

CONTROLLING OFFICER'S REPLY

FHB(FE)162

(Question Serial No. 0448)

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 Diane WONG)

Director of Bureau: Secretary for Food and Health

Question:

Regarding the Market Modernisation Programme mentioned under Programme (3), please inform this Committee on the following:

1. the locations and details of the planned or proposed projects of different scales under the programme at this stage;
2. whether the Administration will consider taking forward the programme in the territory? If yes, what are the details? If no, what are the reasons?
3. taking in view that retrofitting of air-conditioning in a public market would incur substantial costs, like electricity charges and general maintenance costs, whether the Government will consider bearing part of costs so as to reduce the financial burden on small traders.

Asked by: Hon SHEK Lai-him, Abraham (LegCo internal reference no.: 48)

Reply:

- 1 & 2. The Government has earmarked \$2 billion for implementing the 10-year Market Modernisation Programme (MMP). The pioneering project is the overhaul of Aberdeen Market. The estimated capital cost of the project is about \$254 million and the funding has been approved by the Finance Committee of the Legislative Council. We plan to commence the overhaul works in the third quarter of 2021, and will take measures, including the use of pre-fabricated parts as appropriate, with a view to striving for completion of the works within 2022.

Apart from the overhaul of Aberdeen Market as the pioneering project, we are carrying out the preparatory and consultation work for the overhaul works in Yeung Uk Road Market, Ngau Tau Kok Market and Kowloon City Market, including arranging small group meetings with tenants, briefings for the relevant Market Management Consultative Committees (MMCCs) on the projects, etc., to collect their views, with a view to reaching a consensus with tenants as soon as possible.

Upon ascertaining the scope of works, we will conduct technical feasibility studies with relevant departments. The works timetable and project cost will be confirmed upon completion of the technical feasibility studies and assessment as well as detailed design. We will continue to maintain close liaison with stakeholders during the process and report to the relevant District Councils in a timely manner having regard to the work progress.

In addition, we have consulted and obtained the support of the relevant MMCCs on the minor refurbishment or improvement works for 11 markets (including Ngau Tau Kok Market, Yeung Uk Road Market, Luen Wo Hui Market, Fa Yuen Street Market, Quarry Bay Market, Shui Wo Street Market, Tsuen Wan Market, Mong Kok Cooked Food Market, Ngau Chi Wan Market, Shek Tong Tsui Market and Nam Long Shan Road Cooked Food Market). Works in 10 markets have commenced and preparation work for the remaining one is underway. The project estimates for taking forward the above minor refurbishment and improvement works are about \$88 million in total and the estimated expenditure in 2021-22 is about \$32 million.

In identifying candidates for projects of different scales under the MMP, we will take into account the geographical location and distribution of markets, condition of facilities, business viability, community needs and tenants' readiness. In particular, we would seek to ensure that the location of markets to be covered under the MMP is conducive to their future business viability, and that there is a reasonable spread of such markets across the territory to benefit the community at large.

3. The capital cost required for the overhaul of public markets (including retrofitting of air-conditioning systems) is borne entirely by the Government. The Government will also carry out routine maintenance and refurbishment of existing market facilities for public markets and bear the costs required. As for the recurrent cost (including electricity and air-conditioning charges), the Government has been adopting the "user-pays" principle, and the relevant operating expenses are to be borne by market tenants. This practice is also adopted in other leased government properties. According to the existing concessionary arrangements, market tenants who choose to continue operation in the overhauled market may rent a new stall at the market through "restricted auction" upon completion of the works. They will be granted a waiver of rental and air-conditioning charges for a specified period upon commencement of business as appropriate.

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