Examination of Estimates of Expenditure 2024-25

Reply Serial No.

CONTROLLING OFFICER'S REPLY

EEB(F)071

(Question Serial No. 0781)

<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 (Ms Irene YOUNG)

Director of Bureau: Secretary for Environment and Ecology

Question:

Since 2023, the target for the letting percentage of market stalls has been revised from 85% to 90%. However, the actual letting percentage of stalls in 2023 was 84%, which was lower than that of 86% in 2022. What is the number and percentage of stalls set aside for designated purposes? What is the specific plan of the Food and Environmental Hygiene Department to increase the letting percentage so as to meet the target? Regarding the enhancement measures for facilities and management of public markets, which include carrying out improvement works and market promotional activities on a continuous basis, please provide the details and explain how the performance indicators for these measures are set.

Asked by: Hon CHEUNG Yu-yan, Tommy (LegCo internal reference no.: 15)

Reply:

As at 31 December 2023, 11 468 out of the 13 582 stalls in 96 public markets were let out, representing a letting percentage of about 84.4%. Meanwhile, 1 111 stalls (about 8.2% of the total number of stalls) had been set aside for designated purposes, such as facilitating/accommodating the Market Modernisation Programme (MMP), stall repair or enhancement works, as well as market closure/consolidation arrangements, etc.

To increase the letting percentage, the Food and Environmental Hygiene Department has put vacant stalls up for open auction on a number of occasions since June 2021. As at 31 December 2023, 13 open auctions were held and a total of 1 071 stalls were successfully let out. The Department will continue to put suitable vacant market stalls up for open auction in the future.

The Department has been taking forward measures such as improvement of ventilation, lighting systems and fire service equipment, refurbishment of external walls and toilets, etc. to improve the operating environment of public markets. The estimated expenditure for the works to be carried out/planned to be carried out in 2024-25 is about \$144 million.

To ensure the smooth operation of lifts and escalators in public markets, the Department has launched a replacement programme since 2015-16 where aged lifts and escalators that have been in operation for more than 15 years will be replaced in phases. To date, about \$582 million has been earmarked for the replacement of 79 lifts and 167 escalators in 39 public markets. As at 29 February 2024, the replacement works of 62 lifts and 134 escalators have been completed, while the remaining works will be completed as planned in a progressive manner.

In addition, the Department is taking forward the MMP, including overhaul or redevelopment projects, the pilot scheme on stall enhancement, as well as minor refurbishment or improvement works.

Regarding overhaul or redevelopment projects, the Department is carrying out the preparatory and consultation work, including technical feasibility studies upon confirmation of the scope of works, for the proposed projects in Ngau Tau Kok Market, Kowloon City Market, Yeung Uk Road Market and North Kwai Chung Market. As for the preliminary suggestion of carrying out overhaul for Causeway Bay Market, the Department is maintaining close communication with the relevant stakeholders to gauge their views to formulate a suitable proposal.

The Department is implementing a pilot scheme to enhance market stalls and carry out relevant renovation works. This would involve works such as widening of passageways, beautification of walls and ceilings, as well as replacement or repair of simple equipment according to actual circumstances and needs. The first venue being included in the pilot scheme is Queen Street Cooked Food Market, with an estimated cost of about \$9.5 million. The works commenced in February 2024 and are expected to be completed in the third quarter of 2024. The Department will confirm the other venues to be included in the pilot scheme as soon as possible.

The Department has carried out minor refurbishment or improvement works in 16 markets. Among which, the works in 14 markets have been completed. The works of the other 2 markets are underway, with completion expected in 2024. Depending on the circumstances, the scope of minor refurbishment or improvement works generally includes renovation of internal facilities, beautification of external walls, replacement of floor tiles, repainting, repairing facilities, refurbishing the toilets, maintenance of drainage systems and piping, as well as installation of rodent-proof devices, etc. The project estimates for taking forward the above 16 minor refurbishment or improvement projects are about \$87.64 million in total.

To strengthen market management with a view to enhancing the business vibrancy of markets and better meeting the needs of the public, the Department is piloting a new management mode at 2 newly developed temporary markets (namely Skylight Market in Tin Shui Wai and Sunlight Market in Tung Chung) and 2 overhauled markets under the MMP (namely Aberdeen Market and Lai Wan Market). In addition to undertaking daily management, cleansing, security and minor repairs for the markets, the service contractors appointed by the Department are also required to formulate promotion and development strategies for the markets, liaise and communicate with stakeholders, advise on the trade mix in the markets, etc.

To enhance the patronage and business vibrancy of public markets, the Department carries out promotional programmes such as festive and thematic promotions in existing public markets on an ongoing basis. Publicity and promotional programmes not only add to the festive atmosphere of public markets, but are also conducive to enhancing the patronage of markets and stimulating spending. The Department will provide information about market development projects through social media, such as the social media page of Keep Clean Ambassador Ah Tak, to let people know more about public markets and enhance patronage.

The Department's expenditure on publicity and promotional activities of public markets in 2023-24 was about \$6.94 million, which included the expenses incurred by the outsourced service contractors and the Department for manpower deployment and organisation of publicity and promotional activities. The expenditure was mainly used on decorating the markets, producing souvenirs and holding a variety of promotional activities.

The Department has been closely monitoring the operation of markets, including market patronage and changes in occupancy rates, as well as the views of stall tenants and community stakeholders, so as to assess the effectiveness of improvement works and market promotional activities, and carry out reviews in a timely manner.