheme flats, private flats, etc. These are known as casual vacancies.

6. The number of rental flats produced annually rose steadily from 8 170 in 1973/74 to 14 130 in 1978/79. The production then increased rapidly to 29 760 in 1979/80, and this level of production had been maintained thereafter. The production of public rental flats for the period 1973/74 to 1983/84 together with the casual vacancies let are shown in Table 2.

**TABLE 2 PRODUCTION OF HOUSING AUTHORITY RENTAL FLATS  
AND CASUAL VACANCIES LET FOR 1973/74 TO 1983/84**

	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79
Rental flats produced	8 170	9 200	14 900	9 620	13 020	14 130
Casual vacancies let	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

  

	1979/80	1980/81	1981/82	1982/83	1983/84
Rental flats produced	29 760	26 770	31 350	27 880	28 560
Casual vacancies let	N.A.	3 110	2 960	3 580	3 530

N.A. denotes not available.

7. Before 1979/80 the annual production of Housing Authority rental flats was less than that of private housing flats. However, starting from 1979/80, the trend was reversed. The production of private housing flats for the period from 1973 to 1984 is shown in Table 3. (Figures shown are on a calendar year basis and hence are only broadly comparable with those on public rental housing which are presented on a financial year basis.)

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**TABLE 3 PRODUCTION OF PRIVATE HOUSING FLATS FOR 1973 TO 1984**

	1973	1974	1975	1976	1977	1978
New flats produced	25 600	20 800	14 500	15 400	20 900	26 200

  

	1979	1980	1981	1982	1983	1984
New flats produced	27 800	24 500	33 500	23 100	21 600	22 300

### Characteristics of Households Rehoused

#### *Average Household Size*

8. Among households rehoused, the proportion of those with six or more members has been falling steadily during recent years, reflecting a decline in the average household size of these households from 5.3 in 1973/74 to 4.2 in 1983/84. This trend was in line with a general decline in the overall household size over the same period. When compared with the average household size for the whole territory, the average household size for households rehoused was consistently larger. This is because the allocation policy of public housing in the past was in favour of those households with three or more members. However, this allocation restriction has been gradually relaxed, and as from 1 January 1985 one-person households are also eligible to apply for public rental housing. The household size distribution and average household size for households rehoused into Housing Authority rental flats and the average household size for the territory for the period 1973/74–1983/84 are shown in Table 4.

**TABLE 4 HOUSEHOLD SIZE DISTRIBUTION AND AVERAGE HOUSEHOLD SIZE FOR HOUSEHOLDS REHOUSED AND AVERAGE HOUSEHOLD SIZE FOR THE TERRITORY FOR 1973/74–1983/84**

Household size	<i>No. of households</i>										
	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
1–2 persons	1 377 (10.8)	1 064 (8.8)	1 278 (7.9)	1 828 (11.2)	1 624 (11.2)	2 167 (12.3)	2 052 (7.3)	2 107 (7.7)	2 082 (6.6)	2 487 (7.4)	3 104 (9.2)
3–5 persons	5 979 (46.9)	5 735 (47.8)	8 236 (50.9)	8 790 (53.7)	8 096 (55.9)	8 985 (50.9)	18 494 (66.2)	17 992 (65.7)	21 660 (69.3)	23 619 (69.8)	24 877 (73.8)
6–7 persons	3 171 (24.9)	3 353 (28.0)	4 248 (26.2)	3 876 (23.6)	3 199 (22.1)	4 310 (24.4)	4 956 (17.8)	5 102 (18.6)	5 459 (17.5)	5 583 (16.5)	4 258 (12.6)
8 persons or more	2 210 (17.4)	1 843 (15.4)	2 421 (15.0)	1 888 (11.5)	1 574 (10.8)	2 189 (12.4)	2 415 (8.7)	2 203 (8.0)	2 064 (6.6)	2 146 (6.3)	1 498 (4.4)
Total	12 737 (100.0)	11 995 (100.0)	16 183 (100.0)	16 382 (100.0)	14 493 (100.0)	17 651 (100.0)	27 917 (100.0)	27 404 (100.0)	31 265 (100.0)	33 835 (100.0)	33 737 (100.0)
Average household size	5.3	5.4	5.3	4.9	4.8	5.0	4.7	4.7	4.6	4.4	4.2
Average household size for the territory	N.A.	N.A.	N.A.	4.2	4.2	4.2	4.2	3.9	3.9	3.9	3.8

Note: Figures in ( ) denote the corresponding percentage.  
N.A. denotes not available.

9. There were variations in the average household size among different rehousing categories. In general, 'Relief of Overcrowding' had the largest average household size, whereas 'Compassionate Cases' had the smallest. This was attributable to the fact that households rehoused through 'Relief of Overcrowding' were usually large households already living in public rental housing and that 'Compassionate Cases' was found to contain a number of one-person and two-person households. Table 5 shows the average household size by rehousing category for the period 1973/74–1983/84.

TABLE 5 AVERAGE HOUSEHOLD SIZE BY REHOUSING CATEGORY FOR 1973/74–1983/84

Rehousing category	Average household size										
	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
Waiting List Applicants	5.4	5.6	5.5	5.2	4.6	5.3	4.5	4.4	4.4	4.1	4.1
Development Clearances	5.2	5.2	4.5	4.4	4.2	4.4	4.4	4.6	4.1	4.3	4.3
Redevelopment/Conversions of Mark I/II Blocks	6.1	5.6	6.5	4.9	5.8	5.5	5.4	4.5	5.1	4.9	4.3
Transfers from Mark I/II Blocks	—	—	—	—	—	—	—	6.5	5.6	6.2	4.3
Relief of Overcrowding	6.7	6.6	7.1	6.6	6.5	6.9	6.7	6.3	6.4	5.6	4.9
Junior Civil Servants	5.8	5.8	4.5	4.1	4.5	4.8	4.7	4.9	4.7	4.7	4.4
Re-use of Temporary Housing Areas	5.1	5.0	4.1	4.4	4.6	4.8	4.1	4.2	4.3	4.6	4.2
Compassionate Cases	3.5	4.0	4.0	3.3	3.3	2.8	3.1	3.2	3.0	3.0	2.8
Miscellaneous	4.6	4.5	4.5	4.0	3.1	4.0	4.3	4.5	4.9	4.7	4.4
All categories	5.3	5.4	5.3	4.9	4.8	5.0	4.7	4.7	4.6	4.4	4.2

*Household Income*

10. The median household income for different rehousing categories varies considerably. In general, 'Relief of Overcrowding' had a higher median household income while 'Compassionate Cases' had a lower one. The median household income for different rehousing categories for the period 1976/77 to 1983/84 is shown in Table 6.

TABLE 6 MEDIAN HOUSEHOLD INCOME BY REHOUSING CATEGORY FOR 1976/77–1983/84

Rehousing category	§							
	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
Waiting List Applicants	1,270	1,500	1,800	2,070	2,320	2,690	2,950	3,410
Development Clearances	1,320	1,380	1,750	2,070	2,310	2,760	3,320	3,580
Redevelopment/Conversions of Mark I/II Blocks	1,550	2,190	2,170	2,650	2,470	3,470	4,160	3,790
Transfers from Mark I/II Blocks	—	—	—	—	4,500	4,390	5,620	4,230
Relief of Overcrowding	1,830	2,000	2,490	2,750	3,940	4,650	5,090	4,670
Junior Civil Servants	1,280	N.A.	1,870	2,350	2,900	3,060	4,990	4,480
Re-use of Temporary Housing Areas	1,050	1,380	1,790	1,780	2,140	2,530	2,850	3,520
Compassionate Cases	530	610	580	870	960	1,090	1,330	1,650
Miscellaneous	N.A.	N.A.	N.A.	2,070	2,600	3,340	3,460	3,790
All categories	1,340†	1,550†	1,870†	2,110	2,390	2,810	3,320	3,530

†Excluding those rehousing categories whose median incomes are not available.  
N.A. denotes not available.

11. Caution is required in comparing the median household income of different rehousing categories. This is because the declared household income for some categories, including 'Waiting List Applicants', 'Transfers from Mark I/II Blocks' and 'Re-use of Temporary Housing Areas' has to be checked by the Housing Department before allocation of flats while that for the other categories does not have to be checked. Thus, the former represents vetted income, and the latter declared income.

12. Table 7 shows the comparison of the median household income‡ for all households rehoused into public rental housing at the time of intake and that for the other three groups of households, viz. households in public rental housing as a whole, households in private housing, and all households in the territory. In the early years (e.g. from 1976/77 to 1978/79) there was not much difference in the level of median household income for these groups of households. Starting from 1979/80, the median household income for households rehoused into public rental housing was consistently lower than that for the other three groups.

‡The average household income so calculated that 50% of the total number of households in each particular group had incomes above this figure while the other 50% had incomes below it.

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**TABLE 7 MEDIAN HOUSEHOLD INCOME BY TYPE OF HOUSEHOLD FOR 1976/77–1983/84**

Type of household	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
Households rehoused into Public Rental Housing at time of intake	1,300	1,600	1,900	2,100	2,400	2,800	3,300	3,500
Households in Public Rental Housing as a whole	1,400	1,600	1,900	2,300	2,700	3,300	3,700	4,000
Households in Private Housing	1,400	1,700	2,000	2,400	2,900	3,500	4,100	4,500
All households in the territory	1,400	1,600	1,900	2,300	2,800	3,300	3,800	4,200

### *Rent as a Proportion of Household Income*

13. Rent as a proportion of household income is the percentage of household income that households rehoused into public rental housing spend on rent at the time of intake. There has been some variation in the median of rent as a proportion of household income for households rehoused during the years 1978/79 to 1983/84. It was 13.3% in 1978/79, 10.7% in 1981/82 and 12.3% in 1983/84. However, more space/per person had been allocated to households in recent years. The median area allocated to each person was 4.05 m<sup>2</sup> in 1981/82; and it increased to 4.55 m<sup>2</sup> in 1982/83 and further to 5.04 m<sup>2</sup> in 1983/84.

14. Over the past years 'Compassionate Cases', as one would expect, had a relatively higher proportion of rent to household income, whereas 'Transfer from Mark I/II Blocks' and 'Relief of Overcrowding' were lower. Table 8 shows the median of rent as a proportion of household income for households rehoused by rehousing category for the period 1978/79 to 1983/84.

**TABLE 8 MEDIAN OF RENT AS A PROPORTION OF HOUSEHOLD INCOME BY REHOUSING CATEGORY FOR 1978/79–1983/84**

Rehousing category	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
Compassionate Cases	14.2	15.2	11.4	11.7	14.3	18.5
Re-use of Temporary Housing	14.8	13.6	12.3	12.3	12.5	13.5
Waiting List Applicants	16.0	12.6	12.4	11.9	11.6	12.8
Redevelopment/Conversions of Mark I/II Blocks	12.2	11.0	9.7	9.3	9.7	12.5
Development Clearances	12.9	12.3	11.5	9.7	10.5	12.1
Transfers from Mark I/II Blocks	—	—	8.8	8.2	8.2	9.3
Relief of Overcrowding	13.0	12.1	8.9	8.5	8.3	9.2
Junior Civil Servants	14.2	12.3	10.1	10.0	8.1	11.3
Miscellaneous	N.A.	11.0	9.5	8.4	8.3	10.9
All categories	13.3†	12.9	11.6	10.7	10.7	12.3

†Excluding the rehousing categories whose median of rent as a proportion of household income are not available. N.A. denotes not available.

### *Geographical Distribution of 'Reception' Estates*

15. The geographical distribution of 'reception' estates for households rehoused in each year largely depends on the locations where the new flats are built in that year. From 1978/79 to 1983/84, the proportions for households rehoused into estates on Hong Kong Island, Kowloon and Tsuen Wan decreased while, on the other hand, those for households rehoused into estates in the New Towns including Sha Tin, Tuen Mun, Fanling, Tai Po and Yuen Long increased. This was due to the fact that many new rental estates were completed in the New Towns in those years. The proportions of households rehoused into estates in different regions/New Towns for the period 1978/79 to 1983/84 are shown in Table 9.

**TABLE 9 PERCENTAGE DISTRIBUTION OF HOUSEHOLDS REHOUSED BY REGION/NEW TOWN OF 'RECEPTION' ESTATES FOR 1978/79 TO 1983/84**

Region/new town of reception estates	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
Hong Kong Island	20	11	4	4	12	7
Kowloon	57	40	25	34	34	32
Tsuen Wan	15	14	18	14	7	3
Tuen Mun	3	22	23	19	18	24
Sha Tin	5	11	17	20	27	21
Tai Po, Fanling and Yuen Long	§	2	13	9	2	13
Miscellaneous	—	§	§	§	§	—
Total	100	100	100	100	100	100
Total number of households rehoused	17 651	27 917	27 404	31 265	33 835	33 737

§Denotes less than 1%.

#### *Average Waiting Time*

16. As mentioned in paragraph 2 'Waiting List Applicants' have to await their turn for the allocation of public rental flats. When applying, they are required to indicate the district in which they prefer to be rehoused. During the period from 1981/82 to 1983/84, the average waiting time for rehousing was longer in urban areas (i.e. Hong Kong Island and Kowloon) and shorter in the recently developed New Towns including Tuen Mun, Fanling, Tai Po and Yuen Long. The average waiting time for 'Waiting List Applicants' in respect of districts preferred for the period 1981/82 to 1983/84 is given in Table 10.

**TABLE 10 AVERAGE WAITING TIME FOR 'WAITING LIST APPLICANTS' BY DISTRICT PREFERRED FOR 1981/82 TO 1983/84**

District preferred	1981/82	1982/83	1983/84
Hong Kong Island	8.5	9.0	10.5
Kowloon	8.5	9.0	10.0
Tsuen Wan	7.5	7.5	9.0
Tuen Mun	4.5	4.0	4.5
Sha Tin	7.5	7.0	7.0
Fanling, Tai Po and Yuen Long	5.5	4.5	5.0