

Legislative Council Panel on Housing

Land Supply for Housing

Purpose

This paper takes stock of the latest position in the provision of public rental housing (PRH) and private residential flats.

Public Housing

2. The objective of the Government's subsidized housing policy is to meet the housing needs of low-income families who cannot afford private rental accommodation, with a target of maintaining the average waiting time (AWT) for general PRH applicants at around three years. The Housing Authority (HA) has a five-year rolling Public Housing Construction Programme which is reviewed on an annual basis. Suitable adjustments will be made in accordance with the latest demand and supply situation.

3. In the five-year period between 2011/12 and 2015/16, the forecast production of new PRH is 75 000 flats (**Annex**), averaging about 15 000 flats per year. The HA estimates that this level of production, together with the recovered flats from the existing stock, would allow the Government to meet the three year AWT target. Among the new PRH flats over this period, about 60% of them are in urban areas, about 30% in the extended urban areas, and the remaining in the New Territories.

4. However, for projects beyond 2015/16, i.e. the next five years, are mostly at an early planning and design stage and are subject to a number of factors, such as change of land use, different views from the local communities, and timely availability of sites. Hence, production and programme beyond the next five years cannot be finalized at this stage.

5. To ensure an adequate and steady supply of suitable land for PRH development, the Transport and Housing Bureau (THB) and the Housing Department (HD), will continue to liaise closely with the Development Bureau, concerned Government departments, district councils and local communities to identify suitable sites in different parts of the territory for PRH development. The HA will consider all viable sites, regardless of their sizes, for PRH development under the principle of optimal utilization of land resources to maintain cost-effective and sustainable development.

Private Residential Flats

6. The Government is committed to ensuring the healthy and stable development of the private residential property market. It has been monitoring developments in the private residential property market closely and remains vigilant on the risks of a property bubble. The current property market situation is very unusual. The Government has introduced long, medium and short-term measures along four directions, including increasing land supply to tackle the problem at source, combating speculative activities, enhancing the transparency of property transactions, and preventing excessive expansion in mortgage lending, with a view to ensuring the healthy and stable development of the property market. As regards the supply of private residential flats, the Government has set the target of making available land for an average of some 20 000 private residential flats per annum in the next 10 years. It is estimated that the housing land available for private residential development in 2011/12 may generate about 35 000 units.

7. THB compiles and collates housing supply related statistics from relevant bureaux and departments, and issues quarterly reports for public information.

8. As at March 2011, we estimate that around 59 000 private residential flats will be made available in the next three to four years in the primary market, of which 37 000 (63%) are expected to be small to medium sized flats. Of the 59 000 units, about 9 000 units are to be built on disposed sites on which construction works have not yet started; about 44 000 units are under construction and have not yet been sold under pre-sale arrangement and about 6 000 units are completed and unsold.

9. The Financial Secretary now chairs the “Steering Committee on Housing Land Supply” to coordinate the efforts of all departments concerned to ensure that issues relating to housing land will be dealt with as a matter of priority in order to guarantee a stable and adequate supply of land for both PRH and private residential flats, including small and medium sized private units. THB and HD will continue to work closely with the Development Bureau and concerned Government departments to secure suitable sites for PRH development, for the target of maintaining AWT for general PRH applicants at around three years.

Advice Sought

10. Members are invited to note the contents of this paper.

**Transport and Housing Bureau
July 2011**

Production of PRH Flats in the Coming Five Years (2011/12 – 2015/2016)

Year of Completion / District[#]	Sub-District	Planned Flat Number
2011/2012		
Urban	Kowloon City	800
	Kwun Tong	3 500
	Sham Shui Po	5 600
	Wong Tai Sin	1 300
Sub -Total		11 200
2012/2013		
Urban	Kowloon City	7 900
	Kwun Tong	2 700
	Sham Shui Po	1 400
Extended Urban	Sha Tin	2 800
New Territories	Tuen Mun	1 000
Sub -Total		15 800
2013/2014		
Urban	Kowloon City	5 400
	Sham Shui Po	1 500
	Wong Tai Sin	1 000
Extended Urban	Kwai Tsing	2 400
	Sha Tin	3 000
	Sai Kung (Tseung Kwan O)	2 100
Sub -Total		15 400
2014/2015		
Urban	Kwun Tong	5 800
	Sham Shui Po	2 800
Extended Urban	Sha Tin	3 500
New Territories	North	1 300
	Yuen Long	4 900
Sub -Total		18 300
2015/2016		
Urban	Kwun Tong	4 500
	Sham Shui Po	400
Extended Urban	Sha Tin	4 500
	Islands (Tung Chung)	3 600
New Territories	Tai Po	500
	Yuen Long	1 600
Sub -Total		15 100
Total		75 800

(Based on the Public Housing Construction Programme as at March 2011)

#Extended Urban areas include Kwai Tsing, Tsuen Wan, Sha Tin (including Ma On Shan), Sai Kung (including Tseung Kwan O) and Tung Chung.