

**For discussion  
on 18 June 2001**

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

**Management of Public Markets**

**PURPOSE**

This paper informs Members of the various measures to enhance the management of public markets under the purview of the Food and Environmental Hygiene Department (FEHD) and the Housing Authority (HA).

**MARKETS UNDER THE MANAGEMENT OF THE FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT**

2. At present, FEHD manages a total of 105 public markets (including 81 wet markets and 24 freestanding cooked food markets (CFM)) and 36 cooked food centres (CFC) in market complexes. These facilities together provide a total of about 15,800 stalls with about 13,100 stalls let out, representing a 83% overall occupancy rate.

3. The recent outbreak of avian flu in some of the public markets has given rise to public concern over their operations. At this Panel's meeting held on 28 May 2001, Members requested FEHD to report on the proposed measures to enhance the management of public markets, with particular regard to their ventilation and hygiene conditions.

**Existing Management Regime**

***Day-to-day Management***

4. FEHD as the management authority of public markets needs to ensure that -

- (a) market stall tenants observe the relevant legislation concerning markets;
- (b) market stall tenants observe the terms and conditions stipulated in tenancy agreements; and

- (c) the markets are cleanly maintained.

5. To ensure stall tenants' compliance of terms and conditions in relation to market cleanliness, market foremen conduct regular site inspections to public markets, normally twice daily (once each during the day and evening shifts) and supplemented by additional inspections in off-peak hours. Where irregularities are found, market staff will, depending on the severity of the irregularities, issue verbal warning/warning letter to the stall tenants, or take prosecution action.

### ***Cleansing Services***

6. Cleansing is an important aspect of market management. At present, cleansing services in respect of 93 public markets have been contracted out. For the remaining 12 small markets where contracting out is not cost-effective, cleansing services are undertaken by departmental staff. Generally speaking, cleansing contractors cleanse the common parts and toilets of markets at least three times daily.

7. In order to raise the standard of cleanliness in public markets, a 'Management By Results (MBR)' concept has been implemented since mid 2000 after a successful trial in Yeung Uk Road Market. Under this MBR concept, in addition to the present cleansing frequency, FEHD also requires the contractors to maintain all common parts of the markets in a "Grade A" condition - that is these parts are required to be clear of litter and reasonably dry. If any part of the common area falls below "Grade A" condition, the contractor has to restore the cleansing condition to "Grade A" within a specified duration, normally not more than 30 minutes. Should the contractor fails to rectify, he will be issued with a default notice and depending on the number of such notices issued in any consecutive seven-day period, a deduction of up to 40% of the monthly service charge will be made. In addition, other disciplinary actions, such as verbal/written warnings and termination of contract, may also be taken as appropriate. Presently, the cleansing of 25 public markets is undertaken under MBR terms. Such terms will be extended to other markets when their new cleansing contracts are introduced following expiry of the existing ones.

### ***Market Management Consultative Committee (MMCC)***

8. For effective management of public markets, a MMCC is formed in each market. MMCCs meet regularly at intervals of two to three months, to propose measures to improve the management and viability of public markets as well as to plan and organize promotional activities. MMCCs are chaired by the district chief health inspector, with representatives from concerned parties, including FEHD, ArchSD, EMSD, the relevant security company and cleansing

contractor, market stall tenants of different trades, as well as local District Council Members.

### **Problems faced by Management**

9. In managing public markets, FEHD faces the following main problems -

(a) Out-dated design of the majority of public markets

While FEHD is on the constant lookout for opportunities to upgrade market facilities, many markets were built quite some time ago, and their design and facilities may impose limitation for bringing up the standards of these markets to meet present-day expectation. Of the 105 existing public markets, 77 (or 73%) were built before the nineties to resite on-street hawkers and there would be limitations to how much improvement work could be incorporated into the design.

(b) Insufficient manpower for market management

The relatively thin staffing for market management duties means the inspection of market cleanliness cannot be done at the length and depth desired. At present, most markets are stationed only with one foreman in each shift to perform general market management/operation duties. These duties include monitoring the performance of cleansing and security contractors, checking the compliance by stall operators with legal provisions and tenancy agreements, combating illegal trading and reporting building defects etc. The wide range of duties is such that we cannot give the attention that we would like to raise the standard of market cleanliness.

(c) Culture of some market stall operators

The unwillingness of some market stall operators to abide by the legislative requirements and the terms and conditions of their tenancy agreements relating to market hygiene is one of the major factors affecting the state of market cleanliness. Many stall operators in FEHD markets are resided on-street hawkers. While some have adapted to the change from an on-street to an off-street trading environment, there are those who find it difficult to subject to the discipline of a public market in maintaining a dry, clean and hygienic trade environment. This lack of self-discipline has added to FEHD's difficulty in maintaining the market.

(d) Keen competition from superstores

The proliferation of superstores has affected the viability of public markets. In the recent years, market businesses have to face keen competition from superstores which sell similar commodities at very competitive price and in a better shopping environment (spacious, dry, clean and air-conditioned). The contraction in market business has rendered market traders less enthusiastic about improving their mode of business and service.

**Measures to Enhance Market Viability and Management**

10. FEHD is pursuing/implementing measures with a view to improving the viability and management of public markets. These measures are set out in the paragraphs below.

***Upgrading of existing facilities***

11. Subject to availability of funds, FEHD is following up with ArchSD on the feasibility of implementing the following major improvement works to public markets -

- (a) physical segregation of poultry section with separate ventilating system;
- (b) individual scalding room or communal scalding room within the segregated area;
- (c) replacing internal wall and floor tiles in common area and ancillary facilities;
- (d) lime-washing ceiling in all areas;
- (e) repaving floor surface of loading/unloading bay;
- (f) improving/replacing surface drainage system;
- (g) refurbishment of market toilets and addition of disabled toilets;
- (h) improving general lighting; and
- (i) face-lifting of the external walls.

***Upgrading of market ventilation***

12. At present, there are a total of 12 public markets and 13 CFCs which are provided with air-conditioning (A/C) system. A/C system will be provided to new public markets and CFCs.

13. For improving the ventilation of existing market facilities, the two former Provisional Municipal Councils had identified a total of 19 existing public markets and CFCs for retro-fitting with A/C system (including 11 market projects, 3 CFC projects and 5 projects with both markets and CFCs).

FEHD plans to implement the 16 projects involving markets in three phases subject to the outcome of the Preliminary Project Feasibility Studies being conducted by ArchSD. As the case for retrofitting of A/C to CFCs is different from that for markets, FEHD would further study the CFC issue in greater detail before taking a decision.

***Improvement to sanitation of poultry stalls***

14. In connection with the recent outbreak of avian flu, FEHD has carried out a number of actions and put together a package of measures to raise the hygiene of poultry stalls in public markets-

- (a) FEHD has supervised stall tenants in cleansing their poultry stalls thoroughly for three times. All the poultry stalls have passed veterinary inspections;
- (b) With the assistance of ArchSD and EMSD, FEHD has carried out minor improvement works (including addition of exhaust fans and general repair of wall and floor tiles) and thoroughly cleansed the ventilating system;
- (c) "Rest Day" will take place on the 25<sup>th</sup> of each month. On that day, all market poultry stalls (together with fresh provision shops) will suspend business after slaughtering all remaining live chickens in the stalls from the day before. The first Rest Day is 25 July 2001 and the other Rest Days in the second-half of 2001 have already been fixed in consultation with the trade;
- (d) Additional terms and conditions of tenancy agreement and a new hygiene code have been issued to market stall tenants, to tighten up personal hygiene, poultry transport and storage as well as stall ventilation and cleanliness, etc.;
- (e) Large-scale hygiene talks have been delivered to poultry stall operators by FEHD's Risk Communication and Health Education Sections; and

- (f) In the first month after re-opening of poultry stalls, FEHD Health Inspectorate and staff will carry out daily inspections to help stall tenants to raise the hygienic condition of their stalls in compliance with additional requirements. Rigorous enforcement will be taken after the first month.

***Improvement to day-to-day operation/management of markets***

(I) Market Consultancy Study

15. FEHD intends to commission a consultancy study to assess and recommend the most effective and efficient way to operate and manage public markets. The consultancy will look into various measures to improve the mode and general management of public markets, including assessing the potentials for private sector participation in the operation and management of public markets as well as the extent to which the changing buying habit/consumption pattern of fresh food items by the public may affect the competitiveness of and demand for traditional wet market facilities. The consultancy is due to start in the next few months and will take six months to complete.

(II) Market Manager

16. FEHD is considering the implementation of pilot schemes to test out the usefulness of appointing market managers to strengthen the management of public markets.

**MARKETS UNDER THE MANAGEMENT OF THE HOUSING AUTHORITY**

17. There are currently 130 public markets under HA management. Currently, 28 of these markets have central A/C installed, while 4 have the installation of central A/C underway.

**Policy for upgrading the ventilation system and retrofitting of air-conditioning**

18. All new markets built from 1997 onwards are provided with central A/C. For existing markets, retrofitting of central A/C may be considered as part of the shopping centre rolling improvement programme, although ad-hoc requests for installation of central A/C will also be considered. Installation is subject to technical feasibility and consultation with stallholders to confirm their willingness to pay A/C charges.

19. For old markets without central A/C, many are of open-sided design to maximize through ventilation. In some cases mechanical ventilation in the form of ducts, fans, etc. has been provided to maintain adequate circulation of air. Installation of central A/C to some of these old markets may not be possible due to site constraints, or would be unnecessary as natural ventilation is good.

20. The cost of retrofitting of central A/C per market is around \$15M and the estimated A/C charge per month is around \$100/m<sup>2</sup>.

### **Measures to improve the hygiene conditions and management of markets under Housing Authority management**

21. Measures to improve hygiene conditions and management in HA markets include -

- (a) to enhance indoor air quality for A/C markets, provision of ultraviolet air purifiers in all A/C market is being considered;
- (b) inspection and thorough cleansing of mechanical and A/C system such as air ducts, filters, exhaust fans, etc. is a regular practice to ensure proper circulation;
- (c) cleansing contractors are instructed to use high pressure steam jets where necessary;
- (d) cleansing contractors are monitored to ensure market toilets are clean and dry;
- (e) management staff make daily inspections and monitor closely the performance of cleansing contractors;
- (f) obstructions in common area and paraphernalia left on top of the stalls are required to be cleared;
- (g) refuse containers with covers for the proper disposal of trade refuse by the stall operators are to be provided;
- (h) regular inspections of drainage systems are made to ensure that there is no blockage; and
- (i) worn out/uneven paving and missing floor tiles in markets are made good and replaced immediately to avoid the accumulation of stagnant water.

**ADVICE SOUGHT**

22. Members are invited to note on the improvement measures outlined in paragraphs 11 to 16 and 21 above and offer their views.

Environment and Food Bureau  
Food and Environmental Hygiene Department  
Housing Department  
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