Examination of Estimates of Expenditure 2013-14

CONTROLLING OFFICER'S REPLY TO INITIAL WRITTEN QUESTION

Reply Serial No.

FHB(FE)232

Question Serial No.

4255

<u>Head:</u> 49 Food and Environmental Hygiene <u>Subhead (No. & title):</u>

Department

Programme: (3) Market Management and Hawker Control

<u>Controlling Officer:</u> Director of Food and Environmental Hygiene

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

Question:

Regarding the work of "taking forward an assistance scheme for improving the fire safety and operating environment of fixed-pitch hawker areas", please provide information on the following:

- (a) the estimated expenditure of the assistance scheme, with a breakdown by one-off relocation grant, one-off reconstruction grant and ex-gratia payment (EGP) for surrender of hawker licences;
- (b) whether the Department will consider raising the EGP amount of \$120,000 to be provided to eligible hawkers who opt for voluntary surrender of their hawker licences as mentioned earlier in a paper submitted to the Legislative Council Panel on Food Safety and Environmental Hygiene; if yes, the details; if not, the reason(s); and the estimated additional expenditure to be involved if the EGP is increased to \$200,000;
- (c) the current number of licensed hawkers operating in 43 fixed-pitch hawker areas, with a breakdown by hawker area, stall type (i.e. "cabinet-type" stalls and "Hawker Permitted Place" stalls) and their approved pitch area;
- (d) the estimated decrease in the number of licensed hawkers after the implementation of the scheme; and
- (e) the annual expenditure and number of licences involved each year since the implementation of the Voluntary Surrender Scheme in 2002 in the table below.

Year	Expenditure of the Voluntary Surrender Scheme	Number of "Dai Pai Tong" licences voluntarily surrendered	Total number of "Dai Pai Tong" licences	Number of Itinerant Hawker Licences voluntarily surrendered	Total number of Itinerant Hawker Licences
2002					
2003					
2004					
2005					
2006					
2007					
2008					

2009			
2010			
2011			
2012			

Asked by: Hon. WONG Kwok-hing

Reply:

The information sought is provided as follows -

- (a) The Finance Committee has approved a financial commitment of \$230 million for implementing a five-year assistance scheme for the licensed fixed-pitch hawkers in the 43 hawker areas. A breakdown of the projected expenditure for the purpose of determining the financial requirement of the scheme is at Annex 1.
- (b) In determining the level of one-off ex-gratia payment (EGP) payable to eligible hawkers who opt for voluntary surrender of their hawker licences, the Food and Environmental Hygiene Department (the Department) has taken into account factors including the nature of on-street hawking activities, the views of stakeholders as well as the level of payment in previous EGP schemes for licensed cooked food hawkers and itinerant hawkers. The Department considers \$120,000 an appropriate level.
- (c) As at 11 March 2013, there are 4 335 licensed fixed-pitch hawkers in the 43 hawker areas. They include 2 578 hawkers operating in "cabinet-type" stalls while the remaining 1 757 involve "Hawker Permitted Place" (HPP) stalls. A breakdown is at Annex 2. In terms of approved pitch area, there are three categories of stalls, i.e. (1) those not exceeding 1.1 m²; (2) those exceeding 1.1 m² but not exceeding 1.7 m²; and (3) those exceeding 1.7 m² but not exceeding 2.2 m².
- (d) The Department cannot provide a forecast on the number of licensed hawkers that may be reduced after the implementation of the assistance scheme.
- (e) The information sought is provided at Annex 3.

Name in block letters:	Clement LEUNG		
	Director of		
Post Title:	Food and Environmental Hygiene		
Date	5.4.2013		

Projected Expenditure under the Assistance Scheme for Hawkers in Fixed-pitch Hawker Areas

Items	Number of Eligible Hawkers	Projected Expenditure (\$ million)
Voluntary surrender of hawker licences	About 4 300	1041
Relocation of stalls	About 550	20^{2}
In-situ reconstruction of stalls	About 3 750	104 ³
	Total	228
		(around 230)

Notes:

- Projected expenditure is estimated on the basis of the assumption that 20% of eligible hawkers will opt for voluntary surrender of licences.
- Projected expenditure is estimated on the basis of the assumption that 80% of eligible hawkers will opt for relocation of stalls. The actual expenditure will hinge on the number of hawkers who opt for the licence surrender arrangement.
- ³ Projected expenditure is estimated on the basis of the assumption that 80% of eligible hawkers will opt for in-situ reconstruction of stalls. The actual expenditure will hinge on the number of hawkers who opt for the licence surrender arrangement.

Annex 2 Breakdown of Fixed-Pitch Hawker stalls in the 43 Hawker Areas

District	Location of Fixed Pitches	Cabinet-type	HPP-type	Total
	1. Chun Yeung Street	93	0	93
	2. Marble Street	124	0	124
Eastern	3. Kam Wa Street	20	91	111
	4. Tai Tak Street	26	2	28
	5. Mong Lung Street	4	17	21
	Subtotal	267	110	377
	6. Pottinger Street	47	0	47
	7. Graham Street	35	20	55
	8. Gage Street	15	0	15
Central & Western	9. Li Yuen Street East	63	0	63
	10. Li Yuen Street West	58	0	58
	11. Peel Street	36	7	43
	12. Wing Kut Street	32	2	34
	13. Upper Lascar Row	13	0	13
	14. Man Wa Lane	32	0	32
	Subtotal	331	29	360
	15. Gresson Street	46	5	51
Wan Chai	16. Cross Street	60	11	71
	17. Tai Yuen Street	5	71	76
	18. Jardine's Crescent	162	0	162
	Subtotal	273	87	360
	19. Reclamation Street	189	44	233
	20. Pak Hoi Street	7	9	16
Yau Tsim	21. Saigon Street	19	0	19
	22. Canton Road	32	4	36
	23. Bowring Street	100	0	100
	24. Temple Street	34	289	323
	Subtotal	381	346	727

	25. Tung Choi Street	0	698	698
	26. Canton Road	317	0	317
	27. Fife Street	29	0	29
Mongkok	28. Yin Chong Street	78	0	78
	29. Ki Lung Street	20	0	20
	30. Poplar Street	12	0	12
	31. Fa Yuen Street	220	0	220
	32. Nelson Street	0	63	63
	Subtotal	676	761	1 437
	33. Wing Lung Street	5	66	71
	34. Fat Tseung Street	27	20	47
	35. Cheung Fat Street	54	11	65
	36. Fuk Wa Street	166	0	166
Sham Shui Po	37. Fuk Wing Street	0	40	40
	38. Pei Ho Street	124	30	154
	39. Apliu Street	179	42	221
	40. Ki Lung Street	39	96	135
	41. Tai Nan Street	2	61	63
	42. Kweilin Street	0	58	58
	Subtotal	596	424	1 020
Kowloon City	43. Pau Chung Street	54	0	54
	Subtotal	54	0	54
	Total No. of Stalls :	2 578	1 757	4 335

Year	Expenditure of the Voluntary Surrender Scheme	Number of "Dai Pai Tong" licences voluntarily surrendered ¹	Total number of "Dai Pai Tong" licences	Number of Itinerant Hawker Licences voluntarily surrendered ²	Total number of Itinerant Hawker Licences
2002	\$0	0	161	0	1 006
2003	\$3,960,000	5	153	138	858
2004	\$2,370,000	13	135	62	787
2005	\$1,620,000	8	119	47	726
2006	\$1,470,000	5	113	48	673
2007	\$1,890,000	6	107	71	600
2008	\$810,000	N/A	105	47	546
2009	\$480,000	N/A	104 ³	30	535
2010	\$690,000	N/A	105	28	522
2011	\$510,000	N/A	103	17	505
2012	\$780,000	N/A	98	26	470

Notes:

- Voluntary Surrender Scheme for Fixed Pitch (Cooked Food/Light Refreshment) Hawker Licences was administered for five years from 1 December 2002 to 30 November 2007.
- Voluntary Surrender Scheme for Itinerant Hawker Licences was administered for ten years from 1 January 2003 to 31 December 2012.
- One licence was cancelled due to the death of a licensee in 2009 but the licence was succeeded by the spouse of the deceased licensee in the following year.