

For information

LegCo Panel on Food Safety and Environmental Hygiene

EXTENSION OF PUBLIC MARKET RENTAL FREEZE

PURPOSE

This note informs Members of the Administration's decision to extend the rental freeze of public market stalls for another 12 months until 31 December 2003.

DETAILS

2. The rentals of public markets stalls were reduced across-the-board by 30% in 1998. Since then, the reduced rentals have been frozen on a time-limited basis for five times. The last rental freeze extension announced by the Administration in October 2001 will expire on 31 December 2002.

3. As a result of the 1998 rental reduction and the subsequent rental freeze, the current rentals for most public market stalls are far below the corresponding market rents, which the Rating and Valuation Department has assessed with regard to the general drop in market rentals since 1998. We are of the view that the rentals of public market stalls should progressively be aligned with the market rates. That said, taking into account the prevailing economic climate and the hardship faced by some stallholders, we have decided to extend the rental freeze for another 12 months until 31 December 2003. We believe this extension will help tide the tenants over their operational difficulties arising from weak consumer sentiments.

Health, Welfare and Food Bureau
Food and Environmental Hygiene Department
18 November 2002