

Should governments have any control over the housing market?

In the darkest corners of buildings, sitting on thin, worn-out mats placed on the bare street ground are homeless people. With only a small luggage or bag for storing their few sorry possessions and daily necessities, these underprivileged can be found in quite a few streets of Hong Kong. However, during recent years, their numbers have increased drastically. Homeless people with pieces of cloth for clothing, citizens trying to pinch and scrimp to make ends meet to pay for subdivided flats, and families lining up for public housing have become part of our daily life, garnering attention from people. The main problem of this is the housing market. So should the government have any control over the housing market? I would say yes, but only to a certain extent.

The government should have control over the housing market so that Hong Kong residents can afford their own flats. The government has already committed to alleviating the housing affordability issues through increasing land supply and increasing the delivery of new housing projects, as stated by the EY. It is evident that most people aren't able to buy their own flats in Hong Kong. Apartments smaller than 40 square meters cost an average of HK\$134,020. If the housing market is completely without government intervention, these prices will skyrocket to an even higher level as people will build flats smaller for a higher price, making more underprivileged unable to afford an address, making more people homeless. And if they don't have a home, they wouldn't be able to afford a job, thus leaving them highly unlikely to be able to earn money, creating a vicious cycle. People having no money to buy a house for themselves will lead to a market collapsing, messing up the overall economy of Hong Kong. If the housing market collapses without regulation, the housing market would impact other Hong Kong

industries. Lack of government intervention in the housing market therefore threatens Hong Kong itself.

The government's intervention helps strike a balance between quantity and quality. Sustainability is a worldwide concern for people nowadays. This can affect many spheres of life, and housing is no exception. In order to make houses more sustainable, more prime-quality materials will be used in the construction process. This will make the housing prices further go higher, making more people unable to afford them, or have to sacrifice some daily necessities. Sustainable materials are more exorbitant than the average materials needed for any building in Hong Kong. Although the quality of the materials used for the building is higher, the quantity—that is, the cost of the building will also go higher alongside it, or maybe even get overpriced if the landlords have complete freedom. The government's intervention will allow a balanced price for the materials involved, and let more people have affordable yet first-rate buildings for houses without having to worry too much about the money.

No government intervention over the housing market will not help the children grow healthily. Imagine if they lived in a subdivided flat and had to eat less, go to schools that provide less opportunities and had to help the family save money at a young age. Imagine having to handle studies and additional jobs to increase the rate of family income at the age of thirteen, which is the average age of work for underprivileged youth! It is unlikely that the situation will get any better due to the skyrocketing of housing prices, and it will affect the child's growth both physically and mentally. Children are people of the next generation, and an unhealthy generation leads to an unattractive future for Hong Kong. Families all around Hong Kong do their best and give everything they have to the children, but the more needy families have less to offer, less to give, leaving children with less opportunities in their foundation phase of life. This leaves a

worse foundation with less learning experiences for the child's future, and will not pave a stable path for their life.

In conclusion, without any government intervention, the housing market will turn into a free market with skyrocketing prices and less people can afford to buy houses, also sacrificing the next generation's overall health. Hong Kong is named as one of the world's most significant financial centers and commercial ports. However, as mentioned, the government's intervention in the housing market is vital and is a key factor to Hong Kong being such a thriving city. With completely no government intervention on the housing market, the future of Hong Kong is at stake.