



UNIVERSITY OF MACAU

FACULTY OF SOCIAL SCIENCES AND HUMANITIES

DEPARTMENT OF ECONOMICS

Effects of Government's Land Supply and Public Housing on
Hong Kong's Residential Market:
A Dynamic Model Of New Housing Supply

By

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A thesis submitted in partial fulfillment of the requirement for the
degree of Master Of Social Sciences at the University of Macau

January 2012

Abstract

The property market plays an important role in the overall economic performance of Hong Kong. Housing is the most important form of savings for many households. The extremely volatile property market will create many social and financial problems. Thus the healthy and stable development of property market has been one of the goals of the Hong Kong Government. The housing price increases sharply in the past few years and it creates much negative tension in the society. The Hong Kong Government pledges to increase land supply and public housing to ease the property market.

This thesis attempts to explore the impact of land supply and public housing program on housing price in Hong Kong. An aggregate housing model with three components is designed in which the land supply and public housing are incorporated. The results show that the public housing program has a negative impact on the housing price. The land supply will impact the housing price through increasing the future housing supply.

Key words: Land Supply, Public Housing, Housing Supply, Housing Price, Hong Kong.

Declaration

I declare that this thesis represents my own work, except where due acknowledgement is made, and that it has not been previously included in a thesis, dissertation or report submitted to this University or to any other institution for a degree, diploma or other qualification.

Signed _____



ACKNOWLEDGEMENT

First of all, many thanks should be given to my supervisor- Professor. Ponpoje Porapakkarm. He has been very patient, supportive and encouraging. During the process of writing this thesis, he offers many insightful comments and suggestions which help to finalize the framework. I believe that he is not only a professor to me, but more like a friend who will continue to influence my life in the future. I will cherish the friendship between us established in the past two years.

My gratitude is also due to Prof. Kwan Fung, who acts as Chairman of the thesis examination committee. Prof. Kwan has read this thesis patiently and critically. Prof. Zheng MingLi, who acts as the examiner, has given me many valuable suggestions on the thesis writing.

My appreciation also goes to all my instructors Pro. Sun Guangzhen, Prof. Patrick Ho, Prof. Gary Wong, Pro. Liu Chun Wah, and Prof. Chang, Hsiao-Chuan. They have laid a solid knowledge foundation for me to finish my research.

In addition, I want to express my gratitude to my friends Zhang Lifang, Xue ShiZhe, Xu XiaoYun, Dang Vinh, Yu Young, etc. They have offered many helps when thesis was running into some difficulties.

Last, without the support of my lovely Mom, Dad, Sisters, nephews and church families, I would not be able to continue the study and finish my thesis in Macau. Thanks to all my loved ones.

Contents

Abstract.....	2
Declaration.....	3
ACKNOWLEDGEMENT.....	4
Chapter One: Introduction.....	7
1.1 Overview of the Hong Kong property market.....	7
1.2 Introduction of the Government policies.....	10
1.3 Purpose and Hypothesis.....	12
Chapter Two: Literature Review.....	14
2.1 General literature review.....	14
2.2 Studies related to the Hong Kong property market.....	16
2.3 Summary of previous studies.....	17
Chapter Three: Methodology.....	19
3.1 Overview of the model.....	19
3.1.1 First component of the model.....	19
3.1.2 Second component of the model.....	22
3.1.3 Third component of the model.....	24
3.2 Summary of the model.....	25
Chapter Four: Data.....	26
4.1 Data description.....	26
4.2 Stationary test.....	29
Chapter Five: Empirical Results.....	31
5.1 Effects of public housing and new housing supply.....	31
5.2 Effects of land supply on the new “Consent”.....	33
5.3 “Consent” and “housing supply”.....	34
5.3.1 Unrestricted Model.....	35
5.3.2 Restricted Model.....	36
5.4 Discussion.....	37
Chapter Six: Conclusion and Future Works.....	42
6.1 Main results.....	42

6.2 Comparison with other studies.....	43
6.3 Policy indication	43
6.4 Limitation and Future works.....	44
Bibliography	46

