立法會 Legislative Council

LC Paper No. CB(2)1451/13-14 (These minutes have been seen by the Administration)

Ref : CB2/PS/6/12

Panel on Food Safety and Environmental Hygiene

Subcommittee on Issues Relating to Public Markets

Minutes of meeting held on Tuesday, 25 March 2014, at 4:30 pm in Conference Room 2B of the Legislative Council Complex

Members present	:	Hon Vincent FANG Kang, SBS, JP (Chairman) Hon Alan LEONG Kah-kit, SC (Deputy Chairman) Hon WONG Kwok-hing, BBS, MH Hon Cyd HO Sau-lan Hon Michael TIEN Puk-sun, BBS, JP Hon Steven HO Chun-yin Hon Steven HO Chun-yin Hon WU Chi-wai, MH Hon CHAN Chi-chuen Hon CHAN Chi-chuen Hon CHAN Han-pan Hon Alice MAK Mei-kuen, JP Dr Hon KWOK Ka-ki Dr Hon Helena WONG Pik-wan Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Member attending	:	Dr Hon Fernando CHEUNG Chiu-hung
Public Officers attending	:	Item IIMiss Diane WONG Shuk-han Principal Assistant Secretary for Food and Health (Food) 2Miss Vinci CHAN Assistant Secretary for Food and Health (Food) 7

		Ms Ava CHIU Wai-fan, JP Deputy Director of Food and Environmental Hygiene (Administration and Development) Mr FAN Yung-kai Assistant Director of Food and Environmental Hygiene (Operations) 2
Clerk in attendance	:	Ms Alice LEUNG Chief Council Secretary (2) 2
Staff in attendance	:	Mr Jove CHAN Senior Council Secretary (2) 2 Mr Richard WONG Council Secretary (2) 2 Ms Camy YOONG Clerical Assistant (2) 2

Action

<u>Members</u> noted the withdrawal of Mr WONG Yuk-man from the Subcommittee with effect from 25 March 2014.

(*Post-meeting note*: Mr WONG Yuk-man's letter giving notice to withdraw membership from the Subcommittee tabled at the meeting was issued to members vide LC Paper No. CB(2)1174/13-14(01) on 26 March 2014.)

I. Election of Chairman (and Deputy Chairman)

2. <u>Mr Vincent FANG</u> and <u>Mr Alan LEONG</u> were elected Chairman and Deputy Chairman of the Subcommittee respectively.

II. II. Issues relating to the operating environment of public markets (LC Paper Nos. CB(2)1144/13-14(02) and (03))

3. <u>The Subcommittee</u> deliberated (index of proceedings attached at **Annex**).

Admin

4. Noting that the consultant appointed by the Administration was scheduled to submit preliminary findings of the study on improving the operating environment of public markets ("the Consultancy Study") in mid-2014, <u>members</u> strongly requested that the consultant should be invited to attend the meeting to listen and respond to members' views on the areas of the study, particularly on the positioning and functions of public markets, before finalizing the report. The Administration was requested to co-ordinate the attendance of the representatives of the consultant for the next Subcommittee meeting.

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Follow-up actions required of the Administration

- Admin 5. <u>The Subcommittee</u> requested the Administration to provide the following information in writing to facilitate members' discussion of the subject matter at future meetings -
 - (a) information of the Consultancy Study, including the scope and schedule of the Consultancy Study;
 - (b) details of each public market, including the name, year of establishment, number of rented stalls (with number of rented stalls being used as storage), number of vacant stalls (with the duration of vacancy and reasons for vacancy), and a floor plan indicating the location of vacant stalls;
 - (c) information on the installation of air-conditioning facilities in each public market and cooked food centre, with details on (i) whether air-conditioning was provided, the reasons for doing or not doing so; and (ii) the air-conditioning charging and maintenance arrangement; and
 - (d) the Food and Environmental Hygiene Department's evaluation of the operating environment of each public market, including major difficulties in operating the public market (e.g. the number of competitors in the vicinity, the demographic change in the district).

III. Schedule of meetings and item(s) for discussion

^{Clerk} 6. At the suggestion of the Deputy Chairman, <u>the Chairman</u> said that he and the Deputy Chairman would hold an informal meeting with the Administration to discuss the workplan for the Subcommittee, including items for discussion and the schedule of meetings. The representative(s) of the consultant would also be invited to attend the informal meeting. <u>The Chairman</u> further said that the next meeting of the Subcommittee would be fixed after the aforesaid informal meeting and members of the Subcommittee would be informed of the arrangement, once decided.

IV. Any other business

7. There being no other business, the meeting ended at 5:45 pm.

Council Business Division 2 Legislative Council Secretariat 7 May 2014

Proceedings of the meeting of the Subcommittee on Issues Relating to Public Markets on Tuesday, 25 March 2014, at 4:30 pm in Conference Room 2B of the Legislative Council Complex

Time marker	Speaker	Subject(s)	Action Required
000105 - 000139	Mr Vincent FANG	Withdrawal of membership	
000140 - 000817	Mr Vincent FANG Dr KWOK Ka-ki Mr Alan LEONG Miss Alice MAK Mr Steven HO Mr WONG Kwok-hing	Election of Chairman	
000818 - 000858	Chairman Dr Helena WONG Ms Cyd HO Mr Alan LEONG	Election of Deputy Chairman	
000859 - 001814	Chairman Admin	Briefing by the Administration on issues relating to the operating environment of public markets (LC Paper No. CB(2)1144/13-14(02)).	
001815 - 002614	Chairman Mr WONG Kwok-hing Admin	Mr WONG Kwok-hing's view that the Administration should review the public market policy before proposing any increase in the rental. His suggestion of inviting deputations to give views on the subject in future meetings.	
		In response to Mr WONG's enquiry about the retrofitting of air-conditioning in public markets, the Administration advised that -	
		 (a) as at the end of December 2013, air-conditioning facilities had not been installed in 57 of the 76 public markets and 19 of the 39 cooked food centres managed by the Food and Environmental Hygiene Department ("FEHD"); 	
		 (b) follow-up actions had been carried out for the 19 outstanding projects of the former Municipal Councils on retrofitting of air- conditioning in public markets and/or cooked food centres, including the retrofitting of air-conditioning in 4 public markets (with capital cost paid by the Government ranging from \$23 million to \$76 million for each project) and general 	

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		improvement works in some other public markets;	
		(c) a support rate of 85% among market stall operators was needed for taking forward air- conditioning retrofitting projects, as it was necessary to obtain a vast majority of stall operators' consent to pay for the electricity charges and costs of daily general maintenance afterwards, and acceptance of the disruption of business during the retrofitting stage; and	
		(d) the Administration was prepared to consider conducting feasibility study on air-conditioning retrofitting projects for any public markets with a 85-percent support rate.	
002615 -	Chairman	Mr Christopher CHUNG's view that -	
002820	Mr Christopher CHUNG Admin	(a) the Administration should continue the concessionary rental arrangements put in place by the former Municipal Councils for those stall operators who were hawkers being resited to public markets;	
		(b) relevant papers of the former Municipal Councils in respect of the rental adjustment policy might be of useful reference to the Subcommittee; and	
		(c) the Administration should examine the functions and positioning of public markets before putting forward any proposals for rental adjustments.	
002821 - 003438	Chairman Deputy Chairman Admin	The Deputy Chairman's view that the Administration should improve the operating environment of public markets before putting forward any rental adjustments.	
		In response to the Deputy Chairman's enquiry about the progress of the consultancy study, the Administration's response that -	
		 (a) BMT Asia Pacific was appointed as the consultant to develop proposals for improving the operating environment of public markets; 	

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		(b) an information note covering the content of the consultancy brief had already been provided to the Panel on Food Safety and Environmental Hygiene in August 2013; and	
		(c) the Administration would report to the Subcommittee on the results of the consultancy study after the study was completed.	
		The Chairman's request for the Administration to provide information of the Consultancy Study.	Admin to provide the requested
		The Deputy Chairman's suggestion of inviting the consultant to discuss with members on the positioning and social functions of public markets before finalizing the consultancy report.	information (paragraph 5(a) of the minutes)
		The Chairman's expression of support for the Deputy Chairman's suggestion of inviting the consultant to attend the next Subcommittee meeting(s) to discuss with members on the subject.	Admin to follow up (paragraph 4 of the minutes)
003439 - 004035	Chairman Mr Michael TIEN Admin	Pointing out that the rentals of the public markets had been frozen since the former Municipal Councils decided to reduce public market rental by 30% in 1998, Mr Michael TIEN's view that -	
		(a) it was not an effective way to best utilize public resources for the Administration to continue to subsidize stall operators in the form of concessionary rental arrangement;	
		(b) it was necessary to conduct a comprehensive review of the positioning and functions of public markets so that public markets could increase the patronage and provide the public with good quality commodities at affordable prices; and	
		(c) the possibility of setting up a statutory body to take up the responsibility of managing public markets should be considered.	

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		Mr TIEN's support for inviting the consultant to discuss with members regarding the positioning and functions of public markets.	
004036 - 004358	Chairman Ms Cyd HO	Ms Cyd HO's suggestions of inviting deputations (including Working Groups concerning the management of public markets in various District Councils) to future meetings and that the Subcommittee should draw up a work plan based on members' concerns and views.	
004359 - 005040	Chairman Dr Helena WONG Admin	Dr Helena WONG's views that - (a) the Administration should retain its role in monitoring the management of public markets;	
		(b) public market served an important function in providing the public with daily food provisions at affordable prices; and	
		(c) the Subcommittee should discuss the need for building new public markets.	
		In response to Dr WONG's enquiry, the Administration's advice that -	
		 (a) future provision of new public markets would be considered on a case-by-case basis. As stipulated in the Hong Kong Planning Standards and Guidelines, factors that would be taken into consideration included the demographic mix, community needs, provision of both public and private market facilities nearby, and number of fresh provision retail outlets in the vicinity; and 	
		(b) public markets proposed to be built in a public housing estate would be managed by the Housing Department instead of FEHD.	
005041 - 005527	Chairman Miss Alice MAK Admin	 Miss Alice MAK's views that - (a) the Administration should examine the need for constructing new public markets; and 	
		(b) consumer choices were limited and the food prices were comparatively higher in some new districts owing to the lack of public	

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		markets (e.g. Tin Shui Wai). Miss MAK's enquiry about one of the considerations in the Hong Kong Planning Standards and Guidelines regarding retail facilities for deciding whether new public markets would be set up in new districts such as Tin Shui Wai, and the Administration's response that the consideration mentioned by Miss MAK was already amended in April 2009.	
005528 - 010228	Chairman Mr WONG Kwok-hing Admin	 Mr WONG Kwok-hing's request of the Administration for the following information - (a) details of each public market, including the name, year of establishment, number of rented stalls, number of vacant stalls (with the duration of vacancy and reasons for vacancy), and a floor plan indicating the location of vacant stalls; (b) information on the installation of air-conditioning facilities in each public market and cooked food centre, with details on (i) whether air-conditioning was provided, the reasons for doing or not doing so; and (ii) the air-conditioning charging and maintenance arrangement; and (c) FEHD's evaluation of the operating environment of each public market, 	Admin to provide written information (paragraph 5(b) to 5(d) of the minutes)
		 environment of each public market, including major difficulties in operating the public market (e.g. the number of competitors in the vicinity, the demographic change in the district). The Chairman's request of the Administration for additional information of the number of rented stalls being used as storage in each public market. The Administration's response regarding the improvement measure in the Tang Lung Chau Market in Wanchai that stall operators on the first floor were relocated to the ground floor so as to increase the patronage. 	Admin to provide written information (paragraph 5(b) of the minutes)
010229 - 010638	Chairman Deputy Chairman Admin	The Deputy Chairman's suggestion of arranging an informal meeting with the Administration for working out the Subcommittee's work plan and	Subcommittee Clerk to follow up

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		that the consultant should also be invited to the informal meeting.	(paragraph 6 of the minutes)
010639 - 011150	Chairman Admin	The Chairman's views that proposals for rental increase should only be considered after the facilities in public markets had been enhanced and the patronage increased, and provision of new public markets could help assisting stall operators and promote healthy competition with markets managed by the Link.	
		The Administration's advice that -	
		(a) in 2014-2015, the Administration would spend \$31.5 million on improvement works in five public markets;	
		(b) FEHD had since October 2010 let small stalls through short-term tenancies on a trial basis. As at February 2014, a total of 114 stalls had been let out for service trades, light refreshment and bakery stalls; and	
		 (c) with effect from February 2009, the upset auction prices were lowered from 80% to 60% of the open market rental for stalls which had been left vacant for six months and eight months respectively in order to boost the occupancy rate of public markets. 	
011151 -	Chairman	The Deputy Chairman's views that -	
011619	Deputy Chairman Admin	(a) the importance of conducting a review on the positioning and social functions of public markets in a comprehensive manner; and	
		(b) public markets should perform a major function in promoting healthy competition with markets managed by The LINK Management Limited.	
011620 - 011650	Chairman	The Chairman's closing remarks.	

Council Business Division 2 Legislative Council Secretariat 7 May 2014