

LegCo Panel on Food Safety and Environmental Hygiene

Implementation of Concessionary Measures for Public Market Tenants and Licensed Hawkers in the Budget

Purpose

This paper briefs Members on the Food and Environmental Hygiene Department (FEHD)'s arrangements for implementing the concessionary measures in the Budget relating to public market tenants and licensed hawkers.

Background

2. As announced by the Financial Secretary in his Budget speech on 25 February 2009, the Administration will provide a 20% rental reduction for most government properties and short term tenancies of government land for three months, and extend the freeze on government fees and charges related to people's livelihood, which was announced by the Chief Executive in July 2008, until 31 March 2010.

Arrangements

Public market tenants

3. As far as public markets (including cooked food markets/centres) are concerned, about 11 500 tenants in the 80 public markets and 25 cooked food markets/centres under the management of the FEHD will receive a 20% rental concession for three months from 1 April 2009 to 30 June 2009. The amount of rental concession will be deducted from the rentals in the concession period and shown in the rental notices to tenants. Tenants in public markets and cooked food markets/centres will receive an average of \$530 in rental reduction per month. The revenue forgone as a result of this proposal is estimated to be about \$18 million.

Licensed hawkers

4. Under the existing legislation, all licensed hawkers are required to pay to the Government specified fees (hawker licence fees) when they apply for licence renewal upon the expiry of their licences each year, while fixed pitch hawkers are also required to pay fees for the allocation and use of fixed pitches (fixed pitch fees). The hawker licence fees will continue to be frozen until 31 March 2010. Given that the nature of fixed pitch fees is akin to rentals of government properties and government land, the Administration has decided that the afore-mentioned concession will be applicable to the fixed pitch fees. About 6 600 fixed pitch hawkers will therefore benefit from the concession.

5. As regards implementation of the concession for fixed pitch fees, fixed pitch hawker licensees who renewed their licences before 1 April 2009 and whose renewed licences became valid within the period from 1 July 2008 to 1 April 2009 will receive in April 2009 a 20% refund of the fixed pitch fees for the period from 1 April 2009 to 30 June 2009 by cheque. For those fixed pitch hawker licensees whose licences have to be renewed within the concession period, refund will be arranged by batches monthly upon licence renewal and settlement of the fee payment. The purpose of this arrangement is to ensure that the amount of concession received by each fixed pitch licensee tallies with the validity period of their licences. About 6 600 fixed pitch hawkers in the territory will receive an average of \$60 in reduction in fixed pitch fees per month. The revenue forgone as a result of this proposal is estimated to be about \$1.2 million.

Advice sought

6. Members are invited to note the contents of this paper.

Food and Health Bureau
Food and Environmental Hygiene Department
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