

**For discussion
on 14 December 2010**

LegCo Panel on Food Safety and Environmental Hygiene

**Review on the Provision of Cooked Food Markets
and Cooked Food Centres**

PURPOSE

The Administration has reviewed the existing provision of 25 free-standing cooked food markets (CFMs) and 39 cooked food centres (CFCs) attached to wet markets. This paper briefs Members on the findings of the review.

BACKGROUND

2. In his Report No. 51 published in November 2008, the Director of Audit put forward various recommendations on the improvement of the management of public markets, including a separate review on the provision of 25 CFMs. In addition to the 25 CFMs, the Food and Environmental Hygiene Department (FEHD) also manages 39 CFCs attached to wet markets, the nature of which is similar to that of the CFMs. In this connection, we informed the Public Accounts Committee that we would, as recommended by the Audit Commission, review the provision and usage of 25 CFMs as well as 39 CFCs in the second half of 2009-10 and report the findings of the review to the Legislative Council Panel on Food Safety and Environmental Hygiene in due course.

3. From July 2009 to March 2010, for each individual CFM/CFC, FEHD conducted a patronage survey as well as a questionnaire survey to solicit patrons' views on their usage and possible improvement measures. The questionnaire survey also covered patrons of the food premises in the vicinity of CFMs/CFCs to find out their preferences so that a comparison with those of CFM/CFC patrons could be made. In this regard, over 15 600 CFM/CFC patrons and more than 16 700 patrons of other food premises were interviewed.

SURVEY RESULTS

4. In the 1970s and 1980s, the former Urban Council and Regional Council, in pursuit of the prevailing hawker policy at that time, built a number of free-standing CFMs and CFCs attached to wet markets or municipal services buildings with a view to resiting on-street licensed cooked food stalls operating in private residential and industrial areas. The aim was to eradicate unlicensed cooked food hawkers and illegal food premises through the provision of regulated catering facilities.

(A) Provision and Usage of CFMs

5. Among the 25 free-standing CFMs, 23 were built between 1979 and 1991. The majority of these CFMs are located in the erstwhile industrial areas, including Kwun Tong, Kwai Tsing, Tuen Mun, Yuen Long, Tsuen Wan, Fo Tan, Sham Shui Po and Wong Chuk Hang, etc. Since 1991, only two CFMs had been built, namely Queen Street CFM in Central and Western District (commissioned in 2004) and Mong Kok CFM (commissioned in 2005). Both were built in the overall context of urban renewal and district development.

Usage

6. At present, a total of 486 stalls¹ are provided in the 25 CFMs. As at late August 2010, a total of 433 stalls were let out, accounting for an average let-out rate of 92%² (excluding 16 stalls in a CFM temporarily frozen for improvement works). In particular, the let-out rate of 15 of the CFMs reached 100%.

7. Moreover, according to the survey results, the total patronage of the 25 CFMs during peak business hours³ was about 15 300 per day, i.e. an average of about 610 per day per CFM. The busiest periods of CFMs in a day were breakfast and lunch hours. Of the survey respondents, over half (56%) worked nearby, over 85% were employed and 64% were male. As mentioned above, most CFMs are located in industrial areas / old industrial

1 These included 20 non-cooked food stalls selling newspapers, fruits and dry goods.

2 In fact, if Tai Yuen Street CFM in Kwai Tsing is excluded, the CFMs had an average let-out rate of 95%. The let-out rate of Tai Yuen Street CFM was low because it was less accessible and without much retail business. FEHD is closely monitoring the operation of this CFM for follow-up actions.

3 For the survey conducted in CFMs/CFCs, “peak business hours” generally refer to the period between 08:00 and 22:00, including breakfast, lunch and dinner hours, which have the highest patronage. Adjustment has been made to the survey in light of the actual circumstances of individual CFMs/CFCs. For instance, the survey period of CFMs that close in the evening is from 08:00 to 16:00.

areas. The patronage of CFMs was lower during dinner hours and non-working days as compared to that during breakfast and lunch hours on working days. This was particularly evident in certain CFMs, such as Kut Shing Street CFM in Chai Wan (patronage from Monday to Thursday and that on Friday and during weekends and holidays was 810 vs. 170), Fo Tan CFM (West) (500 vs. 150) and Cheung Sha Wan CFM (290 vs. 80). In the light of the actual business situation, some CFMs close in the evening. Based on the survey results, as compared with CFCs, it can be concluded that CFM patrons are mainly people working nearby who often have meals there together with colleagues during working days.

8. The usage of the two CFMs on outlying islands (i.e. Mui Wo CFM and Cheung Chau CFM) was completely different from those located in industrial areas. As patrons of these two CFMs were mainly local residents and tourists, their average patronage on Friday and during weekends and holidays was higher than that for Monday to Thursday (540 vs. 460).

(B) Provision and Usage of CFCs

9. Among the 78 wet markets managed by FEHD, half (39) of them are attached with CFCs, providing a total of 563 cooked food stalls. As at late August 2010, a total of 525 cooked food stalls were let out, accounting for an average let-out rate of 94.8% (excluding nine stalls in six CFCs temporarily frozen for improvement works). In particular, the let-out rates of 26 of the CFCs reached 100%. The total patronage during peak business hours was about 44 200 per day i.e. an average of about 1 130 per day per CFC, almost twice as high as the patronage per CFM.

10. As with CFMs, CFCs were originally built to facilitate the reprovisioning of on-street licensed cooked food stalls so that environmental hygiene could be improved. The difference between CFMs and CFCs is that the latter are attached to wet markets or housed in municipal services buildings. These facilities are very convenient to local residents as they are mostly located within or near residential areas. Therefore, the patron groups and usage of CFCs are significantly different from those of CFMs which are located mainly in industrial areas.

Usage

11. The survey results showed that of all the CFC patrons interviewed, over half (52%) lived nearby, 35% were not working and over half (53%) were female. For CFCs, the average patronage on weekdays (Monday to Thursday) was lower than that on Friday and during weekends and holidays. As compared with CFM patrons, CFC patrons tended to go there on non-working days (including Fridays, weekends and holidays) and with their families.

(C) Respondents' Views on CFMs/CFCs

12. The patron survey shows that only 15% of the respondents patronised CFMs/CFCs every day, far below the percentage of respondents patronising wet markets every day (53%); and 46% of the respondents patronised CFMs/CFCs once or twice a week or less. The patronage and frequency rate reflects that CFMs/CFCs are only one of the options available in Hong Kong's diverse catering service market.

13. The survey also reveals that the main reasons for respondents patronising CFMs/CFCs were low prices (37%) and proximity to their workplace (17%) or home (14%). Most of them went there for lunch (55%) and breakfast (40%), while a minority had dinner there (20%). When asked about the facilities of CFMs/CFCs, 45% of the respondents considered that the decor was old, and more than 40% said that ventilation should be improved. More than 20% of the respondents indicated that the seating and layout should be upgraded. As regards management of the facilities, "crowded passageways" (37%) and "wet floor" (35%) were most cited as areas for improvement. In general, although 60% of the respondents rated their overall satisfaction as "average", 98% of the respondents said they would continue to patronise CFMs/CFCs even if the service, environment and facilities remained unchanged.

14. Interviews with patrons of other food premises in the vicinity of CFMs/CFCs show that they chose to patronise those premises for their convenient location (53%), tastiness of food (30%) and cleanliness (25%). The reasons why they did not patronise CFMs/CFCs were unclean environment (35%), uncomfortable seating (32%) and inconvenient location (29%). The majority of patrons of both CFMs/CFCs (81%) and other food premises (56%) hoped CFMs/CFCs could offer a wider choice of food.

ANALYSIS AND PRELIMINARY CONCLUSION OF THE REVIEW

15. In general, most tenants of CFMs/CFCs offer low-priced and convenient catering services to the public at large, appealing to those working or living nearby in particular. Besides, as many of the CFMs/CFCs are still operating in the form of “Dai Pai Tongs” and local-style cafes, they are considered by many Hong Kong people as part of the unique local culinary culture. We therefore believe that these facilities are still in demand.

16. On the other hand, Hong Kong’s economic development has undergone significant changes over the past three decades. With operators in traditional industrial areas having gradually transformed their business, industrial areas are in decline. Moreover, there is a huge number of food premises of many different types in Hong Kong. More than 20 000 restaurant and factory canteen licences are issued by FEHD to a wide variety of food establishments in residential areas / commercial and industrial areas / shopping malls throughout the territory. They provide adequate catering services and much diversified dining options for the public. As for the on-street licensed cooked food stalls still in operation, in view of the prevailing strong public sentiment in favour of the preservation of the “Dai Pai Tong” culture, we do not see the need for building new CFMs/CFCs to resite on-street licensed “Dai Pai Tongs”. However, the Administration will keep a close watch on the demand for such catering services and the needs of various districts, taking into account actual circumstances on a case-by-case basis. In the process, the local community will be fully consulted and the long-term district development will be taken into consideration.

IMPROVEMENT TO THE CONDITION OF CFMs/CFCs

17. The let-out rate of CFMs/CFCs has been steadily rising over the past year or so. The number of let-out stalls had increased from 926 in August 2009 to 958 in August 2010, with an average increase of two stalls per month. However, as mentioned above, many of the CFMs built some two or three decades ago have encountered significant changes in the neighbourhood community. We will explore with the District Councils and tenants concerned on ways to revitalise individual CFMs/CFCs.

18. We note that CFM/CFC patrons are concerned about the problems of crowded passageways and wet floor. As there is not a large number of stalls in each CFM/CFC, and the situation could only be

improved with the tenants' concerted efforts, we would strengthen communication with the tenants. For instance, we will explore with them the feasibility of demolishing vacant stalls to widen passageways and provide more space. We will also encourage tenants to join hands to improve the environmental hygiene of CFMs/CFCs. Some patrons considered that the ventilation of CFMs/CFCs needed improvement. In fact, FEHD has all along been examining the need for and feasibility of upgrading the ventilation system of CFMs/CFCs. The improvement works for two CFCs, including upgrading of their ventilation systems, commenced in 2009-10. As to the electricity supply of individual CFMs, FEHD is working on the possible options with the departments concerned. Furthermore, the retrofitting of a public address system in CFCs for information dissemination has commenced and is scheduled for completion by March next year.

19. To further enhance the attractiveness of CFMs/CFCs, FEHD has installed in each CFC a large-sized directory board listing out the stalls therein with a view to attracting patrons. This is the suggestion expressed earlier at retreats by tenant representatives. We will continue to discuss with District Councils and Market Management Consultative Committees ways to further promote CFMs/CFCs and to enhance their business environment.

ADVICE SOUGHT

20. Members are invited to note the review on the provision and usage of CFMs/CFCs and comment on the content of this paper.

**Food and Health Bureau
Food and Environmental Hygiene Department
December 2010**