

**Bills Committee on
Smoking (Public Health) (Amendment) Bill 2005**

**Administration's response to issues raised
at the Bills Committee meeting on 10 June**

Tobacco Advertising at Licensed Hawker Stalls

PURPOSE

This paper seeks to respond to questions raised by Members at the Bills Committee meeting of 10 June 2005 with regard to tobacco advertising at licensed hawker stalls.

QUESTIONS ASKED

2. At the above meeting, the following questions were raised by Members -
- ⊗ *the estimated number of licensed hawker stalls which would be affected by the revocation of the exemption of the display of tobacco advertisement at licensed hawker stalls under the Public Health (Smoking) Ordinance (Cap.371) ("the Ordinance");*
 - ⊗ *the estimated average amount of monetary loss to the licensed hawker stalls arising from the revocation of the above exemption and what percentage of their total income represented such a loss; and*
 - ⊗ *courses of action which would be taken by the Administration to help the affected licensed hawker stalls to make up for their monetary loss arising from the prohibition of display of tobacco advertisement.*

ADMINISTRATION'S RESPONSE

The Bill

3. Section 12 of the Ordinance stipulates that the display of tobacco advertisement is prohibited except at licensed hawker stalls and retail outlets employing not more than two employees.

4. Following the adoption of the Framework Convention on Tobacco Control (FCTC) by the World Health Organization which recognized that “a comprehensive ban on advertising, promotion and sponsorship would reduce the consumption of tobacco product”, it is proposed in the Smoking (Public Health) (Amendment) Bill 2005 (“the Bill”) to revoke the two exemptions in order to further restrain the scale and scope of tobacco advertising in Hong Kong. Having regard to the fact that affected hawkers might require some time to find other source of revenue as replacement, it is further proposed that a longer adaptation period of one year be allowed for these hawkers.

Scale of possible impact

5. According to the information provided by the Food and Environmental Hygiene Department (FEHD), as at 31 May 2005, there were over 7,000 licensed hawker stalls/pitches in Hong Kong. Among them, 723 have been authorized to sell newspapers. Newspaper stall hawkers are further allowed to sell eight additional items in the pitch subject to an endorsement by FEHD. The additional items include: tissue paper, cigarettes, cigarette lighters, sweets, chewing gums, preserved fruits, battery cells and pens. At present, 700 licensed fixed pitch hawkers have obtained permission from FEHD to sell tobacco products.

6. From informal communication with the trade, we estimate that the monthly revenue for each hawker arising from the display of tobacco advertisement at their stalls is about \$1,000. However, it should be noted that, in reality, the monthly revenue for licensed newspaper stall hawkers from tobacco advertisement vary considerably among stalls, and it is believed that this could range between \$100 and \$6,000, depending on the locality, size and patronage of the stall.

Range of possible measures

7. We appreciate Members’ concern about the possible financial impact on licensed stall hawkers if the exemption were revoked. At the same, we are mindful of our obligation under the FCTC and our legislative intent of further restraining tobacco advertising. We believe that a reasonable balance has to be drawn in this respect. There are range of measures we can consider -

(a) to lift the exemption but to assist hawkers to look for alternative advertisers

To lift the exemption from the prohibition of displaying tobacco advertisement will enable us to fulfil our obligation under the FCTC more comprehensively. Having regard to the fact that most licensed newspaper hawkers are self-employed and their scale of operation is small, it may not be easy for them to identify new advertisers on their own to fill the space vacated by tobacco advertising. We might consider providing assistance to affected hawkers by drawing the attention of say, major chambers of commerce and retail associations to new advertising opportunities at these licensed stalls. Hawkers themselves may also look for new advertisers. The adaptation period of 1-year, as proposed in the Bill, will remain unchanged.

(b) to lift the exemption but to extend the adaptation period

We may consider extending the 1-year adaptation period to give licensed newspaper hawkers more time to do so.

(c) to continue with the current exemption for the time being but to regulate the size of the display board for tobacco advertisement

We understand that currently, the size of the advertising board at the licensed stalls is usually not more than 1 metre by 1 metre. As a step towards restraining the display of tobacco advertisement, we may consider limiting the size of the advertising boards to a smaller size at this stage instead of lifting the exemption. In the long run, it remains our ultimate aim to remove completely such display pursuant to the spirit of FCTC.

8. We will consider the pros and cons of the above carefully and revert to the Bills Committee in due course.

ADVICE SOUGHT

9. The Bills Committee is invited to note the Administration's response.