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## A Comparative Analysis of Public Housing Policies in Hong Kong and Singapore

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### Housing in Hong Kong: Challenges and Gaps

Hong Kong is facing a severe housing crisis, with over 200,000 disadvantaged citizens living in subdivided flats or unsanitary bed spaces. Over the past decade, residential property prices have surged by 187%, while the average waiting time for public housing applicants has reached a record 6.1 years. Hong Kong's housing market is ranked as the least affordable in the world. Currently, the housing issues in Hong Kong primarily revolve around high rents and property prices, leading to insufficient affordable public housing supply and a lack of planning for marginalized groups. The homeless face even greater difficulties due to ineligibility for public housing. Overall, the current public housing schemes fail to comprehensively cover those who truly need assistance.

#### Public Housing Policy in Hong Kong

In response to a series of housing issues, the Hong Kong government mainly focuses on providing public rental housing and subsidized sale public housing, particularly through the "Home Ownership Scheme." However, the actual situation remains dire, with housing shortages being highlighted. Under a market-driven model, the government's intervention in the market is limited, causing the problems to persist and worsen.

#### Solutions in Hong Kong

Hong Kong has long faced two major challenges: a shortage of urban land and inadequate housing supply. To address housing affordability, the Hong Kong government has relaunched the "New Town" initiative. Additionally, the government plans to build 30,000 light public housing units to alleviate the long waiting times for public rental housing. Approximately 2,100 of the first light public housing units located in Yuen Long are expected to be completed and in use by 2025. Although this initiative aims to alleviate housing shortages, its overall implementation and effectiveness still require time for assessment.

#### Singapore: Housing Crisis Post-Independence

Upon its independence, Singapore faced a severe housing crisis. Many rapidly growing populations lived in slums and overcrowded conditions. As Singapore became one of the most densely populated areas in the world, the population surged dramatically. The government recognized the importance of implementing comprehensive long-term plans to provide safe, affordable, and decent housing for the nation's future development.

#### The Secret of Singapore's Public Housing: The Land Acquisition Act

In 1966, the Singapore government enacted the Land Acquisition Act to address the housing crisis, granting the state broad powers to acquire private land for public purposes and residential, commercial, or industrial development. This legislation prevented landowners from contesting acquisition

decisions, allowing the government to more effectively push for urban development.

#### Foundation for Urban Development through HDB and CPF

To tackle the ongoing housing crisis, Singapore established the Housing and Development Board (HDB) and the Central Provident Fund (CPF). HDB is responsible for town planning, constructing affordable housing units, and providing mortgage loans. The CPF operates by collecting contributions from employees and employers to fund housing development and allows members to use their CPF funds for purchasing homes and other housing-related expenses.

While Hong Kong may not be able to implement legislation similar to Singapore's Land Acquisition Act, a potential solution could be to draw inspiration from Singapore's Central Provident Fund system, allowing citizens to withdraw funds from their Mandatory Provident Fund accounts to purchase housing. This approach would provide individuals with greater financial flexibility, help alleviate the burden of housing costs, and promote the dream of homeownership among citizens. Such measures could improve Hong Kong's housing situation to some extent, thereby providing more citizens with safe and comfortable homes.

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