

**For information  
on 29 November 2010**

LC Paper No. CB(2)424/10-11(01)

**LegCo Panel on Food Safety and Environmental Hygiene  
Voluntary Surrender Scheme for Itinerant Hawker Licences**

**Purpose**

This paper informs Members of the Administration's decision to extend for the last time the options of an ex-gratia payment (EGP) of \$30,000 and priority selection of a vacant fixed pitch under the voluntary surrender scheme for itinerant hawker licences (IHLs) by two years until 31 December 2012, as well as the expiry of the option of selecting a vacant public market stall on 31 December 2010 as scheduled.

**Background**

2. At the meeting on 9 November 2010, the Administration submitted to the Legislative Council Panel on Food Safety and Environmental Hygiene (the Panel) the LC Paper No. CB(2)187/10-11(07) informing Members of the expiry of the voluntary surrender scheme on 31 December 2010.

3. At the above meeting, Members suggested that as the majority of the IHL holders were advanced in age, the Government should further extend the EGP option under the voluntary surrender scheme so as to put these elderly hawkers' minds at ease such that they can continue to work

until they choose to retire in due course. Some Members opined that when considering the scheme we should approach it with compassion for this group of elderly hawkers and no time limit should be set.

### **The Administration's Response**

4. We pointed out at the Panel meeting on 9 November that the purpose of the voluntary surrender scheme was to encourage the IHL holders to surrender their licences as early as possible, thereby resolving the environmental hygiene problems posed by street hawking. As such, we are of the view that the scheme should not be a permanent arrangement and a reasonable time limit should be set.

5. We understand that the majority of the IHL holders are elderly. Among the 466 IHL holders who are eligible for the scheme at present, about 70% (i.e. 317) would reach the age of 70 or above in two years' time. We anticipate that some of the elderly IHL holders would probably prefer working for a further year or two before ceasing their business, while those who are younger would stay on or wait for the chance to switch to a fixed hawker pitch. Due to the higher operating costs and the fundamentally different mode of operation, not many itinerant hawkers have selected public market stalls since the commencement of the scheme. On the other hand, we note that a sizeable number of itinerant hawkers have opted for priority selection of vacant fixed pitches when surrendering their licences. For instance, from 2008 until now, a total of 28 itinerant hawkers have chosen this option while only nine have selected public market stalls. These figures also show that the option of selecting a vacant public market stall is unattractive to itinerant hawkers.

6. On account of the above, we have decided to terminate the

voluntary surrender scheme by phases. While the options of an EGP of \$30,000 and priority to select a vacant fixed pitch will be extended by two years until 31 December 2012, the option of selecting a vacant public market stall will expire on 31 December 2010 as scheduled.

7. We must emphasise that this extension of the validity period of the two options under the voluntary surrender scheme shall be the last one. In fact, by the end of 2012, the scheme will have been in place for ten years and the IHL holders will have had ample time to consider whether to surrender their licences as well as to make arrangements for their retirement. The Food and Environmental Hygiene Department will issue letters to the IHL holders in due course to inform them of the relevant arrangements, in order to help them get prepared and make a decision as early as possible. Apart from this, there will be no further announcement of the expiry of the scheme.

## **Conclusion**

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

**Food and Health Bureau  
Food and Environmental Hygiene Department  
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