

**For Discussion
on 28 June 2011**

**LegCo Panel on Food Safety and Environmental Hygiene
Hawker Policy and Related Initiatives**

Purpose

This paper briefs Members on the hawker licensing policy of the Administration, progress of the proposals arising from the hawker licensing policy review completed in 2009, and the initiatives for improving the business environment of licensed newspaper hawkers.

Hawker Policy

2. Street hawking has a long history in Hong Kong. For many years, the Administration's policy has been to properly regulate the hawking activities of licensed hawkers and take enforcement action against illegal hawking. Street hawking provides job opportunities, and through it, customers may find a cheaper source of goods. In recent years, there are views from the community to retain and revitalise the hawking trade because of its traditional characteristics. However, hawking activities may cause environmental hygiene and noise problems as well as obstruction to public passageways, thus causing nuisance to nearby residents and pedestrians. In each of the past three years, the Food and Environmental Hygiene Department (FEHD) received on average about 11 200 complaints relating to licensed hawkers and illegal street hawking.

3. In view of the above, the Administration's current hawker policy is to strike a proper balance between allowing legal hawking activities on the one hand and maintaining environmental hygiene and protecting the public from nuisance on the other. Provided that food safety and environmental hygiene are not compromised, public passageways are not obstructed, and support of the local District Council (DC) has been obtained, re-issuing licences for some specific hawking trades will be considered as far as possible.

4. In order to better meet public expectations and community needs and considering the fact that the number of hawkers has declined significantly, the Food and Health Bureau and FEHD had reviewed the hawker licensing policy in 2008 and 2009. The scope of the review covers examining the feasibility of re-issuing new hawker licences and relaxing the requirements for succession to and transfer of hawker licences without compromising environmental hygiene, as well as ways to strengthen the role of DCs in terms of hawker licensing and management work at the district level. We consulted the 18 DCs, over 20 hawker associations and other stakeholders, and sought the views of the LegCo Panel on Food Safety and Environmental Hygiene (the Panel) on several occasions. At the meeting on 14 April 2009, the Panel supported the policy direction with regard to hawker licensing. Subsequently, we have followed up on the proposals made in the review with progress set out in the ensuing paragraphs.

Issuing New Hawker Licences

Fixed-Pitch Hawker Licences

5. As the Administration has not issued any new hawker licences for years, there were vacant pitches in some open-air hawker bazaars arising from relocation or surrender of licences by licensees. In order to enhance the

vibrancy of hawker bazaars, the policy review has concluded that provided the current number of fixed pitches remains unchanged, adjacent fixed pitches in the front row should be allowed to take up vacant pitches in the back row, and that Fixed-Pitch Hawker Licences can be issued to new operators for trading in the vacant pitches. Hitherto, a total of 658 back-row vacant pitches have been merged with front-row pitches. As for the remaining vacant fixed pitches, we have consulted the relevant DCs on whether vacant pitches in individual hawker bazaars should be made available for re-allocation. At present, out of the 218 pitches that have received DCs' support for re-allocation, FEHD has issued new licences in respect of 217 pitches. FEHD will continue to process the licence application in respect of the remaining pitch.

Fixed-Pitch (Cooked Food or Light Refreshment) Hawker Licence

6. There are now 28 on-street fixed-pitch (cooked food or light refreshment) i.e. "Dai Pai Tong" hawkers. They are mainly concentrated in Sham Shui Po as well as Central and Western Districts. Depending on the type of cooked food they serve, mode of operation and locations, some "Dai Pai Tongs" have indeed created environmental hygiene problems, noise nuisance, as well as obstruction to public passageways. Others may have successfully blended in with their surroundings, providing unique cooked food and are considered part of the local heritage that deserves preservation. We believe that the preservation or otherwise of "Dai Pai Tongs" should be handled with flexibility rather than rigidly, and with due regard to the location. The conclusion of the policy review is that we will consult the relevant DC when a "Dai Pai Tong" is to be closed down because of the old age or passing away of the licensee or other reasons. The DC can then advise whether that "Dai Pai Tong" should be allowed to continue to operate in situ, having regard to the specific circumstances of the district and residents' aspirations. If the DC supports the continued operation of the "Dai Pai Tong" in situ, the Administration may then consider relaxing the succession and transfer

requirements to align with that of other fixed pitch hawker licences so that the licence can also be succeeded by or transferred to the licensee's "immediate family members" other than the spouse, or new licences can be issued to other interested operators. As at May 2011, after consulting the Central and Western DC, FEHD has completed the follow-up actions on nine of the ten applications for transfer of licence in respect of "Dai Pai Tong" in the Central and Western District.

Itinerant Hawker Licences

7. Itinerant Hawker Licences are classified into three main categories, namely Itinerant Hawker Licences for selling wet and dry goods, Itinerant (Mobile Van) Hawker Licences and Itinerant (Frozen Confectionery) Hawker Licences. Itinerant hawkers selling wet and dry goods usually gather at prime locations when in operation, and thus inevitably impede pedestrian flow with their trolleys and goods and bring about certain impact on environmental hygiene. The policy review proposes to maintain the existing policy of not issuing new Itinerant Hawker Licences for selling wet and dry goods, and not relaxing the current requirements for succession to and transfer of the Itinerant Hawker Licence. Hawker associations and DCs had no objection to this proposal.

8. Holders of Itinerant (Frozen Confectionery) Hawker Licences (small ice-cream vendors) usually sell frozen pre-packaged confectionery such as ice-cream, ice popsicles, soft drinks and other non-alcoholic beverages at the entrance of parks, beaches and tourist spots. Their mode of operation is different from that of other licensed itinerant hawkers. They usually operate at different locations with the use of motorcycles or bicycles, hence providing convenience to visitors at remote areas without necessarily causing obstruction to public passageways. During consultation, some DCs and hawker associations supported issuing new Itinerant (Frozen Confectionery) Hawker

Licences. According to the conclusion of the policy review, a maximum of 61 new Itinerant (Frozen Confectionery) Hawker Licences should be issued. As at May 2011, FEHD has issued 55 licences of this category. FEHD will continue to process applications for the remaining six new licences. Moreover, FEHD expanded in October 2010 the list of permitted items for small ice-cream vendors to include pre-packaged snacks (including candies and chewing gums) and small tissue paper packs, on top of the pre-packaged non-alcoholic beverages previously permitted.

Open-air Hawker Bazaars

9. Regarding Members' proposal to establish open-air bazaars at suitable sites in various districts, we have expressed positively during the policy review our open-mind attitude to such idea. We stand ready to provide, in collaboration with the relevant departments, appropriate assistance to the proponents if they have identified suitable sites with support of the local districts, and have satisfied the requirements on food safety and environmental hygiene.

Initiatives Outside the Scope of the Hawker Policy Review

Bootblack hawkers

10. As set out in paragraph 3 above, our hawker policy is to consider, as far as possible, re-issuing licences for some specific hawking trades provided that food safety and environmental hygiene are not compromised, public passageways are not obstructed, and support of the local DC has been obtained. In light of the views that bootblack was a traditional hawking trade worthy of preservation and with the support of the Central and Western DC, we re-issued

in December 2009 Fixed Pitch Hawker Licences to eight bootblacks who have been operating in the Central and Western District for a long time.

Tradesmen

11. To further preserve local culture and heritage, FEHD conducted earlier a fact-finding exercise on unlicensed street traders who are conducting tradesman activities to ascertain their trading locations, type of businesses, length of services at the relevant locations, etc. We have identified a total of 123 unlicensed tradesmen¹, 82 of whom have operated for more than 10 years. Subsequently, FEHD interviewed 94 tradesmen in 2010. 86 of them indicated their willingness to be licensed (17 of whom indicated that they would only be licensed in-situ) and the remaining eight preferred the status quo.

12. FEHD has conducted a study regarding the feasibility of licensing in-situ those tradesmen who are willing to be licensed. The study includes seeking clearance from relevant departments (such as Transport Department, Hong Kong Police Force, Lands Department, Home Affairs Department, Fire Services Department, Highways Department, etc.) on the suitability of these existing sites for hawking purposes. As at May 2011, 57 sites have been cleared by relevant departments as suitable for licensing in-situ. Ten are pending comments from relevant departments. The remaining 19 are not suitable for licensing in-situ for they are sitting on private land, within the area of an announced Urban Renewal Authority project or other reasons.

13. FEHD's plan is that, after obtaining DCs' support, sites found suitable for licensing in-situ will be created as fixed pitches and Fixed Pitch (Tradesman) Hawker licences will be issued to the surveyed tradesmen so that they can continue to conduct business at the existing sites. For sites found not

¹ Namely 43 cobblers, 46 watch-repairers, 9 locksmiths, 9 block-cutters, 4 knife sharpeners, 1 umbrella repairer, 8 Chinese facial cosmeticians (線面師) and 3 letter-writers.

suitable, the tradesmen concerned will be given the options to choose a site from the district's existing vacant hawker pitches or to propose new sites for consideration of their suitability. For those unlicensed tradesmen who have expressly indicated that they have no intention to apply for a hawker licence, FEHD will explain to them again that the purpose of licensing is to allow them to conduct business legally.

Licensed Newspaper Hawkers

14. In response to the licensed newspaper hawkers' urge for the Government to help them improve their business environment, FEHD expanded the list of additional commodities permitted for sale to 12 items in September 2009. On top of the eight commodities already approved (i.e. tissue paper, cigarettes, cigarette lighters, sweets, chewing gums, preserved fruits, battery cells and pens), four more types of items, namely bottled distilled water, lai-see packets, trinkets and cell phone cards, have been added to the commodity list. FEHD has also relaxed the restriction on the total space by expanding the limit from more than 25% to not more than 50% of the stall area used for the sale of additional commodities.

15. Moreover, licensed newspaper hawkers can display within the confines of their stalls advertisements related to the commodities permitted for sale under the licence, and there is no restriction on the total space used for display of advertisements. However, to avoid obstructing pedestrian flow, advertisements shall not extend beyond any part of a stall. A newspaper hawker licence is mainly for the sale of newspapers and magazines. Measures to permit newspaper hawkers to sell as many as 12 additional commodities and display advertisements related to the commodities permitted for sale have already taken into account their business environment. FEHD will continue its

dialogue with representatives of the newspaper hawkers in order to understand their further demands regarding their business environment.

Way Forward

16. Hong Kong is a densely populated city and people have increasing aspiration for better quality of life. We consider that the conclusion of the hawker licensing policy review completed in 2009 has reflected the mainstream views of the community while achieving a proper balance by addressing the concerns of different people. Furthermore, issuing hawker licences to unlicensed tradesmen will further preserve local culture and heritage. We will continue to implement the proposals of the policy review, and will consult the Panel and the relevant DCs whenever necessary.

17. There are views that the Administration should issue more hawker licences to increase employment opportunities. We do not consider the suggestion feasible, as many people are concerned about the potential environmental hygiene problems which may be caused by street hawking. As a matter of fact, public markets also provide employment opportunities for the grassroots. To attract potential bidders, FEHD has lowered since February 2009 the upset auction prices to 80% and 60% of the Open Market Rental for public market stalls left vacant for six months and eight months or more respectively. Since July 2009, FEHD has also gradually introduced service trades (including design / renovation, beauty parlours, computer and related services, domestic services agencies, Chinese medicine practitioners / bone-setters' clinics), light refreshment and bakery stalls in public markets with a view to diversifying public market services and offering more options for those who would like to start and run a small business. Since October 2010, FEHD has started letting out small stalls through short-term tenancy on a trial basis to allow more flexibility for prospective tenants. Currently, throughout

the territory, there are around 1 200 vacant stalls in FEHD's public markets available for bidding.

Advice Sought

18. Members are invited to note the contents of this paper and offer their views.

Food and Health Bureau
Food and Environmental Hygiene Department
June 2011