

**CONTROLLING OFFICER'S REPLY**

**FHB(FE)193**

**(Question Serial No. 2884)**

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:

Regarding the revitalisation of public markets under the Food and Environmental Hygiene Department, please provide in tabular form (with a breakdown by district):

1. the number and names of public markets, of which the use will be changed in the coming 5 years, as well as the estimated cost involved;
2. the number and names of public markets demolished for redevelopment in the past 5 years and the expenditure required;
3. the number and names of public markets expected to be demolished for redevelopment in the coming 5 years and the estimated cost involved;
4. the number and names of public markets that were converted to other uses (including community or commercial use) in the past 5 years and the expenditure required; and
5. the number and names of public markets to be overhauled in the coming 5 years and the estimated cost involved.

Asked by: Hon SHIU Ka-chun (LegCo internal reference no.: 51)

Reply:

- 1.-4. As promulgated in the 2018 Policy Address, the Food and Environmental Hygiene Department (FEHD) is conducting a comprehensive review of the usage and development potential of existing markets, with a view to formulating appropriate development plans for meeting the policy objectives of optimising land uses, benefitting the public and promoting district development.

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, with some having very low patronage and high vacancy rates. Closure of such markets will release precious land resources for more gainful uses to better serve the community. When considering whether an under-utilised market is to be closed, FEHD will take into account a host of factors, including the vacancy rate, prospects for improvement, availability of alternative fresh provision outlets in the vicinity, the likely cost-effectiveness of upgrading works and the views of the relevant District Councils, etc. FEHD will consult the relevant District Council(s) and the market tenants to be affected on any market closure plans.

Where a market is closed and the premises are no longer required by FEHD, the vacated building 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 uses.

In the past 5 years ending 31 March 2019, 3 markets, namely Shau Kei Wan Market, Tsuen King Circuit Market and Tai Yuen Street Cooked Food Market were closed due to consistently high vacancy rates. Their closure resulted in reduction of annual operating cost of about \$11.4 million.

FEHD is planning to close Cheung Sha Wan Cooked Food Market and Tui Min Hoi Market in 2019-20 which is expected to result in reduction of annual operating cost of about \$3.3 million.

5. Having regard to a preliminary assessment of existing markets and views gathered from the Subcommittee on Issues Relating to Public Markets under the Legislative Council Panel on Food Safety and Environmental Hygiene, FEHD has proposed that, in the first phase of the Market Modernisation Programme (MMP), a fundamental overhaul for 4 markets and refurbishment and minor improvement works for at least another 3 will be taken forward. The pioneering project of the MMP will be the overhaul of Aberdeen Market. FEHD has been actively liaising with the tenants there and other stakeholders with a view to reaching a consensus on the way forward as soon as possible. The overhaul arrangements for Aberdeen Market will set a model for future similar projects. After the details of the Aberdeen Market MMP project are finalised, FEHD will kick-start other first phase projects progressively from 2019 onwards.

FEHD has set up a dedicated team to take forward, among other duties, the planning and implementation of MMP projects with the support of 37 staff. The estimated staff cost in 2019-20 is about \$33.9 million. The capital works expenditure and recurrent costs of MMP projects can only be determined when the scope of works is finalised, and upon completion of technical feasibility studies and cost-effectiveness assessment.

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