



HONG KONG RETAIL MANAGEMENT ASSOCIATION

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Divestment of Housing Authority's Retail and Car-Parking Facilities

On behalf of the Hong Kong Retail Management Association, we thank you for this opportunity to speak on the subject of Housing Authority's Divestment of Retail and Car-Parking Facilities.

The Hong Kong Retail Management Association (HKRMA), whose members provide a vast array of services to tenants of the Housing Authority estates, represents a substantial portion of the total retail space occupied at these estates. Our members' services at HKHA encompass convenience stores, department stores, food (including fastfood & restaurants), general merchandise/drug stores, supermarkets, electrical appliances, furniture & home accessories, specialty and banks.

The Association is greatly concerned about this divestment and believes that a stable and smooth transition should be ensured as the prime objective so that interests of all parties and that of the HKHA tenants could be safe guarded. It is therefore vital for all parties concerned to work hand in hand during this handover period so that the tenants of HKHA estates would not be affected and would continue to enjoy the services being provided by our retail members.

In order to ensure this stability and continuity way forward, we wish to see that the same terms and conditions in retail leases currently in place be allowed to continue for a period of time beyond transition. We are therefore not asking for anything different or preferential but a continuation of what that is already currently in place. All concerned HKRMA members are united in this position and we strongly demand that they be given the opportunity to discuss and agree upon these terms of operation before an IPO is to take place. The attached paper summaries a submission we made on behalf of a Concern Group formed with the HK Public Housing Estate Shop-Operators Union and Estate Restaurant (HK) Merchant Association last year to Mr C M Leung, JP, Director of Housing. The paper highlights the key areas for discussion and our requests in order to eliminate any concerns we have regarding the divestment.

To conclude, the HKRMA is as concerned as our Government to see a smooth transition and a successful divestment. We stress here again the need to work together to allow this to happen and to cause the least disruption to the current retail operators and the balance of retail services provided to HKHA's tenants.

Caroline Mak
Spokesman representing HKRMA on the subject

The Hong Kong Retail Management Association (HKRMA) was founded in 1983 and is the major association representing Hong Kong's retail industry. For the past 20 years, the Association has played a vital role with a long term mission to promote the retail industry, to present a unified voice and lobby on issues that affect all retailers. The Association facilitates the exchange of information on issues common to the industry and aims to raise the status and professionalism of retailing through education and training.

The Association's current membership represents over 500 major retail chains covering more than 5,000 retail outlets and employing two-thirds of the total retail workforce in Hong Kong. Member organizations are engaged in various types of retail business ranging from department stores to supermarkets, convenience stores, drug stores, food, fashion and accessories, specialty stores as well as suppliers, wholesalers and industry related service organizations.