

**立法會**  
**Legislative Council**

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the Administration)

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**LegCo Panel on Food Safety and Environmental Hygiene**

**Minutes of Special Meeting**  
**held on Monday, 8 January 2001 at 4:30 pm**  
**in the Chamber of the Legislative Council Building**

**Members Present** : Hon Fred LI Wah-ming, JP (Chairman)  
Hon Tommy CHEUNG Yu-yan, JP (Deputy Chairman)  
Hon David CHU Yu-lin  
Hon Albert HO Chun-yan  
Hon James TO Kun-sun  
Hon CHAN Yuen-han  
Hon SIN Chung-kai  
Hon WONG Yung-kan  
Hon Jasper TSANG Yok-sing, JP  
Dr Hon YEUNG Sum  
Hon YEUNG Yiu-chung  
Hon LAU Kong-wah  
Hon SZETO Wah  
Hon LAW Chi-kwong, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Abraham SHEK Lai-him, JP  
Hon Michael MAK Kwok-fung  
Dr Hon LO Wing-lok  
Hon WONG Sing-chi  
Hon IP Kwok-him, JP

**Public Officers Attending** : Agenda items I & II  
Mr Paul TANG  
Deputy Secretary for the Environment and Food  
  
Miss Eva TO

Principal Assistant Secretary for the Environment and Food (A) 3

Mrs Rita LAU  
Director of Food and Environmental Hygiene

Miss Sarah WU  
Deputy Director of Food and Environmental Hygiene  
(Environmental Hygiene)

Mr Warner CHEUK  
Assistant Director (Headquarters)  
Food and Environmental Hygiene Department

Mr HUNG Chi-pai  
Assistant Director (Operation)  
Food and Environmental Hygiene Department

Agenda item III

Mr Paul TANG  
Deputy Secretary for the Environment and Food

Miss Eva TO  
Principal Assistant Secretary for the Environment and Food (A) 3

Mrs Rita LAU  
Director of Food and Environmental Hygiene

Miss Sarah WU  
Deputy Director of Food and Environmental Hygiene  
(Environmental Hygiene)

Mr HUNG Chi-pai  
Assistant Director (Operation)  
Food and Environmental Hygiene Department

Mr Gary YEUNG  
Principal Assistant Secretary for the Planning and Lands (Lands)

**Clerk in Attendance** : Mrs Constance LI  
Chief Assistant Secretary (2)5

**Staff in Attendance** : Ms Joanne MAK  
Senior Assistant Secretary (2)2

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**I. Proposal to strengthen the control on unlicensed and unhygienic food establishments**

[LC Paper No. CB(2) 628/00-01(01)]

Mr WONG Yung-kan said that Members belonging to the Democratic Alliance for Betterment of Hong Kong supported the current proposal to strengthen the control on unlicensed and unhygienic food establishments for the protection of public health. He welcomed the proposal of shortening the closure process from nine months to about one and a half months, and asked about the legislative timetable for implementing the proposal. Deputy Secretary for the Environment and Food (DS(EF)) replied that the Administration aimed at introducing the relevant legislative amendments to the Legislative Council (LegCo) in the first quarter of 2001.

2. Mr Albert HO expressed support for the policy direction of the legislative proposal which aimed to provide a simpler and faster closure procedures to tackle the problem of unlicensed or unhygienic food premises. However, he expressed concern about the appeals mechanism and asked why appeals against the decision of the Director of Food and Environmental Hygiene (DFEH) to close a food establishment should be lodged to the court instead of the Licensing Appeals Board. He considered that the latter should be more convenient and less expensive to appellants. He was of the view that the court should only review decisions made by the Licensing Appeals Board.

3. DS(EF) responded that under the proposal, the Magistrate's Court could arrange early hearings on the appeals and the time required would even be shorter than that for Licensing Appeals Board. DFEH explained the procedures under the proposal. She said that DFEH would still have to apply for a Closure Order from the Magistrate's Court to close unlicensed food establishments. As regards unhygienic food establishments posing an immediate health risk to the public, the closure order would be made by DFEH personally based on the assessment of a Medical Officer confirming the poor hygiene conditions of the establishment concerned, without recourse to court proceedings. The power would not be delegated and DFEH would be wholly accountable for his/her decision.

4. On the appeal mechanism, DFEH said that presently an operator of a food establishment had 28 days to make representation to the Licensing Appeals Board. As the Closure Order could not be enforced once the operator had lodged an appeal to the Board, the operator could then take advantage of the time in between to change hands. This had rendered the closure process ineffective. To close the loophole, the present proposal was that the Closure Order would be executed seven days after posting the notice of intention. If any person was aggrieved by the Closure Order, he/she could lodge an appeal to the Magistrate's Court within seven days. The arrangement was to ensure that the closure process would not be protracted due to the appeal process.

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5. Mr Albert HO said that since hearings of these appeal cases often involved examination of expert evidence, it seemed more appropriate for such cases to be dealt with by a higher level of court than a Magistrate's Court. He pointed out that the Chairman of the Municipal Services Appeal Board was also a judge of the first level Court. DFEH noted the suggestion.

6. Mr LAU Kong-wah expressed support for the legislative proposal. Referring to paragraph 11 of the Administration's paper, he said that the circumstances under which a food establishment might be subject to a closure order were wide-ranging, and food premises might easily be caught under the new provisions. He also cited the use of water by food premises in rural areas from sources other than those approved by the Water Supplies Department. He asked whether the Administration had a rough estimate on the number of food establishments which would fall within the circumstances described in paragraph 11 of the paper, and what measures would be put in place to prevent abused use of DFEH's power to order immediate closure of a food establishment.

7. DFEH stressed that the food supplied by food establishments must be clean and fit for public consumption and this principle could not be compromised. She said that if a food premise was not even provided with tap water, it was unsuitable for use as a food establishment and would not be granted a licence. She added that it was the community's expectation that Government should take more stringent enforcement actions against food premises which would pose immediate health hazard to the public. She assured members that DFEH would exercise the power personally, and only when there was adequate evidence to substantiate the claim that a particular food establishment posed an immediate health hazard to the public and warranted immediate closure. She added that any person who was aggrieved by the Closure Order could appeal within seven days to the Magistrate's Court against DFEH's decision.

8. Mr LAU Kong-wah said that there was no approved water supply in some 20 villages in Hong Kong. He asked whether it would mean that all the food establishments in these villages could not operate. DFEH replied that FEHD would not issue a food business licence to any premises not provided with tap water from an approved source, but premises selling pre-packaged food ready for immediate consumption were not subject to such requirements.

9. In response to Mr James TO, DFEH confirmed that food premises should not use stream water for food preparation and it would constitute a breach of the law for doing so.

10. The Chairman asked how a Closure Order would be executed and whether special arrangements would be made for food premises that were also used for human habitation. DFEH said that the food premises subject to a Closure Order would be

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locked and the water and power supply would be disconnected. However, the department would be extremely careful in executing a Closure Order on food premises which were partly used for human habitation. In these cases, the enforcement staff would only lock the area which was used for food preparation and food business. The department would also advise the owner of the premises of the breach of law. She added that a Closure Order must specify in what way the use of the premise concerned was in contravention of the law or the authorized land use. She emphasized that the owner of the premises or the Food and Environmental Hygiene Department (FEHD) could apply to the court to rescind the Order if the premises were no longer subject to unlawful use, or the health hazard posed by the premise concerned had been eliminated.

11. As regards food processing in open space or backyards, DFEH said that such operation could be prosecuted under relevant ordinances, depending on the degree of health hazard posed to the public and individual circumstances of each case. The Department would also consider factors such as whether the operator had applied for a licence or had any intention to comply with the licensing requirements.

12. Mr WONG Sing-chi asked about the situation where the operator of the food premises ceased business in order to apply to the court to lift the Closure Order but then re-open again without a licence. He asked whether more stringent actions would be taken against repeated offenders in these cases. Mr WONG further said that where the food establishment had changed hands, the new operator could be granted a provisional licence for carrying out business in the same premises. Mr WONG asked how the Administration would ensure that such food premises would comply with the food safety requirements.

13. DFEH responded that closure of food premises was already a very severe penalty to the operator. The Department would take prosecution action against repeated offenders and the Court would make reference to past offence records. However, as Closure Orders were issued for a temporary period, it would not be possible or reasonable to transfer the liability of the previous operator to the new operator. She said that the Department would not disallow any lawful business to be carried out in these premises. She considered that the proposal to empower DFEH to apply for a Closure Order to close unlicensed food establishments without having to obtain a Prohibition Order and to immediately close unhygienic food establishments would provide sufficient deterrence. The Administration would review the situation to see if more stringent measures would be necessary after implementation of the proposal.

14. Mr James TO commented that if the operator of the food establishment had not even applied for a food business licence, the Administration could consider taking immediate prosecution action if this was quicker than applying for a Closure Order. He also suggested that the Administration should make reference to the control of vice establishments and take action against the owner of premises that were repeatedly

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leased for operating food establishments without licence. The Administration noted the comments.

15. In view of the long time required for processing applications of food business licences, Mr IP Kwok-him asked whether the proposal to close unlicensed food premises would create unnecessary burden to those members of the trade who were willing to apply for a licence and comply with the licensing requirements. DFEH responded that the Administration fully recognized the need to shorten the process for issuing food business licences. She said that the Administration had already introduced a series of improvement measures to streamline the process, and the letter of requirements for provisional licence could now be issued in 20 working days. On the time required to issue a full licence, DFEH said that it would depend on when the applicant could provide all requisite certificates of compliance. She said that the operators issued with a Provisional Licence would still need to comply with the safety and hygiene requirements. If such establishments were found in breach of the licensing and statutory requirements, action could be taken against the operator, including the issue of a Closure Order if the hygiene conditions seriously deteriorated as to pose an immediate health hazard to the public.

16. Mr IP Kwok-him asked whether the Administration could give any assurance that the proposed closure procedures aimed at those food establishments which were unable to meet the basic requirements for a licence rather than those which were already issued a provisional licence. DFEH assured members that a closure order would not be issued to those food premises which followed the conditions set out in the letter of requirements for a provisional licence. She reiterated that DFEH would exercise her power to issue a Closure Order very carefully and the decisions made in this regard could stand up to legal challenge. She said that the Department would clearly explain to the trade the implementation of the proposal and that there would not be any abuse of power.

17. Mr Tommy CHEUNG said that the catering industry was very concerned about the difficulties that might create to the trade especially when the operator had made a lot of efforts in applying for a food business licence. He said that whilst Government had introduced measures to streamline the licensing procedures, the trade had not found it easier or quicker to obtain a licence under the new procedures. Given the long time required for the issue of a licence, the trade was worried that food establishments which started operation while awaiting the issue of licences might also be subject to Closure Orders under the proposal. DFEH reiterated that FEHD pledged that all licence applications were dealt with expeditiously and that all applications must satisfy the food safety and hygiene requirements. The Department would assist the genuine traders in the licensing process and the Kowloon Licensing Office of FEHD now provided one-stop service on matters relating to licence applications.

18. Referring to paragraph 11 in the paper, Mr Tommy CHEUNG said that the circumstances described therein were too general and could lead to abuses. He

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considered that the issue of Closure Order must be based on objective evidence such as laboratory tests that the food prepared in the food premises concerned had been contaminated or tainted. He also expressed concern that infestation of vermin would be one of the circumstances that might warrant immediate closure of the food premises, as the vermin problem might be caused by other premises in the vicinity.

19. DFEH explained that there would be sufficient safeguards against abuse of power. The issue of a closure order would be based on circumstantial evidence and professional judgment including the Medical Officer's report and laboratory test findings. Any person who was aggrieved by the Closure Order could appeal to the court. She added that the Administration would further discuss with the trade the implementation details.

20. DS(EF) added that in the case of closing an unlicensed food establishment, DFEH would still have to apply to the court for the issue of a Closure Order. The power for DFEH to immediately close food premises would only be limited to those unhygienic premises where DFEH had sufficient cause to believe that public health was under serious threat.

21. Mr Tommy CHEUNG said that he still had reservations about descriptions such as "may have been contaminated" and "likely to be contaminated" in paragraph 11 of the Administration's paper.

22. The Chairman requested the Administration to take note of members' comments in introducing the legislative proposal into the Council.

**II. Proposed fixed penalty for minor cleansing offences**

[LC Paper No. CB(2) 628/00-01(02)]

23. Introducing the paper, DS(EF) said that the Administration proposed to fix the level of penalty for minor public cleansing offences at \$600 having regard to the following factors -

- (a) The average fines imposed by the court in 1999 for littering and spitting were \$468 and \$570 respectively; and
- (b) The two former provisional municipal councils (PMCs) had recommended a penalty of \$600 for first-time offenders.

24. DS(EF) said that the level of penalty under the proposed system should be sufficiently high to achieve the desired deterrent effect without arousing too much public objection. He added that these kinds of cleansing offences were wholly avoidable and members of the public need not put in extra efforts to avoid committing

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such offences. He also informed members that there were similar penalties in Singapore (S\$150), the United Kingdom (£25) and the Victoria State of Australia (A\$500).

Level of fixed penalty

25. Mr WONG Sing-chi considered that the level of fixed penalty at \$600 was set too high as littering was a less serious offence compared to speeding that might cause accidents and injuries. Considering that the penalty for serious speeding was only \$570, he suggested that the fixed penalty for littering could initially be set at \$320, which was the same level as that for minor traffic offences. If the level was found to have insufficient deterrent effect after a period of implementation, it could still be increased by resolution of the LegCo. In this connection, Mr IP Kwok-him also asked whether there was information that the present penalty was inadequate or ineffective to deter minor public cleanliness offences such as spitting.

26. DS(EF) explained that the current situation was far from satisfactory. As offenders were currently prosecuted by summons, the process was lengthy and the amounts of fines varied. While the maximum fine stipulated in the relevant legislation ranged from \$5,000 to \$25,000, the actual fine imposed were often too low to achieve any deterrent effect. He said that Mr WONG Sing-chi's proposed level at \$320 was even lower than the average fine currently imposed by the court for littering (\$468) and spitting (\$570). He added that spitting was also a serious offence because it could give rise to the spread of infectious diseases and pose a risk to public health. He further said that the level of penalty could not be too low in order to provide sufficient deterrence. The level of fixed penalty at \$600 was proposed having regard to the average fine imposed for such offences by the court.

27. Mr IP Kwok-him noted that the proposed fixed penalty system would bring about more efficient and effective enforcement against minor public cleanliness offences as these would no longer be dealt with by the court. He asked whether the proposal would have any staff implications. DS(EF) said that the Administration would make necessary staff arrangements and provide adequate training to the enforcement staff for implementation of the proposed system.

Enforcement

28. Mr WONG Yung-kan sought clarification on the offences to be included under the fixed penalty system. He asked whether the styrofoam containers which were widely used by the fishing industry for carrying goods (such as fish fry) at typhoon shelters but blown away into the harbour would be regarded as throwing litter into the sea. He expressed concern as to how an enforcement officer could judge whether the



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styrofoam containers were intentionally dumped into the sea or not. DS(EF) said that he would relay Mr WONG's concern to Marine Department which was responsible for enforcement against marine littering. He advised that all enforcement staff would have to attend a training programme which would include enforcement standards and other operational issues.

29. Mr WONG Yung-kan said that as no refuse collection vessel was provided at some fishing grounds, there were problems for the fishermen there to dispose of the refuse. He pointed out that the delineation of responsibilities between Marine Department and the former provisional municipal councils in dealing with marine refuse was unclear and improvement was required for these grey areas.

30. DS(EF) responded that one main objective of the Clean Hong Kong Campaign was to step up cleansing operations in grey areas at both territory-wide and district levels. He stressed that enforcement actions would be taken with sense and reasonableness.

31. As the proposed fixed penalty system also covered the offence of illegal display of bills or posters, Mr WONG Yung-kan asked whether this would pose difficulties to candidates of LegCo or District Council elections in finding suitable locations for the display of posters or banners. DS(EF) clarified that candidates standing for these elections could continue to apply for permission from Government to display posters or banners at public places. He said that the proposal targeted at people who displayed bills and posters of a commercial nature without authorisation at public places. He explained that numerous complaints had been received in this connection. As the unauthorised display of bills and posters had an adverse impact on the city environment, it was necessary to step up prosecution.

32. Mr SIN Chung-kai said that in the early 90s, the then Municipal Councils had proposed a fixed penalty system for minor public cleansing offences. However, the proposal met with strong opposition from the then Urban Services Department (USD) and Regional Services Department (RSD), which pointed out that there would be many implementation problems and possibility for bribery. Mr SIN asked whether the Administration had proposed measures to address these problems.

33. DS(EF) said that the current proposal was introduced on the recommendation of the Steering Committee on Healthy Living in December 1998 . The current proposal was different from the previous one in the following ways -

- (a) the proposed fixed penalty system would cover only three minor public cleansing offences while the former Municipal Councils recommended eight types of minor public cleansing offences; and
- (b) the current proposal did not adopt a two-tier penalty system for first and repeated offenders in order to simplify the enforcement procedures.

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DS(EF) said that training would be provided to enforcement officers and this would cover anti-corruption training, as well as conduct and discipline. In response to the Chairman, DS(EF) agreed to provide more detailed information on Mr SIN's question when the Bill was introduced into the Council.

34. Mr Michael MAK said that there were often disputes in the enforcement of minor public cleanliness offences. He considered that the Administration should provide detailed guidelines to enforcement officers on ways to avoid conflicts when performing their duties. He further said that there should be appropriate use of manpower resources for the enforcement of the proposed fixed penalty system. Deputy Director of Food and Environmental Hygiene (Environmental Hygiene) (DD(EH)) explained that at present enforcement officers often worked in pairs. Prosecution action could be taken if an officer witnessed the commission of an offence. She added that in the past year, more in-depth training had been provided on the relevant legislation, the prosecution procedure and gathering of evidence, etc.

35. As regards the power to inspect the Hong Kong Identity Card (HKID) of a person suspected to have committed a minor public cleansing offence, DD(EH) said that under the existing system, enforcement officers did not have such power and they could only ask for sight of the suspect's proof of identity. If the suspect did not cooperate, the enforcement officer might call for police assistance.

36. Mr IP Kwok-him was of the view that, except for "beating/cleaning carpet in public places", the proposed fixed penalty system should cover all of the minor public cleansing offences recommended by the Steering Committee on Healthy Living in 1998 as set out in paragraph 2 of the paper. He asked why only three minor public cleansing offences were included in the present proposal. The Chairman commented that dog fouling was also a nuisance and might be worth including in the proposed fixed penalty system. DS(EF) explained that the present proposal focused on those priority areas which were relatively minor in nature and were easy to enforce. As regards the other public cleansing offences not covered by the proposed system, they could still be prosecuted under the relevant ordinances. He added that consideration could be given to extending the proposed fixed penalty system to cover other minor public cleansing offences after the system had been put into practice for some time.

37. Mr IP Kwok-him said that he had received many complaints about dog fouling and he considered that this should be included in the fixed penalty system. The Chairman agreed with Mr IP. The Administration noted the suggestion.

### **III. Policy issues relating to the proposed arrangement for stallholders in Central Market**

[LC Paper No. CB(2) 485/00-01(01), CB(2) 647/00-01(01) and (02), CB(2) 891/00-01(01) and CB(2) 947/00-01(01)]

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38. The Chairman informed members that two submissions had been received and were tabled at the meeting.

39. At the Chairman's invitation, DS(EF) briefed members on the background of the current proposed arrangement for the stallholders in Central Market. He said that the proposal was drawn up having regard to the Director of Audit's recommendations in his Report No. 29 of October 1997 that "viability should be the overriding consideration in planning public markets". He explained that low utilization rate of public markets would only result in a waste of resources. He also referred to Report No. 29 of the Public Accounts Committee of the Provisional Legislative Council in February 1998 stating that "the Central Market is located on a prime and valuable site and the use of this premium site for a highly under-utilised bulk sale market is totally unjustifiable in present day circumstances.". He further said that the practice of constructing new public markets to re-provision demolished markets and to resite on-street licensed hawkers had to be reviewed in the light of actual experience and the viability of the proposed new markets. The Administration considered that alternative arrangement should be explored, and proposed to offer ex-gratia payment (EGP) to eligible stallholders in Central Market and preferential terms for relocating their business to vacant stalls in existing FEHD markets.

40. The Chairman asked whether the proposed EGP arrangement was a new policy. DS(EF) responded that this was a special package, but Government would still construct new public markets if these markets were assessed to be viable in the long term.

41. DS(EF) explained that the Administration proposed to offer EGP to eligible stallholders of the Central Market instead of re-provisioning them for the following reasons -

- (a) the relatively inconvenient location of the new market site at the ex-Police Staff Quarters at Hollywood Road as originally proposed would likely affect its long-term viability;
- (b) The Central Market was mainly a bulk sale market whereas the current policy on provision of market facilities was to meet retail demands; and
- (c) as there was no suitable site for building temporary market facilities in the Central District, there would be a time gap of three to four years between the clearance of stallholders from the Central Market and the opening of a new market. There would be uncertainty as to how many stallholders would re-establish their business in the new market after they had started business elsewhere.

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42. Dr YEUNG Sum expressed dissatisfaction that Government had reneged on its promise after abolition of the two Provisional Municipal Councils. He said that when the Administration proposed the demolition of Central Market in early 1998, the Administration undertook to resite eligible stallholders in Central Market to a new market at the ex-Police Staff Quarters at Hollywood Road. In this connection, Dr YEUNG referred to a letter dated 26 May 1998 from Mr Bowen LEUNG Po-wing, the then Secretary for Planning, Environment and Lands (SPEL), to the then chairman of Provisional Urban Council, which stated that "*Government has also planned to re-provision the Central Market. As such, we propose to re-provision the market at the ex-Police Staff Quarters at Hollywood Road, which is the only suitable site readily available for re-provisioning purpose.*" Dr YEUNG said that Mr Bowen LEUNG Po-wing was a very senior Government official and his words should count. Dr YEUNG believed that before making the offer, Mr Bowen LEUNG Po-wing must have considered the viability of the proposed market. Dr YEUNG said that Government would lose its credibility if it did not honour its commitment.

43. Dr YEUNG Sum said that the current proposed arrangements were unacceptable. He further said that the proposed average amount of EGP of about 128,000 to eligible stallholders of the Central Market was unreasonable because the amount was too small to maintain their living in the long run. As to the suggestion of giving the stallholders a right to restricted auction of existing vacant stalls in FEHD markets, Dr YEUNG said that this was also unattractive because the existing vacant stalls were largely in inconvenient locations. He asked whether the Administration would consider allowing the stallholders to continue their business at the Central Market until a new market was provided, preferably at Hollywood Road, to resite them.

44. The Chairman asked whether Government would still be prepared to consider constructing a new market at Hollywood Road as originally proposed. DS(EF) explained that in 1998, the responsibility of assessing the viability of the proposed new market rest with the former PUC. The then Planning, Environment and Lands Bureau (PELB)'s comments on the proposed market at Hollywood Road was made from the planning point of view. However, after reviewing the current position, the Administration was of the view that the proposed market at Hollywood Road would have viability problem in the long run.

45. As regards the amount of EGP, DF(EH) pointed out that the proposal was a special package for the stallholders in Central Market, with regard to similar arrangements made on one previous occasion by the former municipal council and also the Housing Authority practice for redevelopment projects.

46. DS(EF) invited members to note the Director of Audit's comments that, from the planning perspective, it was a problem for the Central Market to remain at its present site taken into account the overall development needs of the areas around. On the deadline for the stallholders to vacate the Central Market, DS(EF) explained that

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according to the information provided by the Lands Department, the land where the Central Market situated would have to be surrendered by the end of June 2001 for auction and redevelopment purposes. Nevertheless, he said that the Administration could, if necessary, consider whether the deadline could be extended to allow some more time for the stallholders to vacate.

47. Dr YEUNG Sum stressed that as Mr Bowen LEUNG Bo-wing was the then SPEL, he was regarded to be representing Government in the negotiation with the then PUC on the matter. As such, he considered Government must honour its promise or else it would be strongly criticized for lack of credibility.

48. Principal Assistant Secretary for the Planning and Lands (Lands) (PAS(PL)) explained that the suggestion made in Mr Bowen LEUNG's letter to PUC was based on planning consideration. At that time, it was considered feasible from the planning point of view that a public market could be constructed at the ex-Police Staff Quarters at Hollywood Road. He added that the site in question was zoned as a Residential Area and the lowest storeys of the proposed building could be used for commercial purposes such as markets. In reply to the Chairman and Mr SZETO Wah, DS(EF) said that the decision of not building a new market at Hollywood Road was not based on monetary considerations but on account of the various factors as given in paragraph 39 and the viability of the proposed market. As the Administration had grave doubts about the viability of the proposed market, the Administration proposed not to pursue the project to ensure prudent use of public funds. He added that the Director of Audit also made similar recommendations in his Report in October 1997.

49. The Chairman questioned whether Mr Bowen LEUNG Bo-wing had considered the Director of Audit's recommendations in 1997 before he wrote to PUC in 1998 concerning the feasibility of the new market. Mr SEZTO Wah echoed similar concerns.

50. Mr WONG Sing-chi also expressed doubts that the proposed market at Hollywood Road was not viable. He said that the new public market in Sheung Shui had very good facilities and had proved to be very viable. He queried why Government could not improve the design and facilities in its new markets to make them more viable. He had the impression that the current proposal of demolishing the Central Market without providing a new one was to protect the interests of business groups operating supermarkets.

51. DS(EF) explained that the policy on public markets was not to protect the interests of any business groups, and the Administration was of the view that there had been changes in the shopping habits and thus the construction of public market would need to take this into account and should be considered on the merits of each case.

52. DD(EH) supplemented that the Administration had doubt about the viability of the proposed market at Hollywood Road for the following reasons -

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- (a) The Central Market largely catered for bulk sale demand in Central District. There would be uncertainty about the number of stallholders who would move to the new market at Hollywood Road after a time gap of three or four years during which they might have already started business and established new business relationship elsewhere;
- (b) According to FEHD's planning guidelines, markets were preferably located within 10-minute walking distance from areas of population. It was found that the catchment area of the proposed market would overlap with that of the Sheung Wan Market.

53. Mr WONG Sing-chi said that he remained unconvinced of the Administration's response. He said that the new public market in Sheung Shui was so popular that its customers even took public transport to shop there.

54. Mr SZETO Wah asked about the redevelopment plan for the land where the Central Market situated and how much the land was estimated to be worth when it was auctioned. PAS(PL)(L) replied that the site in question was now zoned for commercial development, open space and bus terminus uses. He said that he was not in a position to estimate the value of the land as it would have to be determined by the market.

55. Mr IP Kwok-him said that the Central and Western District Council (C&WDC) had expressed strong objection to the proposed arrangements for the stallholders in Central Market, as they felt cheated by the Administration. The C&WDC members did not accept the assessment made by FEHD regarding the viability of the proposed market. Mr IP was of the view that should the Administration have planned ahead in 1998, temporary marketing facilities would have been made available now in Central District to reprovision the stallholders. Mr IP asked the Administration if it would still pursue the proposed arrangements in view of the strong opposition of LegCo Members and C&WDC members.

56. DS(EF) said that the Administration would continue to discuss with the stallholders in Central Market, C&WDC and LegCo on possible ways to resolve the problem. He said that in 1998, both the then PLWB and PUC were aware of the transitional problem caused by the lack of temporary marketing facilities after demolition of the Central Market. However, its impact on the viability of the proposed market might have been under-estimated by the then Urban Services Department. DS(EF) reiterated that the current proposal was made with regard to the latest assessment of the likely viability problem of the proposed market. As regards the option of resiting the stallholders to existing FEHD markets, DS(EF) said that consideration could be given to enlarging the vacant stalls in existing FEHD markets to cater for the special mode of operation of the stallholders concerned.

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57. In response to Mr Tommy CHEUNG, DD(EH) said that there was no suitable site in Central which could accommodate 200 stalls. On the planning for the land where the Central Market now situated, PAS(PL)(L) said that the land was scheduled for sale by auction in 2001/02 for commercial development and the stallholders were required to be vacated by 30 June 2001 to allow time for site preparation.

58. In view of the economic downturn, Mr Tommy CHEUNG considered that there was no urgency to demolish the Central Market to release the site for commercial development. He further suggested that if the termination notice could be deferred to allow the stallholders to continue their business in the Central Market, the transitional problem might as well be solved. He was of the view that there would be demand for a new public market in Central District when the markets along Graham Street were also demolished.

59. Mr Michael MAK asked about the planning criteria for the provision of a public market. DD(EH) said that based on the planning standards which were drawn up years ago, about 40 stalls were needed for a population size of 10 000. However, Government would also have to take into consideration of other factors such as the location of the market, changes in consumption pattern and availability of similar facilities in the vicinity. DS(EF) added that the Administration must assess the viability of the proposed markets before taking a decision.

60. Miss CHAN Yuen-han criticised the Administration for not keeping its promise and for its lack of understanding of the bulk sale operation of the Central Market. She said that the Central Market had been established for a long time and was highly popular among residents in the district as well as the catering industry. She could not accept the Administration's proposal that a new public market would not be built for the stallholders in Central Market on grounds of viability. She said that she and other Members would consider voting down the financial proposal for \$15.5 million for the proposed package.

61. Dr YEUNG Sum said that while he did not object to the demolition of the Central Market for better land use planing, he stressed that the Administration should provide a new market in Central District to reprovision the stallholders in Central Market. He added that before such a new market was made available, the stallholders of the Central Market should be allowed to continue their trade in the Central Market.

62. Mr IP Kwok-him added that the C&WDC would accept alternative sites such as Graham Street or Gage Street for the new public market.

63. Miss CHAN Yuen-han proposed the following motion which was seconded by Dr YEUNG Sum -

*"Regarding the Government's proposal on the redevelopment of the Central Market, the Panel opines that the Government should build a new market for*

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*the affected stallholders and that the existing stallholders of the Central Market should be allowed to continue their business in the Central Market pending the completion of the new market."*

64. The Chairman put the motion to vote. Members unanimously supported the motion. The Chairman requested the Administration to take note of the motion passed by the Panel in considering the arrangements for the stallholders in Central Market.

65. The meeting ended at 6:40 pm.

Legislative Council Secretariat

22 March 2001