Legislative Council Panel on Housing

Review of the Waiting List Income and Asset Limits for 2006/07

PURPOSE

This paper briefs Members on the review of the methodology for setting the Waiting List (WL) asset limits and the proposed WL income and asset limits for 2006/07.

BACKGROUND

2. It has been the established policy of the Housing Authority (HA) to review the WL income and asset limits annually. The objective is to ensure that public rental housing (PRH) is only available to those in genuine need, i.e. those who cannot afford renting accommodations in the private market. A comprehensive review was conducted in 2002 to rationalize and relax the methodology for assessing the limits, which resulted in lifting the WL income limits by an average of 10% as compared to those derived under the previous methodology.

3. The HA further revisited the methodology for assessing the limits in March 2005 and relaxed the asset limits for elderly households by setting the limits at two times the limits for non-elderly applicants. During the discussion, Members requested for a more thorough examination of the various proposed options for calculating the WL asset limits.

REVIEW THIS YEAR

4. Against this background, a brainstorming session was held by the HA on 10 November 2005 to broach the possible options for revising the methodology for calculating the WL asset limits. The Memorandum for the Subsidized Housing Committee at **Annex** sets out the findings of the review. The WL income and asset limits for 2006/07 are proposed to be increased by an average of 2.7% and 1.7% respectively.

5. The SHC will consider the proposals on 13 March 2006. Members are invited to note the findings of the review.

Housing Department
March 2006

Annex

PAPER NO. SHC 17/2006

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Subsidised Housing Committee

Review of Waiting List Income and Asset Limits for 2006/07

PURPOSE

This paper sets out the findings of the review of the Waiting List (WL) income and asset limits for 2006/07.

BACKGROUND

2. An important cornerstone of the Housing Authority (HA)'s policy is to provide subsidized public rental housing (PRH) to families in genuine need, i.e., those who cannot afford renting accommodation in the private market. The WL income and asset limits, which essentially measure the amount of household income required for renting private accommodation comparable to PRH while meeting other non-housing expenditure, have been developed to support this policy goal. To ensure that the limits so assessed reflect closely the prevailing socio-economic circumstances, they are reviewed annually. A comprehensive review was conducted in 2002 to rationalize and relax the methodology for assessing the limits, which resulted in a general lifting of the WL income limits by an average of 10% as compared to those derived under the previous methodology. **Annex A** sets out the operation of the current methodology for setting the WL income and asset limits.

3. At Members' request, we further revisited the methodology for assessing the limits in March 2005. It was decided to retain the existing methodology but to set the asset limits for elderly households at two times the limits for non-elderly applicants. In that review, we also put forward a proposal for adjusting the asset limits with reference to movements in Consumer Price Index (A) (CPI(A)). Members asked for a more thorough examination of other possible options for calculating the asset limits before taking a view on the matter. A brainstorming session was subsequently held on 10 November 2005 to broach possible options.

THE REVIEW

Income and Asset Limits Derived under the Current Methodology

4. The three main variables affecting households' housing and non-housing expenditure, and hence the WL income and asset limits, are the CPI(A) on non-housing cost, prevailing rental levels in the private market and the sizes of the "reference flats"[1]. Since the last review in March 2005, the CPI(A) and private rentals have moved upwards along with the improved performance of the economy. The sizes of the "reference flats", on the other hand, have on the whole shown downward adjustments largely as a result of the reduction in the number of those large PRH flats which were in excess supply over the past few years. The movements of these three variables as at the fourth quarter of 2005 are set out below-

		4Q 2004	**4Q 2005 (% Change)**
(a)	Differential Unit Rents of Private Flats (per m^2 IFA)		
	- 1-person	\$134	\$142 (+6.0%)
	- 2-person	\$126	\$130 (+3.2%)
	- overall average	\$126	\$130(+3.2%)
(b)	Consumer Price Index (A) on non-housing cost (1999/2000 = 100)	96.9	98.3(+1.4%)
(c)	Reference Flats		
	- 1-person	16.8 m^2 IFA	16.3 m^2 IFA (-3%)
	- 2-person	24.8 m^2 IFA	24.6 m^2 IFA (-0.8%)
	- 3-person	33.0 m^2 IFA	32.5 m^2 IFA (-1.5%)
	- 4-person	39.5 m^2 IFA	39.0 m^2 IFA (-1.3%)

5. Assuming that we adjust the income and asset limits according to the existing methodology, the limits so derived are as follows-

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[1] The "reference flats" have been adopted to assess the expenditure required for renting private flats of comparable sizes to PRH. They refer to the average space of PRH units allocated to WL applicants in the past three years, but exclude all those units converted from HOS and 3-bedroom units allocated to 4-person households.

Household Size	Existing Income Limits for 2005/06	Existing Asset Limits for 2005/06	Income Limits for 2006/07	Asset Limits for 2006/07
1	$6,600	$170,000[$340,000]	$6,800	$170,000[$340,000]
2	$10,100	$230,000[$460,000]	$10,300	$230,000[$460,000]
3	$11,900	$300,000[$600,000]	$12,100	$300,000[$600,000]
4	$14,300	$350,000[$700,000]	$14,600	$370,000[$740,000]
No. of non-owner occupied households in private sector eligible for PRH	121 600 (32.7%)		126 500 (34.1%)	

Note : Figures in [ ] denote asset limits for elderly households (both nuclear and non-nuclear households comprising solely elderly members, the latter include households comprising unrelated elderly members).

The income and asset limits for 2006/07 would increase by an average of 2.7% and 5.6% respectively over those for 2005/06. Some 126 500 non-owner occupied households in the private sector[2] (34.1%) would be eligible for PRH, up 4 900 from the current 121 600 households (32.7%). Details are at **Annex B**.

Possible Alternative Methodologies for Setting Asset Limits

6. The existing methodology for setting asset limits, which was introduced in 1998, pegs the limits to the expenditure required for renting private units comparable to PRH for six years. The reference to six years' rentals was adopted mainly to take account of the average waiting time (AWT) for PRH prevailed at the time. This methodology has been criticized for lacking a coherent and scientific foundation as there does not seem to exist a strong connecting thread between the applicant's asset and how much he or she has to spend on housing. The shortening of the AWT from six years in 1998 to around two years now has further eroded the original basis of the existing

[2] It should be stressed that this figure only gives a "snapshot" of the position as of 4Q 2005. The number of non-owner occupied households in the private sector will change over time, so will the proportion of them eligible for PRH. The total number of households eligible for PRH is also far greater than that suggested by this figure as households splitting from existing PRH tenants, HOS/PSPS owners or owner-occupied households in the private sector may also be eligible for PRH.

methodology.

7. Taking account of the suggestions made by various parties, we have identified the following alternative options for setting the WL asset limits -

(a) keeping the existing methodology but adjusting the reference from six years' rentals to two years' in line with the present AWT;

(b) deriving the asset limits based on the estimated amount of household savings that the prospective WL applicants might reasonably accrue over a period of, say, 10 years;

(c) deriving the asset limits based on the total household expenditure of the WL applicants, i.e. including both housing and non-housing expenditure, for a period of , say, three years;

(d) pegging the asset limits at, say, 24 times the WL income limits. The limits so calculated will be very close to the existing ones; and

(e) adopting the current WL asset limits as the basis for future adjustments with reference to movements in CPI(A) over the year.

Details of the above options together with their respective merits and demerits, which were discussed at the brainstorming session on 10 November 2005, are
------- set out at **Annex C**. The respective asset limits derived from these options are
------- listed at **Annex D**.

Assessment

8. When assessing the viability of these alternative methods, we believe we have to bear in mind the following practical constraints and considerations -

(a) for all its shortcomings, the existing methodology has been in place for eight years. The asset limits so derived have largely been accepted by the community. Adopting an entirely new methodology is likely to produce major deviations, whether downwards or upwards, from the existing limits. Unless there are overriding reasons to do so, it may be very difficult to convince the public to accept any major departure from the existing asset limits;

(b) it is practically not feasible to devise an alternative methodology that does not involve a degree of subjectivity, particularly over the determination of the relevant parameters; and

(c) we could massage the parameters and variables under any of the alternative methodologies with a view to producing asset limits close to the existing ones. But to do so is likely to render the alternatives as arbitrary as the existing methodology.

9. Taking account of these constraints and the fact that the current asset limits are on the whole accepted by the community, we believe option (e), i.e., adjusting the asset limits according to the movements in CPI(A), could provide us with a practical and transparent framework for reviewing the asset limits. It should go a long way towards reforming the current review mechanism while avoiding abrupt changes to the asset limits and allowing them to be adjusted moderately according to changes in price levels. Compared to rental index, CPI(A) is a broader-based price indicator. The former is potentially subject to more volatile fluctuation according to the economic cycle. The CPI(A) in the fourth quarter of 2005 increased by 1.6% over the past year. The asset limits for 2006/07 derived under this methodology are set out below-

Household Size	**Existing Asset Limits for 2005/06**	**Proposed New Asset Limits for 2006/07**	**% Change[3]**
1	$170,000	$173,000	+1.8%
2	$230,000	$234,000	+1.7%
3	$300,000	$305,000	+1.7%
4	$350,000	$356,000	+1.7%

RECOMMENDATIONS

10. Members are invited to endorse the following-

(a) adopting the current WL asset limits as the basis for future adjustments according to movements in CPI(A); and

------- (b) the proposed WL income and asset limits for 2006/07 at **Annex E**.

FINANCIAL AND STAFFING IMPLICATIONS

11. This annual review itself does not have any financial and staffing

[3] The percentage changes differ slightly from the rate of increase in CPI(A) over the last year, i.e., 1.6%, due to rounding.

implications. Adjusting the WL income limits according to the established mechanism has already been built into our forecast of PRH demand and planning of PRH production. Since there is no official data on household assets, we cannot ascertain precisely the impact of the proposed changes to the way that asset limits are to be adjusted on the number of eligible households. However, given the very moderate adjustments, we do not expect any need to adjust the level of PRH production.

PUBLIC REACTION AND PUBLICITY

12. The media and the public are likely to watch this annual review of WL income and asset limits with keen interest. The proposed moderate increase in the income and asset limits for 2006/07, which reflects the improvement in the general economic conditions over the year, should be acceptable to the community at large.

13. A press release will be issued to announce the findings of this review together with the proposed new methodology for reviewing the WL asset limits. The revised income and asset limits for 2006/07 will be publicized on the HA's website and the WL application form.

ADVICE SOUGHT

14. Members will be invited to endorse the recommendations set out in paragraph 10.

Miss Elisa TSUI
Secretary, Subsidised Housing Committee
Tel. No.: 2761 6834
Fax No.: 2761 0019

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(Strategy Division)
Date : 7 March 2006

The Existing Mechanism for Setting of the WL Income and Asset Limits

WL Income Limits

- The WL income limits are derived from a "household expenditure" approach which consists of housing costs and non-housing costs-

  (a) *Housing costs*: the rent payment, rates and management fees required for a household to rent a private flat of comparable size to PRH. The exact figure is obtained by multiplying the average space allocated to Waiting List applicants in the past three years by a unit rent which is derived from a sample survey on private dwellings conducted by the Census and Statistics Department. In the calculation, the differential unit rent for the respective household size or the overall average unit rent, whichever is higher, is adopted, while all those HOS flats which were transferred to PRH and those 3-bedroom flats allocated to 4-person households are excluded.

  (b) *Non-housing costs*: The average household expenditure of the lower half expenditure group amongst tenant households in the private sector. The statistics are obtained from the Household Expenditure Survey conducted by C&SD and adjusted annually according to the movement in Consumer Price Index (A) (excluding housing cost). The expenditure pattern of those households comprising solely elderly or non-working members are excluded in deriving the non-housing expenditure.

- The WL income limits for different household sizes are the respective sums of the above two major cost items, plus a 5% "contingency" provision.

WL Asset Limits

- The WL asset limits are set at levels for households to finance the housing cost of renting private flats for six years.

Annual Adjustment

- The WL income and asset limits are reviewed annually at the beginning of each year using latest available statistics as of the fourth quarter of the previous year.

MPF Contributions

- Statutory contributions under the Mandatory Provident Fund (MPF) Scheme are deductible from a household's income when it applied for PRH. In other words, for households contributing 5% of their income under the MPF, the effective WL income limits applicable to them are about 5.26% higher than the prescribed limits.

Projected Waiting List Income Limits for 2006/07 Under the Existing Methodology

A. Rent*

- obtained by multiplying average size of accommodation by unit rent*
- the average size of accommodation is equivalent to the average space allocated to the waiting list applicants in 2002/03 - 2004/05^
- differential and overall average unit rents of private flats (flat size of 69.9m^2 SA or below) are derived from the Rent Survey for 4Q 2005 conducted by Census & Statistics Department+

HH size	Unit Rent ($/$m^2$ IFA)
1	142
2	130
Overall Average	130

B. Average non-housing expenditure :

- based on the expense pattern of tenant households in private permanent housing and those in private temporary housing in the lower half expenditure group in accordance with the 1999/00 Household Expenditure Survey@ and adjusted by CPI(A) (excluding rent & rates & government rent & management fee) to 4th quarter 2005. Households with all elderly or non-working members have been excluded from the calculation.

HH size	Average size of accommodation ^	Housing Expenditure*	Non-housing expenditure	Total household expenditure	**Projected income limit#**	Existing income limits	Change	
	(m^2, IFA)	($p.m.)	($p.m.)	($p.m.)	**($p.m.)**	($p.m.)	($p.m.)	(%)
1	16.3	2,315	4,114	6,429	**6,800**	6,600	200	3.0
2	24.6	3,198	6,574	9,772	**10,300**	10,100	200	2.0
3	32.5	4,225	7,267	11,492	**12,100**	11,900	200	1.7
4	39.0	5,070	8,810	13,880	**14,600**	14,300	300	2.1
5	42.7	5,551	9,981	15,532	**16,300**	16,100	200	1.2
6	47.8	6,214	11,007	17,221	**18,100**	17,600	500	2.8
7	52.2	6,786	11,930	18,716	**19,700**	19,100	600	3.1
8	58.0	7,540	12,773	20,313	**21,300**	20,300	1,000	4.9
9	59.7	7,761	13,547	21,308	**22,400**	21,800	600	2.8
10+	65.2	8,476	14,266	22,742	**23,900**	23,100	800	3.5
Average	-	-	-	-	-	-	-	2.7
No. of non-owner occupier households in private sector within WLILs~								
1p					42,300	39,400	2,900	7.4%
2p+					84,200	82,200	2,000	2.4%
Total					126,500	121,600	4,900	4.0%
As a % of total no. of non-owner occupier households in private sector in HK※					34.1%	32.7%		

Notes :
- * includes rent, rates and management fees of private flats below 70m^2 SA.
- ^ excludes HOS transferred flats and 3-bedroom flats allocated to 4-person households in calculating the average size of accommodation.
- \+ includes households renting individual flats, rooms & bedspaces, etc.
- @ latest available source of information.
- \# including 5% contingency provision.
- ~ derived by matching the proposed income limits with the income data captured by the General Household Survey conducted by the Census & Statistics Department.
- ※ according to the Census & Statistics Department, the total no. of private non-owners in HK is estimated to be around 371,300 households in 4Q 2005.

Projected Waiting List Asset Limits for 2006/07 Under the Existing Methodology

Household Size	Rent	Cost to Cover Rent for 6 Years	Projected WLALs ($)	Existing WLALs ($)	Change (%)
1	2,315	166,680	**170,000**	170,000	0.0%
2	3,198	230,256	**230,000**	230,000	0.0%
3	4,225	304,200	**300,000**	300,000	0.0%
4	5,070	365,040	**370,000**	350,000	5.7%
5	5,551	399,672	**400,000**	390,000	2.6%
6	6,214	447,408	**450,000**	420,000	7.1%
7	6,786	488,592	**490,000**	450,000	8.9%
8	7,540	542,880	**540,000**	470,000	14.9%
9	7,761	558,792	**560,000**	520,000	7.7%
10	8,476	610,272	**610,000**	560,000	8.9%
					(Average: 5.6%)

Note : excludes HOS transferred flats and 3-bedroom flats allocated to 4-person households in calculating the average size of accommodation.

Alternative Methodologies for Setting the WL Asset Limits

Option	Detailed operation	Assessment
(a) ***Keeping the existing methodology but adjusting the reference from six years' rentals to two years'***	• Under the existing methodology, asset limits are set with reference to the amount of expenditure required for households to rent private accommodations for six years, which was the AWT prevailed at the time when asset limits were first introduced in 1998. • The original basis for making reference to six years' rentals no longer holds water and its continuing application has attracted criticisms. To reflect the much shortened AWT at around two years as at present, two years' rentals are suggested to be used as the parameter for calculating the asset limits.	• There is no strong connecting thread between rental expenditure and asset limits. • The HA did not make any explicit decision in 1998 to adjust the calculation of asset limits according to changes in AWT. To do so is likely to cause major fluctuations in the amount of asset limits so calculated. • The proposal would drastically reduce the asset limits by some 65% and is unlikely to be acceptable to the community.
(b) ***Deriving the asset limits based on the estimated amount of household savings over a period of, say, ten years***	• There may exist a causal link between household savings and the asset limits. Consideration could be given to deriving the asset limits based on the estimated amount of household savings that the prospective WL applicants might reasonably accrue at the time they apply for PRH. • A possible method is to draw on the differentials between the income limits and actual household expenditure to assess the amount of household savings. As can be seen from Appendix, for households with income equivalent to the income limits, their average household expenditure is on average 16% lower than their household income. Assuming that the households concerned could save similar percentage of their income over a period of,	• Developing an objective formula along the notion of household savings is fraught with difficulties. For one thing, there is no universally accepted rate of saving. Nor is there any official statistics on household savings in Hong Kong. • There is no objective basis for assuming that the WL applicants could achieve this saving rate for ten consecutive years. • The proposed asset limits calculated using this method are substantially lower than the existing ones by 15.7% to 25.3%. Again, such a drastic reduction is susceptible to strong public

	say, ten consecutive years, the asset limits could be calculated as follows - Asset Limits = Monthly Household Income or Income Limits x 16% x 12 x 10	objection. • We could bring the revised asset limits closer to the existing ones by assuming that the households could accumulate a larger amount of savings over a reference period of more than ten years. But to do so would be as arbitrary as to continue to adopt six years' rentals as the asset limits. It would equally lay ourselves open to the same criticism that the assessment of the asset limits is not founded on objective grounds.
(c) Deriving the asset limits based on three years' total household expenditure of the WL applicants	• Instead of linking the asset limits to rental expenditure, there is a suggestion that assessment of the asset limits should take into account the applicants' total household expenditure, i.e. including both housing and non-housing expenditure. Consideration could be given to deriving the asset limits based on the cumulative household expenditure over a period of, say, three years. **Annex B** sets out the total household expenditure for different household sizes as at 4Q 2005.	• The proposed asset limits calculated using this method are substantially higher than the existing ones by 35.9% to 55.5%. It begs the question whether such substantial increase in asset limits is justifiable and necessary. • Similar to other alternatives, there is no objective basis for adopting three years' total household expenditure for calculating the asset limits.
(d) Setting the WL asset limits at 24 times the WL income limits	• Another possible alternative is to peg the asset limits with the income limits. For instance, setting the asset limits at 24 times the income limits will produce limits quite close to the existing ones.	• Linking up asset and income limits has the advantage of homogenizing future adjustments of both sets of limits under the same framework. • This option is easy to operate and provides a transparent basis for adjusting the asset limits.

		• In general, the asset limits calculated using this method happen to come close to the existing ones. However, there would remain be concerns that this method would lead to quite substantial, and yet different, changes to the asset limits for households of different sizes, ranging from -4.1% to +8.7%. • The rationale behind pegging the asset limits at 24 times the income limits is rather unclear.
(e) Adopting the current WL asset limits as the basis for future adjustments with reference to movements in CPI(A)	• While the original basis for deriving the asset limits is less than coherent, the limits so derived have been by and large accepted by the community. A possible option is to build on the existing asset limits but develop a broader-based mechanism for future adjustments. Instead of guiding the adjustment with sole reference to private rentals, it is proposed that a more representative price indicator, i.e. CPI(A), should be adopted for determining the extent of adjustments warranted.	• The constraints we face in changing the methodology for setting the asset limits are such that any alternative methodologies would likely produce asset limits that deviate significantly from the existing ones; and that it would be highly difficult to devise an alternative methodology that does not involve a degree of subjective assessment of the relevant parameters. • Retaining the current asset limits to form the basis for future adjustments could avoid abrupt changes to the limits. • The advantage of using CPI(A) is that it is a broader-based price indicator as compared to rental index. The rental index would also be potentially subject to more volatile fluctuations according to the economic cycle.

Comparison between WL Income Limits and Actual Household Expenditure

Household Size (persons)	**(A) Household Size Distribution of Eligible Households for PRH**	**Prevailing WL Income Limits (2005/06)^**			**Actual Household Expenditure as at 4Q 2004 (Lower half expenditure group based on findings of the Household Expenditure Survey)^**			**Percentage Difference between WL Income Limits and Actual Household Expenditure**
		(B) Housing Expenditure ($)	(C) Non-housing Expenditure ($)	**(D) Income Limits ($)**	(E) Housing Expenditure ($)	(F) Non-housing Expenditure ($)	**(G) Total Household Expenditure ($)**	$\frac{(D)-(G)}{(D)}$
1	**34.3%**	2,251	4,055	**6,600**	1,632	3,604	**5,236**	**20.7%**
2	**29.6%**	3,125	6,481	**10,100**	2,717	6,300	**9,017**	**10.7%**
3	**18.8%**	4,158	7,164	**11,900**	3,059	6,939	**9,998**	**16.0%**
4	**12.1%**	4,977	8,685	**14,300**	3,208	8,685	**11,893**	**16.8%**
5+	**5.2%**	5,456 – 7,938	9,839 – 14,064	**16,100 – 23,100**	3,803 – 5,042	9,839 – 14,064	**13,642 – 19,106**	**15.0% - 17.3%**
								16%*

Note:

^ The prevailing WL income limits are calculated from statistical data as at 4Q 2004. For calculating the household saving rate, actual household expenditure data for the same period is used.

* Weighted average household saving rate taking account of household size distribution of eligible households for PRH.

Annex D

Projected Waiting List Asset Limits for 2006/07 (using data as at 4Q 2005)

Household size	WLALs 2005/06	**Baseline** WLALs 2006/07 existing method (6 years rentals)		**Option(a)** WLALs 2006/07 existing method (2 years rentals)		**Option(b)** WLALs 2006/07 saving approach (saving rate: 16% saving period: 10 years)		**Option(c)** WLALs 2006/07 expenditure approach (period: 3 years)		**Option(d)** WLALs 2006/07 WLALs set at 24 times of WLILs		**Option(e)** WLALs 2006/07 adjust existing limits by CPI(A)	
	($)	($)	Change compared with existing WLALs (%)	($)	Change compared with existing WLALs (%)	($)	Change compared with existing WLALs (%)	($)	Change compared with existing WLALs (%)	($)	Change compared with existing WLALs (%)	($)	Change compared with existing WLALs (%)
1P	170,000	170,000	0.0%	60,000	-64.7%	127,000	-25.3%	231,000	35.9%	163,000	-4.1%	173,000	1.8%
2P	230,000	230,000	0.0%	80,000	-65.2%	194,000	-15.7%	352,000	53.0%	247,000	7.4%	234,000	1.7%
3P	300,000	300,000	0.0%	100,000	-66.7%	228,000	-24.0%	414,000	38.0%	290,000	-3.3%	305,000	1.7%
4P	350,000	370,000	5.7%	120,000	-65.7%	275,000	-21.4%	500,000	42.9%	350,000	0.0%	356,000	1.7%
5P	390,000	400,000	2.6%	130,000	-66.7%	309,000	-20.8%	559,000	43.3%	391,000	0.3%	396,000	1.5%
6P	420,000	450,000	7.1%	150,000	-64.3%	338,000	-19.5%	620,000	47.6%	434,000	3.3%	427,000	1.7%
7P	450,000	490,000	8.9%	160,000	-64.4%	367,000	-18.4%	674,000	49.8%	473,000	5.1%	457,000	1.6%
8P	470,000	540,000	14.9%	180,000	-61.7%	390,000	-17.0%	731,000	55.5%	511,000	8.7%	478,000	1.7%
9P	520,000	560,000	7.7%	190,000	-63.5%	419,000	-19.4%	767,000	47.5%	538,000	3.5%	528,000	1.5%
10P+	560,000	610,000	8.9%	200,000	-64.3%	444,000	-20.7%	819,000	46.3%	574,000	2.5%	569,000	1.6%
Average	-	-	5.6%	-	-64.7%	-	-20.2%	-	46.0%	-	2.3%	-	1.7%

Annex E

Proposed Waiting List Income and Asset Limits for 2006/07

Household Size	Existing WL Income Limits for 2005/06	Existing WL Asset Limits for 2005/06	Proposed WL Income Limits for 2006/07	Proposed WL Asset Limits for 2006/07
1-Person	$6,600 ($6,947)	$170,000 [$340,000]	$6,800 ($7,158)	$173,000 [$346,000]
2-Person	$10,100 ($10,632)	$230,000 [$460,000]	$10,300 ($10,842)	$234,000 [$468,000]
3-Person	$11,900 ($12,526)	$300,000 [$600,000]	$12,100 ($12,737)	$305,000 [$610,000]
4-Person	$14,300 ($15,053)	$350,000 [$700,000]	$14,600 ($15,368)	$356,000 [$712,000]
5-Person	$16,100 ($16,947)	$390,000	$16,300 ($17,158)	$396,000
6-Person	$17,600 ($18,526)	$420,000	$18,100 ($19,053)	$427,000
7-Person	$19,100 ($20,105)	$450,000	$19,700 ($20,737)	$457,000
8-Person	$20,300 ($21,368)	$470,000	$21,300 ($22,421)	$478,000
9-Person	$21,800 ($22,947)	$520,000	$22,400 ($23,579)	$528,000
10-Person and above	$23,100 ($24,316)	$560,000	$23,900 ($25,158)	$569,000

Figures in [ ] denote asset limits for elderly households (both nuclear and non-nuclear households comprising solely elderly members).

Figures in ( ) denote the effective income limits should a household be contributing 5% of its income under the Mandatory Provident Fund (MPF) Scheme as required by the law.