

Build for Whom? Affordable Rental Housing (ARH) Access for Skilled Migrants: A Case Study of Shanghai, China

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Abstract

Following decades of housing marketisation, Chinese housing policy has recently revived public housing provision, prompting debate over whether China is adopting a more socialised approach to housing a broader coverage group. Within this context, this thesis examines China's novel Affordable Rental Housing (ARH) policy, designed to provide government-subsidised rental housing specifically for skilled migrants. Chinese cities increasingly depend on skilled migrants for labour market vitality and economic competitiveness. However, many migrants struggle to secure affordable accommodation in high-demand urban areas. While public housing is often accessible to them due to their greater financial resources compared to typical social housing tenants, private market housing frequently remains unaffordable. This creates a “missing middle” problem: skilled migrants are frequently excluded from both. The ARH policy was introduced to address this gap. Despite its prominence on policy agendas, the implementation and effectiveness of ARH remain under-researched.

This thesis specifically examines the implementation of the ARH policy in Shanghai – one of China's mega-cities—where ARH was launched in 2021 amidst an intensifying affordability crisis (with a 2020 housing price-to-income ratio of 36:1, surpassing London and New York). Theoretically, it draws on an institutionalist framework to understand policy design, implementation and policy outcomes. It combines this framework with a housing pathways framework drawn from the field of housing studies. Drawing on 92 in-depth interviews with policymakers, stakeholders, and skilled migrants, the research reveals that diverse stakeholders participate in assessing prospective tenants. Consequently, ARH operates as a filtering mechanism through which stakeholders leverage the deployment of public housing resources to privilege so-called “elite migrants”, facilitating labour stratification based on perceived economic or technological contributions to local development. This filtering mechanism, while not explicit in central policy design, becomes evident and is actively manipulated during local implementation processes. The result is unequal access for individual migrants within the ARH provision process.

This research contributes to housing studies by demonstrating how China, by selectively targeting skilled migrants through ARH, is instrumentally linking housing access to labour market priorities. This approach – effectively using public housing as a reward for perceived “contributive” labour – fundamentally reshapes social housing provision, shifting its primary objective from welfare-based need towards incentivising economic contribution.