

# 立法會

## *Legislative Council*

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### **Panel on Food Safety and Environmental Hygiene**

**Background brief prepared by the Legislative Council Secretariat  
for the meeting on 13 March 2012**

### **Rental adjustments of Cheung Sha Wan Wholesale Food Market and Western Wholesale Food Market**

#### **Purpose**

This paper provides background information on government wholesale food markets and Members' concerns about wholesale food market rental.

#### **Background**

2. The Agriculture, Fisheries and Conservation Department ("AFCD") manages four government wholesale food markets, namely Cheung Sha Wan Wholesale Food Market, Western Wholesale Food Market, Cheung Sha Wan Temporary Wholesale Poultry Market ("Poultry Market") and North District Temporary Wholesale Market for Agricultural Products ("NDT Wholesale Market"). According to AFCD Report 2010-2011, these four markets provided some 2 600 trading stalls and related ancillary facilities. A large part (about 37.2%) of the fresh food produce (e.g. vegetables, freshwater fish, eggs, fruits and live poultry) consumed locally was distributed through these markets. Details of the provision of facilities and the market throughput in the four wholesale food markets are in **Appendix I**.

### **Concerns raised at Council meeting**

3. An oral question regarding the rental adjustments of the Cheung Sha Wan Wholesale Food Market and the Western Wholesale Food Market was raised by Hon Vincent FANG at the Legislative Council ("LegCo") meeting of 2 July 2008. In response to the Member's enquiry about the substantial increase in the rentals for stalls in the aforesaid two markets starting from 1 June 2008, the Secretary for Food and Health ("SFH") advised that given their different backgrounds, the four wholesale food markets managed by AFCD operated under different rent adjustment mechanisms.

4. According to SFH, the management of NDT Wholesale Market had been outsourced to a private company. As NDT Wholesale Market derived its income from sales commission rather than rental charges on stalls, the issue of rental adjustment did not arise. Rental charges at Poultry Market had also been determined with reference to the cost recovery principle in its early years. In the light of the temporary nature of Poultry Market, and the fact that it had been in use for over 20 years, its rental was determined with reference to the Consumer Price Index (A) starting from 1998-1999.

5. As for the Cheung Sha Wan and Western Wholesale Food Markets, SFH pointed out that these two Markets had always determined their rentals with reference to the cost recovery principle since 1994. Costing review was conducted biennially. He explained that as the costing review in 2008 showed that the management costs for the Cheung Sha Wan and Western Wholesale Food Markets had increased, particularly in respect of the hiring of cleansing and security services, AFCD had concluded that rentals at the two Markets should increase by 11.42% to tie in with the rise in management costs. SFH further said that 68% of the tenants would be facing an actual increase of less than \$800. In response to tenants' comments, the costing review had excluded costs for implementing measures relevant to improving public order and public health (including implementing the Market Entry Registration System, crow control, and enhance inspection of imported freshwater fish).

**Relevant papers**

6. A list of the relevant papers on the LegCo website is in **Appendix II**.

Council Business Division 2  
Legislative Council Secretariat  
7 March 2012

## Provision of facilities and the market throughput in government wholesale food markets

### A) Cheung Sha Wan Wholesale Food Market

**Address :** 36 Yen Chow Street West, Kowloon

**Market site area :** 10 ha

**Date in use :** Since 1.10.1993

**Provision of wholesale facilities :**

A Freshwater Fish Market	37 stalls	(162 - 242 sq.m. / stall)
A Vegetable Market	236 stalls	(35 – 161 sq.m. / stall)
An Egg Market	46 stalls	(87 – 171 sq.m. / stall)

**Market throughput in 2009 and 2010 :**

	By Quantity (Tonnes)		By Value (HK\$)	
	2009	2010	2009	2010
Freshwater Fish Market	32 430	35 790	717M	763M
Vegetable Market	165 790	170 810	1323M	1636M
Egg Market	39 324	41 148	388M	425M

### B) Western Wholesale Food Market

**Address :** 8 Fung Mat Road, Western District, Hong Kong

**Market site area :** 6.2 ha

**Date in use :** Phase I – Since 18.10.1991  
Phase II – Since 1.3.1994

**Provision of wholesale facilities :**

A Fruit Market	133 stalls	(36 - 283 sq.m. / stall)
A Freshwater Fish Market	50 stalls	(61 - 149 sq.m. / stall)
A Vegetable Market	208 stalls	(23 - 163 sq.m. / stall)
A Poultry Market	49 stalls	(9 – 319 sq.m. / stall)
An Egg Market	72 stalls	(44 – 65 sq.m. / stall)

**Market throughput in 2009 and 2010 :**

	By Quantity (Tonnes)		By Value (HK\$)	
	2009	2010	2009	2010
Fruit Market	95 400	96 100	944M	971M
Freshwater Fish Market	12 540	12 490	215M	213M
Vegetable Market	47 000	51 950	357M	472M
Poultry Market	0	0	0 M	0 M
Egg Market	22 400	25 840	237M	296M

**C) Cheung Sha Wan Temporary Wholesale Poultry Market**

**Address :** 1 & 4 Hing Wah Street, Kowloon

**Market site area :** 2.6 ha

**Date in use :** Since 1.11.1974

**Provision of wholesale facilities :** 86 stalls (19 – 279 sq.m. / stall)

**Market throughput in 2009 and 2010 :**

By Quantity (Tonnes)		By Value (HK\$)	
2009	2010	2009	2010
11 944	13 230	369M	384M

**D) North District Temporary Wholesale Market for Agricultural Products**

**Address :** On Kui Street, On Lok Tsuen, Fanling, New Territories

**Market site area :** 1.25 ha

**Date in use :** Since 7.2.1989

**Provision of wholesale facilities :**

Open trading area for vegetable wholesale 1,700 sq.m.

**Market throughput in 2009 and 2010 :**

By Quantity (Tonnes)		By Value (HK\$)	
2009	2010	2009	2010
67 460	52 520	379M	340M

**Relevant papers on government wholesale food markets**

<b>Meeting</b>	<b>Date of meeting</b>	<b>Paper</b>
Legislative Council	2.7.2008	[Question 2] Asked by: Hon Vincent FANG <a href="#">Management of wholesale food markets</a>

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