Examination of Estimates of Expenditure 2016-17

Reply Serial No.

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CONTROLLING OFFICER'S REPLY

(Question Serial No. 1150)

<u>Head</u>: (49) Food and Environmental Hygiene Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (3) Market Management and Hawker Control

<u>Controlling Officer</u>: Director of Food and Environmental Hygiene (Miss Vivian LAU)

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

Question:

One of the key areas of work undertaken by the Department in the coming year is to close public markets which are under-utilised. In this connection, please provide information on the following:

- 1. the number of markets which the Department is planning to close due to being "under-utilised" as assessed;
- 2. the criteria of assessing a market as "under-utilised"; and
- 3. the list of public markets which are under-utilised.

Asked by: Hon Alan LEONG Kah-kit (Member Question No. 73)

Reply:

To enhance the patronage of existing public markets, as an on-going initiative, the Food and Environmental Hygiene Department (the Department) conducts promotional activities. These include thematic exhibitions and workshops, festive celebration activities, display of multi-language recipes as well as publication of booklets and quarterly newsletters to provide updated market information. In addition, the Department will appropriately let out long-standing vacant stalls at reduced upset auction prices and introduce a greater variety of service trade stalls to enhance the occupancy rate of public markets.

In addition, the Government is following up the Consultant's improvement proposals for the six selected markets in phases. The Department consulted the Market Management Consultative Committees (MMCCs) of Sheung Fung Street Market and Lockhart Road Market in the fourth quarter of 2015 on the recommended improvement works. The MMCCs expressed support for some of the proposals that do not require temporary closure of stalls or suspension of business. The Department is carefully considering their views and will conduct feasibility studies, work out the estimated costs and seek funding according to the established mechanism for taking forward the improvement works at those

two markets. We will start following up the Consultant's recommended improvements for the remaining four markets in 2016-17.

Apart from the improvement works for the six markets selected by the Consultant, we have been implementing various improvement works in public markets to improve the operating environment. In 2016-17, in addition to regular maintenance and daily management of markets, the Department will carry out improvement works in Fo Tan Cooked Food Market (East), Fo Tan Cooked Food Market (West), Kwun Chung Market, Haiphong Road Temporary Market, Pei Ho Street Market and Tsuen Wan Market. The estimated cost of these improvement works is \$68.5 million. The scope of works may include installation of a goods lift, improvement of ventilation, lighting systems and fire services, refurbishment of external walls, refurbishment of toilets, etc.

Nonetheless, as a result of demographic changes, new development/redevelopment projects and competition from other fresh provision outlets, the appeal of some public markets has been diminishing over time thus leading to reduced patronage and high vacancy rates. When considering whether a under-utilised public market is to be closed, we take into account a host of factors, including vacancy rate, prospects for improvement, availability of alternative sources of fresh provision outlets in the vicinity, and the likely cost-effectiveness of upgrading works and the views of the relevant District Councils, etc. Where a market is closed and the premises is no longer required by the Department, the vacated building space will be handled according to established procedures. Depending on the circumstances, the Government Property Agency, Planning Department or Lands Department may be requested to seek inputs from other government departments on proposals to put the premises to gainful long-term use.

Looking ahead, we shall continue to work with relevant Bureaux/Departments and District Councils to identify public markets that may be closed.