## Examination of Estimates of Expenditure 2007-08

## CONTROLLING OFFICER'S REPLY TO INITIAL WRITTEN QUESTION

Reply Serial No.

HWFB(FE)13

Question Serial No.

1777

Head: 49 Food and Environmental Hygiene Department

Subhead (No. & title):

**Programme**: (3) Market Management and Hawker Control

**Controlling Officer**: Director of Food and Environmental Hygiene

<u>Director of Bureau</u>: Secretary for Health, Welfare and Food

## Question:

The estimated stall let-out rate of public markets is 76% in 2007. What is the rental loss incurred by vacant stalls? Are there any solutions to the increasingly keen competition from retail outlets? Will there be rental reduction or change in the use of markets?

Asked by: Hon. CHEUNG Yu-yan, Tommy

## Reply:

Discounting designated stalls that are not made available for leasing due to designated purposes (such as re-development, impending renovation works, resiting commitment), the vacant stalls could bring rental earnings of about \$5.95 million per month if they could all be leased out at the current open market rental.

To enhance the competitiveness of public markets, the Department will continue to implement general improvement works (e.g. upgrading of drainage, lighting, ventilation, signage, fire services provisions), and carry out a range of other measures to improve the markets' trading environment and their attraction to customers, such as -

- (a) maintaining a high standard of cleanliness in the markets and the enforcement of monthly market cleansing day;
- (b) maintaining flexibility in determining and changing the trade of individual stalls, and where feasible, the stall size;
- (c) merging of selected vacant small stalls to form larger stalls and lowering, in selected markets, the upset auction prices of long-standing vacant stalls to attract potential bidders; and

(d) conducting promotional activities (such as lucky draws, talks and exhibitions) and distributing regular market newsletters to attract customers.

The Administration has extended the rental freeze for all public markets until 30 June 2008 and will consider the possibility of closing down markets with serious viability problems.

Signature	
Name in block letters	EDDY CHAN
Post Title	Director of Food and Environmental Hygiene
Date	15.3.2007