

CONTROLLING OFFICER'S REPLY**FHB(FE)358****(Question Serial No. 6966)**Head: (49) Food and Environmental Hygiene DepartmentSubhead (No. & title): (-) Not SpecifiedProgramme: (3) Market Management and Hawker ControlControlling Officer: Director of Food and Environmental Hygiene (Miss Vivian LAU)Director of Bureau: Secretary for Food and HealthQuestion:

The high vacancy rate, poor environment and improper management of public markets and cooked food stalls have all along been subject to criticism. In recent years, the Food and Environmental Hygiene Department (the Department) has allocated resources to upgrade these facilities and enhance their competitiveness. In this connection, please advise this Committee on the following:

- (a) works and measures that, apart from retrofitting air-conditioning systems, the Department has carried out to improve the hardware and software of public markets and cooked food stalls;
- (b) whether the Department has conducted any evaluation (such as a questionnaire survey on patronage and business volume) to assess the effectiveness of the improvement works (if yes, the details); and
- (c) details on the operation of public markets and cooked food stalls (in the table below):

	Expenditure (\$ million)	Revenue (\$ million)	Surplus/Deficit (\$ million)	Expenditure on market improvement works (\$ million)	Vacancy rate (%)
2012-13					
2013-14					
2014-15					
2015-16					
2016-17					

Asked by: Hon LEUNG Kwok-hung (Member Question No. 545)

Reply:

As an on-going initiative, the Food and Environmental Hygiene Department (the Department) will continue to conduct promotional activities to enhance the patronage of existing public markets. These include festive celebrations, thematic activities, display of multi-language recipes, publication of booklets to provide updated market information as well as other promotional activities that could help attract members of the public to visit the public markets. In addition, the Department will continue, as appropriate, to 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. The estimated expenditure for market promotional activities in 2017-18 is \$7 million.

The Consultant commissioned by the Food and Health Bureau selected 6 representative markets for detailed study and put forward specific improvement recommendations. The Department is following up the specific improvement proposals in phases in consultation with the Market Management Consultative Committees of these markets. In 2017-18, the Department plans to commence improvement works for Lockhart Road Market at an estimated project cost of \$21.2 million. The scope of improvement works for Sheung Fung Street Market is being finalised in consultation with relevant department.

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, as appropriate.

In addition, to ensure 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.

Details on the operation of public markets and cooked food stalls are tabulated as follows -

	Expenditure (\$ million)	Revenue (\$ million)	Surplus/Deficit (\$ million)	Expenditure on market improvement works # (\$ million)	Vacancy rate * (%) (as at 31 December)
2012-13	628.8	408.7	220.1	5.1	10.5
2013-14	648.7	411.4	237.3	22.2	9.6
2014-15	741.0	413.2	327.8	9.5	8.8
2015-16	720.4	426.7	293.7	11.2	8.9
2016-17	843.0 (Revised estimate)	428.9 (Revised estimate)	414.1	58.2	9.1

- # Market improvement projects are funded by the block votes managed by the Architectural Services Department. They do not include the replacement projects of aged lifts and escalators.
- * Vacancy rate is the percentage of stalls not leased versus the total number of stalls in a market.

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