Reply Serial No.

CONTROLLING OFFICER'S REPLY

(Question Serial No. 2129)

Head:	(49) Food and Environmental Hygiene Department		
Subhead (No. & title):	(-) Not Specified		
Programme:	(3) Market Management and Hawker Control		
Controlling Officer:	Director of Food and Environmental Hygiene (Miss Vivian LAU)		
Director of Bureau:	Secretary for Food and Health		

Question:

Given the Government's policies that sizable public markets will be built in new development areas (NDAs)(including Tung Chung New Town Extension, Hung Shui Kiu New Development Area and other NDAs) and improvement will also be made for the existing public markets, please provide information on the following:

- 1. the number of markets, market stalls, population, as well as the population-to-market ratio and population-to-market stall ratio, in 18 districts; whether the Food and Environmental Hygiene Department (the Department) has any plan to build public markets to meet residents' needs in districts with a lower population-to-market stall ratio (for example, below the standard of providing approximately 40 to 45 stalls per 10 000 persons);
- 2. the number of public markets currently assessed as "under-utilised", and whether the Department has any plan to carry out improvement works in these under-utilised markets or to close them; and
- 3. the number of new public markets that the Department plans to build in those NDAs and the amount of provision earmarked in this respect; the number of public markets that the Department plans to build or improve in districts over the territory in the coming 3 years (i.e. 2017-18, 2018-19 and 2019-20) and the details involved.

<u>Asked by</u>: Hon LAU Siu-lai (Member Question No. 3062) <u>Reply</u>:

1. The information sought is provided at Annex. The Food and Health Bureau (FHB) conducted a policy review on public markets in 2007-08, which concluded that the future provision of new public markets should be considered on a case-by-case basis to ensure efficient use of public resources. Apart from the population of the area in question, other relevant factors that should be considered include the demographic mix, community needs, the presence of market facilities nearby, the number of fresh provision retail outlets available in the vicinity, and public sentiment towards the

preservation of hawker areas in the particular locality. The Government consulted the Panel on Food Safety and Environmental Hygiene of the Legislative Council and all District Councils on the review findings in 2008. As a result of the policy review, those parts concerning public markets in Chapter 6 of the Hong Kong Planning Standards and Guidelines (HKPSG) (which deals with retail facilities) were amended in April 2009 and have remained in force since then. The revised HKPSG is based on a more holistic consideration of relevant factors, rather than just the size of the population, in the planning of public markets.

Our focus is on facilitating convenient access for the public to retail outlets in their vicinity for meeting their daily needs on fresh food. Currently, there exists a variety of channels for the public to purchase fresh food. Apart from public markets, many members of the public when purchasing fresh food may choose to patronise markets, supermarkets and various types of retail outlets operated by other public and private entities.

Customer preference for different shopping venues in purchasing fresh food may evolve in tandem with changes in socio-economic circumstances, lifestyles, purchasing power and various other factors. Providing a new public market requires the use of Government land and entails public financial commitment. Therefore, in considering whether a public market should be built, we have to duly assess the need for the market and cost-effectiveness in order to ensure that public resources are put to proper use. In fact, in the face of fierce competition, changing circumstances in individual communities and changes in the purchasing habits of members of the public, some public markets are facing relatively high vacancy rates and low customer flows. Also, the Audit Commission has in previous reports pointed out that, given the high cost of constructing a new public market, the relevant principles should be strictly adhered to.

2. 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. 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 to regular maintenance and daily management of markets, we have also been implementing various improvement works in public markets to improve the operating environment. The scope of works may include replacement of aged lifts and escalators, improvement of ventilation, lighting systems and fire services, refurbishment of external walls, refurbishment of toilets, etc.

When considering whether an under-utilised public market is to be closed, we will take into account a host of factors, including vacancy rate, prospects for improvement, availability of alternative sources of fresh provision outlets in the vicinity, the likely cost-effectiveness of upgrading works and the views of the relevant District Councils, etc. The Department plans to close Shau Kei Wan Market and Tsuen King Circuit Market in 2017-18, the vacancy rates¹ of which were 44% and 80% respectively as at 31 December 2016. Noteworthy is that a sizable portion of the occupied (i.e. leased) stalls are not in active operation, e.g. for the Shau Kei Wan Market, of the 46 occupied stalls, only 19 stalls are actively in operation.

3. The Government has initially identified suitable sites in the east of Tung Chung New Town East Extension Area as well as in the southwest of Hung Shui Kiu New Development Area (NDA) to build sizable public markets. The markets are intended to serve not only Tung Chung New Town Extension Area and Hung Shui Kiu NDA but also the whole Tung Chung and Tin Shui Wai areas. The projects will need to undergo technical feasibility study (of which the project estimates would be worked out) and to seek necessary funding.

In 2017-18, 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), Tsuen Wan Market, San Hui Market, Kut Shing Street Cooked Food Market, Kwun Chung Market, Lockhart Road Market, Sai Ying Pun Market and Sai Wan Ho Market. The estimated cost of these improvement works is \$56.2 million. The scope of works includes installation of a goods lift, improvement of ventilation, electricity and fire services, refurbishment of external walls and toilets, etc.

In addition, to ensure the smooth operation of escalators and lifts in the public markets, we have plans to replace by phases the aged escalators and lifts. From 2015-16 to 2017-18, we have earmarked \$292 million to replace 84 escalators and 33 lifts in 23 markets.

¹ Vacancy rate is the percentage of stalls not leased versus the total number of stalls in a market.

District	Population#	No. of Public Markets*	No. of Stalls	Population-to- Market Ratio	Population-to- Stalls Ratio
Central & Western	243 266	6	748	40 544	325
Eastern	555 034	10	1 433	55 503	387
Southern	274 994	6	823	45 832	334
Wan Chai	180 123	6	666	30 021	270
Kowloon City	418 732	4	1 085	104 683	386
Kwun Tong	648 541	8	963	81 068	673
Wong Tai Sin	425 235	4	1 031	106 309	412
Sham Shui Po	405 869	5	1 105	81 174	367
Yau Tsim Mong	342 970	6	779	57 162	440
Sha Tin	659 794	4	406	164 949	1 625
Tai Po	303 926	2	557	151 963	546
North	315 270	4	894	78 818	353
Kwai Tsing	520 572	8	488	65 072	1 067
Tsuen Wan	318 916	6	1 224	53 153	261
Tuen Mun	489 299	6	485	81 550	1 009
Yuen Long	614 178	8	1 111	76 772	553
Sai Kung	461 864	2	243	230 932	1 901
Islands	156 801	6	356	26 134	440

Based on "Hong Kong 2016 Population By-census-population by District Council district" published by Census and Statistics Department in February 2017

* Listed in the table are public markets managed by the Food and Environmental Hygiene Department only. They represent one of the avenues through which the community can procure daily provisions. Other avenues include, for example, supermarkets, on-street markets, fresh provision shops on private premises and markets in home-ownership and public rental developments.

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