

For discussion on  
12 January 2015

**Legislative Council Subcommittee on Poverty**

**Promoting Support for Community Economy  
through Bazaars, Social Enterprises and  
the Social Innovation and Entrepreneurship Development Fund**

**Purpose**

This paper briefs Members on the Government's work on bazaars, social enterprises (SEs) and social innovation, with a view to supporting the development of the community economy and enhancing the employment opportunities of poor people.

**Background**

2. The Government adopts an active and open attitude towards the proposal to establish open bazaars at suitable sites. The Food and Health Bureau (FHB) and the Food and Environmental Hygiene Department (FEHD) stand ready to provide, in collaboration with the relevant departments, appropriate assistance to the proponents if they are able to identify suitable sites with the support of the local District Councils (DCs), and satisfy the requirements on food safety, environmental hygiene, unobstructed passageways, etc.

3. Street hawking creates job opportunities, while providing customers with 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 nuisances to nearby residents and pedestrians. In view of the above, the Government'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 nuisances on the other.

4. In recent years, the Government has also been actively promoting the development of SEs through, for example, the Enhancing Self-Reliance Through District Partnership (ESR) Programme, to help the socially disadvantaged become self-reliant through employment, and to meet the needs of different community groups with entrepreneurial thinking and innovative approaches, with a view to cultivating a caring culture as well as promoting social cohesion and mutual help. The Social Innovation and Entrepreneurship Development Fund (SIE Fund) under the Commission on Poverty (CoP) seeks to tackle poverty through social innovation and cross-sector collaboration. The Subcommittee on Poverty discussed the ESR Programme and SIE Fund in January last year. We have set out in this paper the latest situation in implementing the two programmes.

## **Bazaars**

5. The Government believes that, for the purpose of maintaining a flexible, low cost environment and sustaining vibrancy, allowing district organisations to assume a leading role in planning and management will enable bazaars to develop and thrive in an organic manner, and will provide more room and flexibility in meeting the needs of districts.

6. Nevertheless, there are divergent views in the community about hawking. In particular, residents living near open bazaars would inevitably be affected to a certain extent. In view of this, we consider that a top-down approach should not be adopted in initiating any specific proposal for establishing open bazaars. Instead, a consensus on the proposal should be forged at the district level with full consideration given to the views of nearby residents as well as discussions and endorsement by DCs. If a consensus can be reached at the district level, the relevant government departments will undertake the relevant follow-up work within their respective purviews.

7. FHB and FEHD have always been upholding the mission of ensuring food safety and maintaining a clean and hygienic living

environment for the people of Hong Kong. Without compromising the above principles and the integrity of the existing regulatory regime, we have an open mind towards rendering assistance for proposals relating to the establishment and operation of open bazaars.

## **Hawker Policy**

8. All along it has been the main thrust of the Government's hawker management and control work to focus on effective control of both licensed and unlicensed hawkers so as to reduce illegal hawking activities on the streets; exercise proper control over the activities of licensed hawkers to minimise obstruction and nuisances; and contain and reduce the scale of on-street hawking activities through re-siting existing on-street licensed hawkers and ceasing the issue of new hawker licences. The two former Municipal Councils and FEHD ceased issuing new hawker licences and implemented various programmes to relocate hawkers off street to hawker bazaars and public markets for some years. However, in response to changing community needs and aspirations and the fact that the number of hawkers has declined considerably over time, FHB and FEHD have an open mind towards studying and reviewing the way forward for our hawker policy.

9. In recent years, FEHD has been imposing stringent control over illegal extension of business area by restaurants and other food premises in response to rising public concerns about obstruction of public access, noise and environmental hygiene problems, which cause nuisances to residents nearby and other users of the public places. The Ombudsman also recommended, in its report last year, that FEHD should further step up the regulatory measures and enforcement system. On-street hawking of cooked food may generate similar nuisances and concerns, and probably to a larger scale.

10. In recent years, we have received increasing calls from some quarters in the community that actions should be taken to preserve on-street hawking activities due to their cultural and heritage value. FHB and FEHD are duty bound to ensure food safety and environmental hygiene. FEHD is exercising a stringent system of control over the regulation of food premises (e.g. provision of clean fresh water, proper

discharge of waste water, cleanliness of the food room, temperature control of food items). So long as the on-street hawking activities could satisfy the relevant requirements in respect of food safety and environmental hygiene, we are open to exploring the feasibility of any proposals to develop the hawking trade.

11. In March 2013, the Finance Committee of the Legislative Council (LegCo) approved \$230 million for implementing a five-year scheme to provide financial assistance to some 4 300 hawkers in 43 hawker areas for expediting relocation of stalls or in-situ stall reconstruction to reduce fire risks. Besides, an ex-gratia payment is offered for voluntary surrender of hawker licences to help release vacant pitches and hence facilitate the relocation of stalls posing higher fire risks. We note that there are views calling for the Government to re-issue new hawker licences for vacant pitches. We will consider the suggestion after the assistance scheme has been implemented for a period of time, taking into account the actual circumstances of each hawker area, including the business environment, fire safety and environmental hygiene considerations and the views of DCs and residents.

12. The Subcommittee on Hawker Policy (“the Subcommittee”) under the LegCo Panel on Food Safety and Environmental Hygiene is studying and reviewing the hawker policy with the objectives of facilitating the long-term development of the hawking trade and improvement of the management and operating environment of the hawker areas. We believe the Subcommittee provides an appropriate platform for the Administration and LegCo Members to deliberate fully issues relating to hawkers.

## **Social Enterprises**

### *Community Promotion Programme of the Social Enterprise Summit*

13. The Administration is committed to promoting the development of SEs in Hong Kong. Since 2008, as part of our efforts to enhance public awareness of SEs, the Home Affairs Bureau has provided funding support for SE organisations to organise the annual SE Summit, which has become an important platform for facilitating cross-sector partnership for SE development. To step up our efforts in promoting SEs at the district level, a community-based promotion programme was implemented as a

new initiative of the SE Summit 2014. Between June and November 2014, district SE fora, seminars and workshops were organised on a pilot basis in the districts of Kowloon City, Sham Shui Po and Southern. In each of these districts, leaders from the SE and business sector have joined hands to form networks with the SEs and other organisations in the districts for fostering exchanges about and promoting the culture of “Business for Good” for a caring community. The programme also involved production and distribution of the Good Map (E-version at <http://ses.org.hk/goodmap/>), which promotes the SEs in the districts. By introducing SEs to the community and tourists, the initiative aims to encourage community partnership, with a view to promoting social innovation. The organisers are planning for continuing with the promotion programme in 2015.

### *ESR Programme*

14. The Financial Secretary earmarked \$150 million each in 2006 and 2011 for the implementation of the ESR Programme by the Home Affairs Department. The ESR Programme provides seed grants for non-profit-making organisations to set up SEs to create job opportunities for the socially disadvantaged. Through these job opportunities, the socially disadvantaged can be trained and develop their potential in the workplace, enhancing their employability and confidence, and thus better integrating into the community. The ESR Programme was also one of the initiatives proposed by the then CoP to alleviate poverty through district-based approach.

15. Since the ESR Programme was launched, it has funded the establishment of over 160 SEs. These SEs cover a wide spectrum of businesses, ranging from catering, retail, domestic services, arts, performances, to horticulture and eco-tourism etc, and are distributed throughout the territory. They have created a great variety of job opportunities, most of which match with the job skills and development potential of the socially disadvantaged groups to be served, let them gain the satisfaction and confidence from work, and thus help them integrate into the community. Over 3 800 employees have been employed by these SEs. Among them, nearly 80% were the socially disadvantaged. Besides, about 80% of the employees responded in questionnaire surveys

that the jobs had let them learn more working skills and strengthened their confidence in future employment.

## **SIE Fund**

16. The SIE Fund is a new initiative under the CoP to help tackle poverty and social exclusion issues in Hong Kong. Through nurturing social innovation and supporting social entrepreneurship the Fund hopes to diversify the ways which were deployed to address these issues. The SIE Fund Task Force (Task Force) was established under the CoP to oversee the development and monitor the progress of the Fund. The Fund, with a HK\$500 million allocation from the Lotteries Fund, was officially launched at the CoP Summit in September 2013.

17. To maximise the impact of the SIE Fund in supporting poverty relief in Hong Kong, the Task Force would engage organisations with capability and commitment in driving social innovation to be Intermediaries of the Fund. This partnership will help build an enabling environment conducive to the development of social entrepreneurship and innovation. In the first quarter of 2014, the SIE Fund launched an open invitation for applications from interested organisations to become the first batch of Intermediaries which would be tasked to design, administer and promote programmes under the Fund's two priority areas, namely Capacity Building<sup>1</sup> and Innovative Programmes<sup>2</sup>. Over 40 proposals were received. Upon completion of assessment of proposals, the Task Force announced in December 2014 the outcome of the invitation exercise. It is expected that the SIE Fund's programmes would be rolled out in early 2015.

18. The SIE Fund welcomes any eligible organisation or individual to apply for financial assistance under its funding schemes administered by the Intermediaries for Innovative Programmes so that they can take forward proposals of different forms to support the disadvantaged groups

---

<sup>1</sup> The objective of Capacity Building is to help build an ecosystem conducive to social innovation. It will work through different programmes which enhance public awareness and understanding of social innovation and entrepreneurship, alter general perception into acknowledging social innovation as an effective approach to tackle poverty, and lay foundation and reinforce enabling factors (such as education and consultancy services) for strengthening skills and knowledge.

<sup>2</sup> Through funding schemes under Innovative Programmes, the SIE Fund would provide funding for innovative projects which tackle poverty problem.

in Hong Kong. These proposals can be community-based initiatives, rendering economic support to the community or creating employment opportunities.

## **Conclusion**

19. The Government will continue to implement the above-mentioned measures to enhance the employment opportunities for the socially disadvantaged.

**Food and Health Bureau**

**Food and Environmental Hygiene Department**

**Home Affairs Bureau**

**Home Affairs Department**

**Efficiency Unit, Chief Secretary for Administration's Office**

January 2015