

**For information
On 24 June 2002**

LegCo Panel on Food Safety and Environmental Hygiene

ITINERANT HAWKER LICENCE (FROZEN CONFECTIONERY)

PURPOSE

This paper informs Members of other possible alternative for small traders to sell frozen confections in tourist areas.

BACKGROUND

2. At the meeting of the LegCo Panel on Food Safety and Environmental Hygiene held on 22 April 2002, Members discussed the paper “Itinerant Hawker Licence” [LC Paper No. CB(2)1615/01-02(05)]. The Administration was asked to explore possible options other than issuing new Itinerant Hawker Licences (Frozen Confectionery) (“IHL(FC)”) to facilitate the provision of ice-cream retail service in major tourist areas.

PRESENT SITUATION

3. As at 1 May 2002, for both the urban area and the New Territories, there are 65 holders of IHL(FC) and 1,873 small size retail outlets issued with frozen confections permits under the *Food Business Regulation (Cap. 132 sub. leg.)* selling frozen confections in shop units such as those located at staircase recess of a building. In addition, more than 450 supermarkets, 600 convenience stores and about 80 food kiosks located within parks, gazetted beaches and pleasure grounds have endorsements to sell frozen confections. Thus, there is no lack of retail outlets for ice cream and other frozen confections.

CASE FOR ISSUING NEW IHL(FC)

4. We have re-examined the case for issuing new IHL(FC). Our policy on IHL is to -

- Contain the number of IHLs with a view to gradually reducing them by resiting and discontinuing the issuance of licences; and
- Minimize the obstruction and nuisances caused by on-street hawking activities.

Currently, urban IHL holders who surrender their licences may receive an ex-gratia payment (“EGP”) of \$30,000 or have a right to select vacant fixed pitch or a vacant small stall in public markets with concessionary rental arrangement. Of the 147 eligible urban IHL(FC) holders, 93 have surrendered their licences through the above scheme and 2 did not renew their licences upon expiry. We have recently proposed to extend the above options to IHL holders in the New Territories. Issuing new IHL(FC) will go against our IHL policy and defeat the purpose of offering EGP and other incentives to encourage early surrender of IHL.

5. While ice-cream bikes offer a convenient source of frozen confections to tourists, there are more than 2,500 other permitted retail outlets (excluding supermarkets) throughout the territory that sell frozen confections. We believe that demand for frozen confections, including for areas frequented by tourists, is already well met. There is little justification for new IHL(FC) to be issued.

ALTERNATIVES

6. To promote local community economy, District Councils have set up working groups to explore possible options, including the identification of suitable places to enable small traders to conduct retail business. The selling of frozen confections can be included in the scheme should there be a demand for it. Should the necessary requirements be met, the Food and Environmental Hygiene

Department will assist in the issuing of frozen confections permits. The issue of such permits normally takes less than two weeks. We consider that this provides a viable alternative for small traders to engage in the sale of frozen confections.

Food and Environmental Hygiene Department
June 2002