This report is submitted by Habitat for Humanity Hong Kong to the UN Committee on Economic, Cultural, and Social Rights. Driven by the vision that everyone needs a decent place to live, Habitat Hong Kong supports the New Urban Agenda and its emphasis on three areas: adequate and affordable housing, secure tenure, and community-led development. This report presents Habitat's main concerns on the HKSAR Government's implementation of standards to meet Article 11 and the right to adequate housing.

- I. Affordability
- II. Tenant Protections
- III. Housing Conditions
- IV. Location

While we recognize the Government's work toward short, medium, and long-term planning for future land supply for homes and public rental housing, the Fourth Report of the HKSAR Government to the CESCR declined to mention measures to support or improve inadequate housing conditions for people currently living in substandard housing in Hong Kong.

According to the Housing Authority, as of September 2020 there are 156,400 family and elderly one-person applications for public rental housing (PRH) with an average waiting time of 5.6 years. Additionally, there are 103,600 non-elderly one-person applications. Younger single applicants are allotted PRH according to a Quota and Points system, many waiting an estimated ten years or more for a PRH flat. With limited affordable housing options and high rental prices, many of those waitlisted turn to substandard housing such as subdivided units (SDUs) in both residential and industrial buildings, rooftop housing, and cage homes.

Demand for SDUs has also been growing amongst the "sandwich class," those who are ineligible for public housing yet who cannot afford to own private property. The situation worsened from 2006 to 2016 as the increase in household income (45%) could not keep up with that of rent (105%) and property price (264%).<sup>2</sup>

The Buildings Department defines SDUs as, "the subdivision of a flat as shown on the original approved plan of a building into two or more individual rooms." Social workers and SDU residents report it is common for flats to be subdivided into four or more units. In general there are two types of SDUs, observable physical partitions and the provision of an independent toilet are the major differences. Most SDUs are regarded as informal housing due to tenure insecurity (most SDU tenancy agreements are not stamped and registered in the Lands Registry), and the often unauthorized building works carried out during division of the original flat.<sup>3</sup> The Hong Kong Subdivided Flats Concerning

<sup>&</sup>lt;sup>1</sup> Number of Applications and Average Waiting Time for Public Rental Housing, (2020, November 11), Hong Kong Housing Authority and Housing Department. https://www.housingauthority.gov.hk/en/about-us/publications-and-statistics/prh-applications-average-waiting-time/index.html

<sup>&</sup>lt;sup>2</sup> Leung, Ka Man, and Yiu, Chung Yim, *Rent Determinants of Sub-divided Units in Hong Kong.* (2018, May 5), https://docs.google.com/document/d/14V9ONZ3aY5qiJLJUEYauTp6TfpuH1KKg1edN92EvtDQ/edit?ts=5fcc4bc3 
<sup>3</sup> Ibid

Platform estimates that between 2015 and 2019, only 14% of SDU landlords got approval for construction works through the Buildings Department Minor Works Control System,<sup>4</sup> making most SDUs likely to be illegal.

# **Affordability**

### High housing expenditure

The 2020 Demographia International Housing Affordability Survey named Hong Kong the least affordable place to buy a home, globally, for the 10th year in a row. Using the median multiple, a house price-to-income ratio used to evaluate housing markets, a family on average needs to save for 20.8 years without spending a single dollar to have enough money to buy a home in Hong Kong - this in contrast to 4.6 years in Singapore and 3.9 in the U.S. <sup>5</sup> As of last year, the median apartment price stood at \$7.04 million (USD \$908,000), while the annual median household income was \$338,000 (USD \$43,000).

Rent in the private market is equally severe. Despite multiple rounds of demand-side management measures to cool the private market, rent increases are not only persisting but accelerating, with smallest flats experiencing the greatest acceleration. From 2010 to 2019, rent rose 42% for units from 70 to 99.9 square metres, 64% for units ranging 40 to 69.9 square metres, and 80% for units under 40 square metres.<sup>7</sup> This is a vicious cycle: as rents per square metre go up, the demand for smaller housing increases, allowing landlords to charge higher rents. In turn, rent costs become an increasing burden on residents. In a study of five Hong Kong districts, the Subdivided Flats Concerning Platform found that rent took an average of 41% of SDU households' income. A community organizer pointed out that rent is not the only cost, "This 41% is spent just on rent. If we include water and electricity bills... the expenses could be more than half of wages." These rates far exceed UN Habitat standards for affordable housing.

Other factors influencing rental costs are SDU rental practises:

Since the repeal of the Landlord and Tenant Integration (Amendment) Ordinance in 2004, tenants lack the protection of tenancy rights, and the market has gradually tended to short leases, generally with a one-year contract or even

<sup>&</sup>lt;sup>4</sup> Special Study on Hong Kong Subdivided Housing Violation and Supervision, Hong Kong Subdivided Flats Concerning Platform, Facebook posting, accessed Dec. 12, 2020, https://www.facebook.com/SubdividedFlatPlatform/posts/3290989604342510

<sup>&</sup>lt;sup>5</sup> 16<sup>th</sup> Annual Demographia International Housing Affordability Survey (2020, January 20), Retrieved Dec. 5, 2020, http://demographia.com/dhimedia2020.pdf

<sup>&</sup>lt;sup>6</sup> Lu, Edith, *HK is 'Least Affordable Housing Market' for 10<sup>th</sup> Year Running*, (2020, Jan. 21), China Daily, https://www.chinadaily.com.cn/a/202001/21/WS5e26574ba3101282172726d3.html

<sup>&</sup>lt;sup>7</sup> 不適切居所 (劏房、板房、籠屋) 租務情況調查報告香港社區組織協會, Investigation Report on the Rental Situation of Unsuitable Dwellings (Subdivided Houses, Board Houses, Cage Houses), (2020, Oct. 4), Society for Community Organisation

<sup>&</sup>lt;sup>8</sup> Chiu, Peace, Rents for Subdivided Units in Hong Kong Hit a New High, Concern Group Study Shows, (2019 June 23), South China Morning Post

shorter. Short-term leases allow landlords to increase rents more frequently, as well as providing room to switch tenants to renovate and increase rents. This cycle leads to grassroots families often moving once a year. This phenomenon is not entirely the responsibility of landlords. In the old districts there are many small and medium-sized real estate agencies which specialise in renting out SDUs. With information over a large number of leases in the district, these intermediary real estate agencies have large bargaining power and often encourage landlords to drive away existing tenants, renovate their flats, and subsequently increase the rent. This frequent relocation of tenants and re-leasing by landlords benefits the agencies as they can earn more commission.<sup>9</sup>

Information is not easily available for those seeking to rent SDUs, resulting in high information and search costs for tenants who could only assess an SDU's value based on the availability of observable housing attributes and verbal information by agents.<sup>10</sup> Lack of information and transparency makes tenants even more dependent on real estate agents seeking to maximize profits.

Rent control measures once stipulated that landlords could not increase rent by over 90% of a flat's market value within a two-year period, and could not increase rent by more than 30% at once. However, tenancy control was fully repealed in 2004 given the fact that it only affected about 1% of private residential buildings at the time, and there was a relatively adequate supply of public rental housing with an average wait time of just 2.6 years in 2003. These circumstances have changed. The average wait time for a public rental housing allocation has exceeded the Housing Authority's 3-year target since 2016; thas now reached 5.6 years, with 43% of recently housed applicants waiting over 6 years. A 2015 government report, "Economic Analysis of Tenancy Control: International Experience," concluded that tenancy control is "controversial," and "generally results in market distortion and unintended consequences." The implication here is that tenancy control may backfire from an economic perspective, but so far no publicly released report has used quantitative data and methods to project the actual outcome of implementation of tenancy control in Hong Kong, including net effect on rent or the potential effect of complementary measures.

In April 2020, the Government took the first step towards responding to widespread calls for the exploration of tenancy controls, setting up the Task Force for the Study of Tenancy Control in Subdivided Units (the "Task Force") with the mandate to study social, economic and legal issues related to SDUs and how and whether tenancy

<sup>&</sup>lt;sup>9</sup> 探索社區房屋中介的可能性, *Explore the Possiblities of Community Housing Agency*, (2017, June 5), Inmedia Hong Kong, https://www.inmediahk.net/node/1049825

<sup>&</sup>lt;sup>10</sup> Leung, Ka Man, and Yiu, Chung Yim, *Rent Determinants of Sub-divided Units in Hong Kong.* (2018, May 5), https://docs.google.com/document/d/14V9ONZ3aY5qiJLJUEYauTp6TfpuH1KKg1edN92EvtDQ/edit?ts=5fcc4bc3

<sup>&</sup>lt;sup>11</sup> 不適切居所 (劏房、板房、籠屋) 租務情況調查報告香港社區組織協會, Investigation Report on the Rental Situation of Unsuitable Dwellings (Subdivided Houses, Board Houses, Cage Houses), (2020, Oct. 4), Society for Community Organization

Report of the Panel on Housing for Submission to the Legislative Council, LC Paper No. CB(1)1031/15-16, (2016 June 29), https://www.legco.gov.hk/yr15-16/english/panels/hg/reports/hg20160629cb1-1031-e.pdf
 Distribution of waiting time of general applicants who were housed to PRH between July 2018 and June 20191 (Extracted from SHC Paper No. 62/20

control of SDUs should be implemented. The Task Force has been holding frequent public consultations and conducting outreach to NGOs and the community to gather data and information.

The Government provides two forms of subsidies targeted at low-income renters, both are one-off measures that aim to relieve the burden of continual rent adjustments. These measures, to be implemented in the latter half of 2021, include rent subsidies to residents (excluding those who receive CSSA social welfare checks) who have been waiting for public housing for over 3 years. After the announcement of this subsidy and other relief measures, it was reported that over 30% of SDU residents received notice from landlords about an increase in rent. As a result, despite the subsidy tenants remain concerned about their future financial burden in the event that rent control is not put in place. The Society for Community Organisation had a straightforward response, "Landlords will be able to capitalise on a large chunk of the new cash, since they know the sums handed out by the government and know tenants can afford to pay more now. Only rent control can tackle the problem at its root." 15

## Suggested questions:

- 1. What measures will the Government consider implementing to ensure and protect housing affordability, such that rental costs do not exceed 30% of household income? Will the Government consider regulations to ensure parties property developers, landlords, SDU real estate agents, or others comply with standards that uphold rent affordability and decent practices?
- 2. "Those in need of housing... should be treated as rights holders and as experts in what is required for a dignified life... They are entitled to participate actively, freely and meaningfully in the design and implementation of programmes and policies affecting them." Will the Task Force include SDU residents in decision making processes by holding further rounds of public consultations after concrete suggestions have been formulated, for the purpose of involving the community in the co-design of equitable ways to address affordable housing in SDUs?
- 3. Please describe how the Task Force will make their research and decision making on tenancy control in SDUs public and transparent.
- 4. Please explain the reasons why "N have-nots" do not receive regular welfare allowances and whether they qualify for welfare. With this in mind, please describe the measures that the government is taking to protect their well-being, particularly against the risk of homelessness, and whether or not the government will consider regularising the one-off subsidy.

<sup>14</sup> 逾三成受訪劏房戶:業主聞「租津」政策後提加租, *More Than 30% of Sub-residents Interviewed: Landlords Raise Rent After Hearing About the Rental Subsidy Policy* (2020, Feb. 20), Mingpao, https://news.mingpao.com/ins/港間/article/20200220/s00001/1582175219436/逾三成受訪劏房戶-業主聞「租津」政策後提加租

<sup>&</sup>lt;sup>15</sup> Ting, Victor, Hong Kong Leader Carrie Lam Makes New Round of One-off Living Subsidy to Help Poor Cope with High Property Prices the Centrepiece of Welfare Measures in Policy Address (2019, Oct. 16), South China Morning Post

<sup>&</sup>lt;sup>16</sup> Farha, Leilani, *UN Guidelines for the Implementation of the Right to Adequate Housing 2020*, (2019, Nov. 18), https://www.ohchr.org/EN/Issues/Housing/Pages/GuidelinesImplementation.aspx

## Overcharging for utilities in subdivided units

Compounding exorbitant rental costs is the issue of arbitrary overcharging for utilities in subdivided units. Because many of these subdivided flats are not fitted with individual electricity and water metres, landlords are free to charge tenants as they like for utilities with little oversight.

The Task Force has acknowledged the problem and suggested a solution: "People who are affected will need to stand up and make the complaints. And if the electricity company or the water authority receives complaints, I think they will do the proper thing." The city water supplier has relaxed existing requirements for SDU residents to apply for individual water metres and sent letters to landlords regarding the law.<sup>17</sup>

However, in a series of August 2020 meetings, concern groups told the Task Force that SDU residents are deterred from filing complaints by potential negative consequences, especially the threat of eviction. Other organizations echoed these fears, "Tenants are scared that their landlords will not continue renting the unit to them if they complain,' said a community organiser."

It costs a lot of money to move and it is a challenge for tenants to find a suitable SDU. According to a survey conducted by a community organization in Sham Shui Po, "Before renting a house, grassroots generally need to pay one month's rent, rent deposit, utility deposit and real estate agency commission. Some tenants need to pay one month's commission and two months' rent. The average cost of renting a flat is HK\$11,500, which is double to three times the original rent. It is difficult for the grassroots to spend a huge sum of money to rent a flat at once."

## Suggested questions:

- 1. Will the Government consider stipulating that landlords install individual water and electricity metres in all subdivided units?
- 2. Please explain what protections the Government will consider for tenants (lacking a signed and recorded tenancy agreement) who report on the overcharging of utilities in Hong Kong, including legal resources for reprisal eviction.

# **Protections for Tenants' Rights**

## Gaps in legal assistance, little recourse for arbitrary eviction

In a 2016 survey of 14 local NGOs in Hong Kong, housing was identified as a top legal issue for poor and disadvantaged communities.<sup>20</sup> According to legal NGO PILnet, while Hong Kong has a robust system of free legal services, there are legal needs from

Progress report on Studying the Enactment of an Ordinance on Regulating Subdivided Units, (2018, Dec. 5),
 Legislative Council meeting, https://www.legco.gov.hk/yr18-19/english/counmtg/motion/cm20181205m-ilsy-prpt-e.pdf
 Choy, Gigi, Hong Kong Subdivided Flat Tenants Urged to Complain Against Landlords Who Overcharge for Utilities, (2020, August 12), South China Morning Post

<sup>&</sup>lt;sup>19</sup> Local Unsuitable Housing Problems and Related Housing Policies, LegCo submission by Sham Shui Po Unoccupied Housing Concern Group, (2019, Dec. 7), https://www.legco.gov.hk/yr19-20/chinese/panels/hg\_ihp/papers/hg\_ihp20191207cb1-232-1-c.pdf

<sup>&</sup>lt;sup>20</sup> This Way, Finding Community Legal Assistance in Hong Kong, (2017, May 31), PILnet and DLA Piper, https://www.pilnet.org/resource/this-way-finding-community-legal-assistance-in-hong-kong/

disadvantaged communities that are not being met by the services offered. PlLnet has identified two key gaps: inadequate early legal advice and assistance, and the difficulty of navigating the free legal services landscape. The combination of service gaps coupled with the restricted ability of NGOs to offer legal assistance (NGOs cannot provide legal help due to local regulations) and the lack of a community legal center in Hong Kong, results in substantive hurdles for marginalized people to access justice.<sup>21</sup>

Enforcement of housing standards and tenancy laws by agencies like the Fire Safety Department, Water Supplies Department, and Buildings Department, is typically carried out on a limited number of target buildings in multiple rounds, and the Government has made it clear that they have no way of identifying all substandard residential buildings in Hong Kong, especially as they proliferate. Targets for enforcement are otherwise determined by self-reporting by tenants or voluntary participation by landlords. However, as established above, self-reporting of legal violations is rare.

Aside from limited knowledge of complaint channels, the ultimate silencer for low-income tenants is the risk of forced eviction and homelessness. Since the security of tenure measures were repealed in 2004, landlords are legally free to evict tenants for any reason at the end of a term, usually in pursuit of a higher-paying tenant, with only one month's notice. In order to streamline the process, many landlords simply refuse to sign written tenancy agreements with their tenants, leaving open the option of eviction at any time with no notice.

Low-income tenants have little voice or protection within the tenant-landlord relationship. Tenants must either defer to their landlords on every issue or risk homelessness. For the same reason, potential tenants have no leverage in convincing landlords to sign a written tenancy agreement or negotiate the terms, leaving them with no legal recourse for eviction, exploitation, or an unsafe living environment.

Even in cases where households are able to afford to carry out necessary repairs on their own unit, most substandard residential buildings are plagued by building-wide issues like fire safety violations, drainage issues, and compromised building structure. The law gives landlords total decision-making power over operations of this nature (anything not within an individual unit). Substandard buildings rarely have official building committees, and when they do, tenants are allotted only one representative with no voting power, meaning that tenants again have no way of ensuring their own safety short of risking eviction.

### Suggested questions:

1. What measures will the Government take to promote written rental agreements that are properly recorded? Is the Government willing to require written tenancy agreements in the Landlord and Tenant (Consolidation) Ordinance?

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<sup>&</sup>lt;sup>21</sup> Ibid

2. Will the Government do its part to ensure access to justice for low-income households with housing issues by filling identified service gaps and increasing awareness of legal resources?

# **Inadequate Housing Conditions in Subdivided Units**

#### **Limited Access to Ventilation/Fresh Air**

In a 2016 survey of SDU residents in Kwai Chung, 50% of interviewees noted the lack of air circulation in their flats. Although 94% of the surveyed households had windows, only 40% had 1-2 usable windows since many of the households encountered problems with using the windows, such as harsh conditions of the neighborhood, noise and odour outside, and safety hazards.<sup>22</sup> In interviews with Habitat, SDU residents noted that windows often open up to inner hallways, further restricting their utility as a source of fresh air and increasing security concerns.

The issue of air ventilation has become more urgent recently, as studies show that poor air ventilation can increase likelihood of the spread of COVID-19 and other infectious diseases. A 2020 Hong Kong University study found that when air ventilation is insufficient, the virus airborne transmission route extends, resulting in long-range transmission infecting more people and leading to potential super-spreader events.<sup>23</sup>

The Hong Kong Institute of Surveyors, in their 2020 Chief Executive Policy Address submission, noted the dangers a lack of ventilation in toilet areas can pose. The report highlighted the lack of monitoring of ventilation in bathrooms without windows and called on the Government to review the design of non-naturally ventilated bathroom/toilet design to remove possible risks to public health.<sup>24</sup> The Subdivided Flats Concerning Platform noted their concern in a recent case study of an SDU in Kwun Tong, the unhygienic practice in which the ventilation systems of the kitchen and toilet areas are connected.

### Plumbing/seepage

Water seepage is a persistent building problem in Hong Kong which reflects poor building maintenance and substandard works. In 2018, the number of water seepage complaints filed to the Joint Office for Investigation of Water Seepage Complaints increased by 43% from 2010.<sup>25</sup> The building works associated with subdivision of a flat commonly involve the alteration or addition of internal drains. Improper drainage works

<sup>&</sup>lt;sup>22</sup> An Environmental Investigation into the Living Conditions of Those Living in Subdivided Flats in the Kwai Chung District, (2016, July 28), World Green Organisation and HKSKH Lady MacLehose Centre Group and Community Work Unit, https://thewgo.org/website/eng/news/indoor-environmental-quality-survey/

<sup>&</sup>lt;sup>23</sup> Opportunistic COVID-19 Airborne Transmission with Insufficient Ventilation, (2020, July 17), WIX admin MECH Dept. HKU, Mech Eng, HKU

<sup>&</sup>lt;sup>24</sup> HKIS's Seven Suggestions on 2020 Policy Address, (2020, Sept. 29), Hong Kong Institute of Surveyors, https://www.hkis.org.hk/archive/materials/category/Press-Release\_HKIS-Suggestions-on-Policy-Address-2020\_Eng.pdf

<sup>&</sup>lt;sup>25</sup> Statistical Highlights: Water Seepage in Buildings (2019, Nov. 11), Research Office, Legislative Council Secretariat, https://www.legco.gov.hk/research-publications/english/1920issh09-water-seepage-in-buildings-20191111-e.pdf

can cause wastewater seepage, leading to not only poor environmental hygiene, but also potentially, the transmission of COVID-19 and other infectious diseases.

The plumbing system in subdivided flats is often altered to accommodate more toilets. These renovations are usually informal and do not incorporate the U-shaped design meant to lock in water for hygiene purposes. A volunteer plumber reported that many of the homes he had worked on only had straight pipes, causing a bad odour in the flats and a backflow of dirty water between the kitchen and toilets. The lack of U-shaped traps makes it possible for droplets and waste of COVID-19 patients to enter the drainage system, which can cause the disease to spread throughout the building.<sup>26</sup>

### **Inadequate Sanitation**

In conversations with Habitat, SDU residents note the problem with keeping common areas clean. This problem is exacerbated for SDU residents who share common kitchen and/or toilet facilities with no incentive to clean. One social worker told Habitat about a situation in which no one cleaned a bathroom shared amongst 13 SDU residents. Severely unhygienic building conditions constitute a public health danger, in addition to contributing to rodent and bedbug infestations. In newer buildings Owners' Corporations, operating under a legal framework from the Building Management Ordinance, facilitate building management. However, many old buildings do not have such Owners' Corporations.

#### **Insufficient living space**

According to figures from 2019, while the overall median living space in Hong Kong is 161.5 sq.ft, the average SDU resident lives in 56.5 sq.ft - smaller than a single cell in Stanley prison.<sup>27</sup> Many units are too small to accommodate basic facilities such as refrigerators. Social workers note resident challenges around cooking, washing and drying laundry, and space for children to study and play. Many SDU residents are limited to cooking with rice cookers only, located in the bathroom. Children often eat, watch TV, and study on their beds.

#### **Compromised Building Structure/Fire Safety**

SDUs are located largely in private domestic buildings aged 25 years or more and their presence imposes further burdens on already ageing structures. According to Caritas Hong Kong, about 50% of SDU buildings had at least 11 more units after subdivision, posing safety risks to tenants, buildings and the public. In June 2017, the balcony of a flat in a 61-year old building collapsed. The Buildings Department (BD) reported that the collapse was caused by declined concrete strength, corrosion of reinforcement bars, an increase in loading, and lack of maintenance. A number of flats in the building and in other old buildings in the district had been converted into SDUs with a majority of the

<sup>&</sup>lt;sup>26</sup> Low, Zoe, 'Hotbeds of Disease': Call for Government Aid for Hongkongers in Subdivided Flats, as Fears Over Coronavirus in Sewage Systems Mount, (2020, Feb. 11), South China Morning Post

<sup>&</sup>lt;sup>27</sup> 荃灣舊區租客行動立場書, *Tenant Action Position Paper in Tsuen Wan Old District* (2019, Dec. 7), https://www.legco.gov.hk/yr19-20/chinese/panels/hg/hg\_ihp/papers/hg\_ihp20191207cb1-229-4-c.pdf

property titles being acquired by developers with redevelopment intentions.<sup>28</sup> For these buildings awaiting eventual demolition, developers have no incentive to carry out repairs and maintenance work, while owners of other flats in the building have difficulty to raise funds and carry out maintenance.

In SDUs, fire escape plans rarely exist and escape routes are often blocked or are inaccessible due to the illegal construction of partition walls intended to subdivide units. The informal alterations made to create open kitchens and the exposure of electrical wires are a further fire hazard.<sup>29</sup> In addition, fire-rated doors meant to impede the spread of fire are also uncommon, compounding the risk of a fire growing out of control.

### Suggested questions:

- 1. A majority of SDUs are regarded as informal housing due to tenure insecurity and the often unauthorized building works carried out during division of the original flat. What goals and timelines have been considered to ensure that all informal settlements will be upgraded to meet UN Habitat standards of adequate housing? Please describe plans for upgrading and resettlement, and whether these plans take into consideration human rights.
- 2. What measures is the Government taking to provide statistical data on the numbers of people living in informal settlements, including disaggregated data by relevant characteristics (gender, disability, age)?

# **Location of Public Rental Housing (PRH)**

Identifying locations for public housing estates is an ongoing challenge in Hong Kong. In her 2020 Policy Address, the Chief Executive again acknowledged the shortage of public housing and announced the Government has identified lands for the redevelopment and construction of 316,000 needed public housing units. The land supply will come mainly from Tung Chung, Kwu Tung North/Fanling North, and Hung Shui Kiu/Ha Tsuen. These areas are all located in the New Territories, over an hour away by public transportation from urban centres on Hong Kong Island and Kowloon.

#### Non-elderly singles have limited access to urban PRH

Young singles have a longer wait time for PRH allocation, they are often waiting for ten years or longer. Many parents in Hong Kong advise their children to get on the PRH waitlist when they turn 18. New single applicants are not permitted to apply to live in PRH in urban areas, but are largely restricted to applying for housing in the New

<sup>&</sup>lt;sup>28</sup> Press Release LCQ14: Building Safety, (2017, Nov. 1), Government of the HK Special Administrative Region, https://www.info.gov.hk/gia/general/201711/01/P2017110100360.htm

<sup>&</sup>lt;sup>29</sup> Special Study on Hong Kong Subdivided Housing Violation and Supervision, Hong Kong Subdivided Flats Concerning Platform, Facebook posting, accessed Dec. 12, 2020, https://www.facebook.com/SubdividedFlatPlatform/posts/3290989604342510

Territories or extended urban districts which are also on the outskirts of urban areas.<sup>30</sup> After waiting for ten or more years, successful applicants receive a letter from the Housing Authority (HA) with details of a flat located somewhere within the region they applied for, with the choice to accept or refuse this flat. Applicants describe the application process as a 'gamble' in which they may or may not be allocated a flat in an area within reasonable proximity of their family, workplace, or personal preference. Applicants may turn down flat offers two times, however a third refusal results in the loss of the PRH application.

### Limited Access to Transportation and Social Facilities at new PRH

In her 2020 Policy Address, the Chief Executive referenced a plan to increase PRH in the Anderson Road Quarry (ARQ) area. Residents began moving in to ARQ PRH estates in 2017, and over 50,000 residents moved in during the next two years. In 2019, residents reported insufficient access to transportation services. At that time one bus route serviced the estates; the high demand for services resulted in long queues and frequent stops, tripling the normal commute time to urban centres on Hong Kong Island.<sup>31</sup> While MTR plans to extend rail service to the area, construction is not expected to be completed until 2035. Residents also reported an insufficient number of wet markets. With over 50,000 residents shopping at a single wet market, the increased demand for products made prices for food and basic necessities more expensive than in comparable areas. In addition, there was a lack of appropriate funding to provide social welfare services. Social workers noted that over 80% of new residents moved into the new estates from outside districts and included disadvantaged families with great demand for social welfare services. However due to inadequate planning and resources, social welfare facilities were inaccessible and social workers were obliged to meet with clients in fast food restaurants and parks to discuss private concerns.<sup>32</sup>

#### Suggested questions:

- 1. With many PRH applicants restricted from applying to live in urban areas and a majority new PRH units planned for the NTs, there is a risk of further increasing segregation of communities along socio-economic lines, increasing the inequity gap and social polarization. Please explain how the Government will expand diverse and equitable housing options to address urban exclusion.
- 2. Please explain long-term plans the Government will consider to integrate the elements of the right to adequate housing, as identified by UN Habitat, into future housing policies.

PRH Application Guide: Ordinary Families, Hong Kong Housing Authority, accessed Dec. 9, 2020, https://www.housingauthority.gov.hk/en/flat-application/application-guide/ordinary-families/index.html
 Lack of Public Transportation, Disaster of Planning of Anderson Road, (2019, Feb. 10), Wen Wei To

<sup>&</sup>lt;sup>32</sup> Social Welfare Facilities in New Housing Estates are Insufficient, (2017, April 11), Oriental Daily