立法會 Legislative Council

LC Paper No. CB(1)52/17-18 (These minutes have been seen by the Administration)

Ref: CB1/PL/HG/1

Panel on Housing

Minutes of meeting held on Monday, 5 June 2017, at 2:30 pm in Conference Room 1 of the Legislative Council Complex

Members present: Hon Alice MAK Mei-kuen, BBS, JP (Chairman)

Hon Andrew WAN Siu-kin (Deputy Chairman)

Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, GBS, JP Hon Tommy CHEUNG Yu-yan, GBS, JP Prof Hon Joseph LEE Kok-long, SBS, JP

Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Hak-kan, BBS, JP

Hon LEUNG Kwok-hung Hon WU Chi-wai, MH

Hon CHAN Chi-chuen Hon CHAN Han-pan, JP

Hon LEUNG Che-cheung, BBS, MH, JP

Dr Hon KWOK Ka-ki Hon KWOK Wai-keung

Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung

Hon POON Siu-ping, BBS, MH

Hon CHU Hoi-dick

Hon Jimmy NG Wing-ka, JP

Hon SHIU Ka-fai Hon SHIU Ka-chun

Hon Wilson OR Chong-shing, MH

Hon CHEUNG Kwok-kwan, JP

Hon LUK Chung-hung Hon LAU Kwok-fan, MH

Hon Kenneth LAU Ip-keung, MH, JP

Dr Hon CHENG Chung-tai Hon Jeremy TAM Man-ho Hon Nathan LAW Kwun-chung

Dr Hon YIU Chung-yim Dr Hon LAU Siu-lai

Member attending: Hon James TO Kun-sun

Members absent: Hon Paul TSE Wai-chun, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Dr Hon Junius HO Kwan-yiu, JP

Hon HO Kai-ming Hon YUNG Hoi-yan Hon KWONG Chun-yu

[According to the Judgment of the Court of First Instance of the High Court on 14 July 2017, LEUNG Kwok-hung, Nathan LAW Kwun-chung, YIU Chung-yim and LAU Siu-lai have been disqualified from assuming the office of a member of the Legislative Council, and have vacated the same since 12 October 2016, and are not entitled to act as a member of the Legislative Council.]

Public Officers attending

: Agenda Item IV

Ms Ada FUNG, JP

Deputy Director (Development & Construction)

Housing Department

Mr Kenneth LEUNG

Acting Chief Civil Engineer (Public Works Programme)

Housing Department

Mr CHIU Pbut-kay Chief Architect (4) Housing Department Miss Charmaine WONG, JP Assistant Director (2) Home Affairs Department

Mr YAU Kin-chung, JP District Officer (North) Home Affairs Department

Ms PANG Kit-ling Assistant Director (Elderly) Social Welfare Department

Agenda Item V

Mr Albert LEE Deputy Director (Estate Management) Housing Department

Miss Rosaline WONG Assistant Director (Estate Management) 2 Housing Department

Ms Josephine SHU Chief Estate Surveyor (Commercial Properties) Housing Department

Mr Stephen WONG Chief Manager/Management (Tuen Mun & Yuen Long) Housing Department

Mr TSE Chick-lam Chief Manager/Management (Kowloon West & Sai Kung) Housing Department

Mrs TANG FUNG Shuk-yin Chief Manager/Management (Tai Po, North & Shatin) Housing Department

Agenda Item VI

Mr Albert LEE Deputy Director (Estate Management) Housing Department

Miss Rosaline WONG Assistant Director (Estate Management) 2 Housing Department

Ms Josephine SHU Chief Estate Surveyor (Commercial Properties) Housing Department

Mr Stephen WONG Chief Manager/Management (Tuen Mun & Yuen Long) Housing Department

Mr TSE Chick-lam Chief Manager/Management (Kowloon West & Sai Kung) Housing Department

Mrs TANG FUNG Shuk-yin Chief Manager/Management (Tai Po, North & Shatin) Housing Department

Attendance by Invitation

Agenda Item VI

Session One

Miss Sammi FU Representative New People's Party

Mr LAW Ngan-fung District Developer of the New Territories East Branch The Civic Party

Mr LAI Wai-tong Officer Captain O Ms WU Sui-shan Chairperson Labour Party

Miss Christine FONG Kwok-shan Sai Kung District Councilor Professional Power

Mr CHEUNG Yin 同行者 Democracy Groundwork

Mr HSU Yau-wai Representative DAB

Dr CHOW Sung-ming

Ms WONG Wai-yin Officer (Policy Research & Advocacy) The Hong Kong Council of Social Service

Miss SIU Wing-yee

Mr LEE Wai-chung

伍靜茵小姐 發言人 撐基層墟市聯盟

Mr KWOK Chung-man

趙羨婷小姐 計劃主任 東涌社區發展陣線

Mr Simon LEE

周子銘先生

陳淑淇小姐 發言人 監察公營街市發展聯盟

馬嘉琳小姐 成員 富東街市關注組

梁兆隆先生 組織幹事 天水圍社區發展網絡

Session Two

Miss Leung Wei-ching 代表 Hong Kong Women Workers' Association

Mr WONG Chun-kit

Mr TANG Ka-piu

Mr LAU Chin-pang

Mr LUK Tsz-fung

Miss LEUNG Wing-yan

Miss SO Man-ying Policy Researcher Smart Governance Lab

Miss CHAN Wai-chun

Mr Harris YEUNG

Clerk in attendance: Mr Derek LO

Chief Council Secretary (1)5

Staff in attendance Miss Tiffany NG

Senior Council Researcher 1

Mr Fred PANG

Senior Council Secretary (1)5

Ms Michelle NIEN

Legislative Assistant (1)5

Action

I. **Confirmation of minutes**

(LC Paper No. CB(1)1056/16-17 — Minutes of meeting held on 11 April 2017)

The minutes of the meeting held on 11 April 2017 were confirmed.

II. Information papers issued since last meeting

2. Members noted that the following papers had been issued since last meeting -

LC Paper No. CB(1)948/16-17(01) — Letter dated 12 May 2017

from Hon Nathan LAW Kwun-chung on conversion of Tin Wan Shopping Centre to Nord Anglia International (Chinese School version

only)

LC Paper No. CB(1)966/16-17(01)

Joint letter dated 16 May 2017 from Hon Andrew WAN Siu-kin and Hon James TO Kun-sun on regulation of sale of overseas properties (Chinese version only)

LC Paper No. CB(1)1005/16-17(01) — Administration's paper on Progress of the Total Maintenance Scheme

LC Paper No. CB(1)1055/16-17(01) — Administration's paper on performance of environmental targets and initiatives in 2016-17

III. Items for discussion at the next meeting

(LC Paper No. CB(1)1024/16-17(01) — List of follow-up actions

LC Paper No. CB(1)1024/16-17(02) — List of outstanding items for discussion)

- 3. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for Monday, 3 July 2017, at 2:30 pm
 - (a) Rent adjustment mechanism for rental units and rent relief measures of the Hong Kong Housing Society; and
 - (b) Short and medium-term measures to alleviate the housing difficulties of residents of sub-divided units.
- 4. <u>The Chairman</u> said that the Panel would receive public views on "Short and medium-term measures to alleviate the housing difficulties of residents of sub-divided units" at the meeting on 3 July 2017.
- 5. <u>The Chairman</u> advised that based on members' response to the Secretariat's circulars consulting members' views on the need for discussing two papers provided by the Administration, namely, "Progress of the Total Maintenance Scheme" (LC Paper No. CB(1)1005/16-17(01)) and "Performance of the environmental targets and initiatives of the Hong Kong Housing Authority in 2016-17" (LC Paper No. CB(1)1055/16-17(01)), the Panel would discuss the two items at the meeting on 3 July 2017, or, subject to the number of deputations attending that meeting, at a special meeting scheduled for 11 July 2017 at 4:30 pm.

(*Post-meeting note*: On the advice of the Chairman, a special meeting was held on 11 July 2017 to discuss the items "Progress of the Total Maintenance Scheme" and "Performance of the environmental targets and initiatives of the Hong Kong Housing Authority in 2016-17". The notice of meetings on 3 and 11 July 2017 and agendas were issued to members vide LC Paper No. CB(1)1116/16-17 on 13 June 2017.)

6. Mr James TO said that he and Mr Andrew WAN had previously submitted a letter dated 16 May 2017 to the Chairman (LC Paper No. CB(1)966/16-17(01)) regarding regulation of sale of overseas properties, and an information note on the same subject matter had been published by the Research Office of the Secretariat (IN10/16-17). He suggested that the Panel should discuss the subject at a meeting in the 2017-2018 session. The Chairman said that the Secretariat had requested the Administration to provide a written response to the issues raised in the joint letter, and it was appropriate for the Panel to discuss the subject with the Administration as early as possible. She suggested and members agreed that the subject be included in the Panel's list of outstanding items for discussion for members' consideration in the 2017-2018 session.

IV. Head 711 project no. B202SC - Community hall cum social welfare facilities at Queen's Hill, Fanling

(LC Paper No. CB(1)1024/16-17(03) — Administration's paper on Public Works Programme Item No. B202SC — Community hall cum social welfare facilities at Queen's Hill, Fanling)

7. With the aid of PowerPoint, <u>Deputy Director of Housing (Development & Construction)</u> ("DDH(D&C)") briefed members on the Administration's proposal to upgrade Public Works Programme item no. B202SC to Category A. Under the proposal, a community hall and other social welfare facilities would be provided at Queen's Hill, Fanling, in order to tie in with the public housing development there. Relevant details were set out in the Administration's paper (LC Paper No. CB(1)1024/16-17(03)).

(*Post-meeting note*: Presentation materials for the item (LC Paper No. CB(1)1089/16-17(01)) were issued to members on 6 June 2017 in electronic form.)

8. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP") of LegCo, they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the subjects. She further drew members' attention to Rule 84 of the RoP on voting in case of direct pecuniary interest.

Implementation of the proposed project to support the housing developments at Queen's Hill, Fanling

- 9. Mr POON Siu-ping and Mr WU Chi-wai expressed concern on whether the proposed community hall and social welfare facilities would be adequate to meet the local residents' needs and whether there would have room for expansion in future. DDH(D&C) replied that to tie in with the public housing development programme at Queen's Hill and its population intake, the Administration planned to submit the funding proposal of the proposed project to the Public Works Subcommittee ("PWSC") and the Finance Committee for consideration/approval in the fourth quarter of 2017. Assistant Director (Elderly), Social Welfare Department ("AD(E), SWD") advised that in planning the provision of the proposed social welfare facilities, the Administration had taken into account the demand arising from the existing and future population. Territory-wide demand would also be considered if the facilities concerned would serve the whole territory. In response to the Chairman, DDH(D&C) said it was expected that the proposed project could be completed on schedule, i.e. the third quarter of 2021, if the Administration could obtain the funding approval in the fourth quarter of 2017.
- 10. <u>Mr LAU Kwok-fan</u> enquired whether the Administration would plan in advance to ensure that the community facilities at Queen's Hill would be sufficient to cater for the demand arising from other housing developments in the area in future. <u>DDH(D&C)</u> replied that while there would be private housing development in the area, the development timetable of the sites concerned had not yet been available.

11. In response to Mr WU Chi-wai's suggestion on providing the proposed facilities with higher design load for construction of additional floors in future, DDH(D&C) advised that although the Administration could increase the design load of the proposed facilities at the planning stage, it had to consider other constraints when assessing the feasibility of providing additional floors of the proposed facilities. Mr WU said that the Administration should consider how to address the issue and provide the relevant information in the paper submitted to PWSC. DDH(D&C) responded that the Administration would further consider the matter in light of Mr WU's concern and suggestion.

Residential care home for the elderly

- 12. <u>Mr Wilson OR</u> and <u>Mr Tommy CHEUNG</u> opined that the Administration should increase the number of places of the proposed residential care home for the elderly ("RCHE") as far as practicable to meet the territory-wide demand. <u>Mr OR</u> enquired about the justification for providing the RCHE at Queen's Hill, and the basis on which the proposed number of 150 places was determined.
- 13. Chief Architect (4), Housing Department ("CA(4), HD") replied that the Administration proposed to provide a RCHE at Queen's Hill having regard to the views of the North District Council and its committees. AD(E), SWD advised that after considering various factors including the floor area available for providing the proposed RCHE, the other social welfare facilities to be provided under the proposed project, the importance of keeping the proposed RCHE in a manageable size, the Schedule of Accommodation for elderly facilities, etc., the Administration proposed to provide a 150-place RCHE. Apart from Queen's Hill, the Administration would provide RCHEs in other parts of North District under separate projects. To increase the number of places for elderly services, the Administration would continue its efforts in identifying new sites for construction of RCHEs such as those in new development areas. The Administration had been implementing the Special Scheme on Privately Owned Sites for Welfare Uses to make better use of the sites of the non-governmental organizations ("NGOs") for setting up welfare facilities including RCHEs. If all the projects under the scheme could be implemented smoothly, there would be about 9 000 additional service places for elderly services.

enquired whether 14. The Chairman the approved Schedule Accommodation covered a 160- or 170-place RCHE if it was not practicable to provide 200 places in the proposed RCHE. AD(E), SWD advised in the The Chairman remarked that the Panel on Welfare Services might consider following up the matter with the Administration in this regard. Mr Tommy CHEUNG was of the view that the Administration should accord priority to the provision of more places for elderly services at Queen's Hill. In response to the enquiry of Mr WU Chi-wai and Mr Tommy CHEUNG on whether the permitted plot ratio of the proposed site had been fully utilized, DDH(D&C) and CA(4), HD advised that the permissible domestic and nondomestic plot ratio of the proposed site was 6, and had been fully utilized under the proposed project. DDH(D&C) explained that the proposed number of public housing units to be provided at Queen's Hill had to be reduced if the Administration provided more places for elderly services.

Use of space in public housing estates for providing community facilities

- 15. Mr WU Chi-wai said that the Housing Department ("HD") had provided empty bays at the ground level of domestic rental blocks in some older public housing estates, and enquired whether HD would adopt similar practice in its new public housing development project. DDH(D&C) explained that HD had been providing community facilities at ground level of domestic blocks whenever spaces were available for use, in order to fully utilize the available areas.
- 16. Mr WU Chi-wai said that HD had previously reserved domestic units located on the lower floors of public housing estates for accommodating needy elderly tenants, and had subsequently ceased the practice. He enquired whether HD would convert these units into welfare facilities for NGOs to provide elderly services. In reply, DDH(D&C) cited the public rental housing ("PRH") development in Tuen Mun Area 29 West as an example, and advised that, depending on the design and planning, HD would also provide community facilities at lower floors of PRH blocks in new public housing development projects.

Greening in public housing estates

17. Mr Wilson OR was concerned about the quality of landscape in public housing estates, and enquired about the measures to improve the maintenance of such facilities. CA(4), HD replied that to enhance the sustainability and cost-effectiveness of the landscape in estates, HD had selected the plant species which minimized management and maintenance.

Concluding remarks

18. Concluding the discussion, <u>the Chairman</u> said that members supported the submission of the proposal to PWSC for consideration.

V. Letting of markets under the Hong Kong Housing Authority

- (LC Paper No. CB(1)1024/16-17(04) Administration's paper on letting of markets under the Hong Kong Housing Authority
- LC Paper No. IN14/16-17

 Paper on single-operator markets under the Hong Kong Housing Authority prepared by the Research Office of Legislative Council Secretariat (Information note)
- LC Paper No. CB(1)1024/16-17(05) Paper on the single-operator letting arrangement for markets under the Hong Kong Housing Authority prepared by the Legislative Council Secretariat (background brief)
- LC Paper No. CB(1)352/16-17(01) — Referral memorandum from Public **Complaints** the Office of the Legislative Council Secretariat on policy issues relating management of markets in public housing estates (Chinese version only) (Restricted members to only))

19. <u>Deputy Director (Estate Management)</u>, <u>Housing Department ("DD(EM)</u>, HD") briefed members on issues relating to the letting of markets under the Hong Kong Housing Authority ("HA"). <u>Assistant Director (Estate Management)</u>2, <u>Housing Department</u> ("AD(EM)2, HD") gave a PowerPoint presentation on the subject.

(*Post-meeting note*: Presentation materials (LC Paper No. CB(1)1089/16-17(02)) for the item were issued to members on 6 June 2017 in electronic form.)

Single-operator letting arrangement

Mr SHIU Ka-chun and Mr Wilson OR enquired about the tendering 20. criteria for single-operator markets ("SOMs"). DD(EM), HD replied that persons who were interested in leasing SOMs should apply for registration on the Client List for SOM ("the Client List") and meet the eligibility criteria with regard to the experience and expertise in market management. HA would normally invite those on the Client List to bid for the market in a new public housing estate a few months before completion. Under the existing arrangement for assessment of the leasing proposals, HA would allot separate scores on the basis of bidders' past performance in market management and the rentals proposed for the leasing proposals. Thus selection was not merely based on the highest rentals proposed. In response to Mr Nathan LAW's enquiry about the respective weightings between bidders' past performance in market management and their proposed rentals, DD(EM), HD advised that the two aspects carried equal weight.

Monitoring of single operators' performance

21. Mr Wilson OR, Mr Andrew WAN and Mr POON Siu-ping enquired about the mechanism adopted by HA in assessing and monitoring the performance of SOM tenants. Mr OR asked about the penalties that could be imposed on a SOM tenant in breach of the tenancy conditions. DD(EM), HD replied that HD's frontline staff would carry out regular inspections of SOMs to check single operators' compliance with the requirements as stipulated in the tenancy agreements. HD would also assess the performance of SOM tenants on a bi-monthly basis, taking into account the views of Estate Management Advisory Committees ("EMACs"), District Council ("DC") members and local residents. SOM tenants' performance in managing the markets was a factor for consideration by HA in deciding renewal of tenancies. Also, HA would issue warnings to SOM tenants that had fallen short of the standard. HA had the

right to terminate a tenancy if the relevant SOM tenant had poor performance persistently and was not complying with the tenancy conditions despite warnings.

- 22. <u>Mr LEUNG Yiu-chung</u> enquired whether HA would allot scores on the performance of SOM tenants on the basis of the market stall operators' feedbacks. <u>DD(EM)</u>, <u>HD</u> replied that through the performance assessment, HA encouraged single operators to maintain communications with stall operators and other stakeholders so as to facilitate the effective and smooth operation of the markets. SOM tenants' liaison with stall operators, EMACs, etc. constituted 15% of the performance appraisal scores. Relevant stakeholders might also give their views to the estate management staff of HD regarding the operation of SOMs.
- 23. <u>Dr LAU Siu-lai</u> requested the Administration to provide information on whether and how HD collected the feedbacks/comments from EMACs, such as the questions asked/questionnaires used, as part of its performance assessment on single operators, and the criteria adopted by EMACs, if any, in evaluating/giving comments on the performance of single operators. <u>Mr Nathan LAW</u> requested the Administration to provide information, if available, about the overall results of the regular assessment of the performance of single operators.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide paragraphs 2 to 13 of LC Paper No. CB(1)1466/16-17(01) on 11 October 2017.)

Operating conditions of single-operator markets

24. Mr Andrew WAN opined that there had been complaints on the operation of SOMs with respect to the day-to-day management of the markets, the fees and charges imposed by SOM tenants on stall operators, the SOM tenant's non-compliance with tenancy conditions, etc. He enquired about the HA's measures to address the problems. DD(EM), HD responded that to protect the interests of stall operators, HA would, by means of the standard terms in the tenancy agreements, restrict single operators from charging stall operators fees other than rent, air-conditioning charges, rates and management fees. The tenancy agreements also required single operators to submit a monthly return to HA setting out all fees collected from stall operators. For air-conditioning charges and rates, single operators could not charge for an amount exceeding the actual amount required to be paid by them. The increase in management fees could only be commensurate with the increase in the

Nominal Wage Index published by the Census and Statistics Department, and could not be imposed more than once a year.

- 25. Mr LUK Chung-hung pointed out that SOM tenants had on the one hand directly operated part of the stalls in the markets, and on the other charged excessive rent on the operators of other stalls, thereby making the latter difficult to sustain their business. Mr SHIU Ka-chun, Mr LEUNG Yiu-chung and Dr LAU Siu-lai expressed concern that the direct operation of stalls by SOM tenants would lead to monopoly in the supply of foodstuff in SOMs, thereby pushing up the foodstuff prices in the markets. Mr KWOK Wai-keung opined that the single-operator letting arrangement had resulted in the dominance of SOM tenants, and undermined the competitiveness of individual stall operators.
- 26. DD(EM), HD replied that the single-operator letting arrangement aimed to provide better shopping choices and service environment for residents by leveraging on the expertise and experience of the private sector. Even if single operators directly operated some of the market stalls instead of letting them to other stall operators, they were still required under the standard terms in the tenancy agreements to ensure that the premises were operated in the manner of a traditional market, and would provide a certain proportion of foodstuff. HA considered that the current monitoring measures for SOM implemented by HA enabled an appropriate balance between the practical circumstances of commercial operations and shopping needs of residents, and had been operating effectively. To address public concerns, HA had introduced new measures to restrict the scale of direct operation by a SOM tenant to an area of not more than 20% of the total internal floor area of individual stalls. SOM tenants were also required to publicly advertise lettings of the vacant market stalls.
- 27. In response to Mr POON Siu-ping's enquiry about the ratio of foodstuff to miscellaneous trades specified in the tenancy agreements for SOMs, and the basis for determining the ratio, <u>AD(EM)2</u>, <u>HD</u> advised that the ratio was around 70:30, which was set by HA having regard to its experience in market management, and to meet the needs of public housing residents with an adequate provision of fresh vegetables, meat, fruits and groceries.

28. Mr LEUNG Yiu-chung enquired whether there were cases of failure in operating SOMs. DD(EM), HD and AD(EM)2, HD replied that due to default in rent payment by the SOM tenant of Ching Long market, HA had issued notice-to-quit in August 2016 and confirmed the termination of the tenancy in The SOM tenant of Hung Fuk Market had indicated November 2016. difficulty to run the market due to poor business, and early termination of the tenancy was accepted by HD in November 2016 according to established policies. Tender exercises were subsequently arranged for re-letting of the two Mr Wilson OR and Mr LUK Chung-hung enquired whether the single-operator letting arrangement had loopholes given that the SOM tenant who had requested for early termination of the tenancy for Hung Fuk market in 2016 had been awarded a new tenancy for the market. Mr Nathan LAW pointed out that after the change-over of tenancy of Ching Long Market in 2016, the new SOM tenant had charged excessive stall rents in the market. He considered that HA should introduce measures to control the rent imposed on stall operators.

Rent of market stalls

- 29. <u>Dr YIU Chung-yim</u> said that he had conducted studies relating to the operation of HA's commercial facilities when he was working in HD. He asked whether HA would conduct analysis and comparison of the market stall rents of SOMs and their nearby markets. <u>Dr LAU Siu-lai</u> enquired whether HA would consider requiring SOM tenants to lease out stalls at uniform rent. <u>Mr LUK Chung-hung</u> said that HA should specify the maximum rent levels that SOM tenants might charge stall operators.
- 30. <u>DD(EM), HD</u> responded that to cope with the changing business environment, it was necessary for HA to allow single operators sufficient flexibility in the management of the markets. Based on this principle, single operators could select individual stall operators and negotiate with them on the rents and terms of letting on a commercial basis. As HA had no contractual relationship with individual stall operators, it was not appropriate for HA to intervene or participate in the negotiation or agreement between single operators and individual stall operators. HA also did not set a ceiling for the rent or rate of rental increase. HA considered that in negotiating with stall operators on the rents, SOM tenants would take into account the demand and supply situation of market stalls, and the stall operators' affordability. A high rental level would force individual stall operators to leave the trade, hence resulting in an increase of vacant stalls. In response to Dr YIU Chung-yim's enquiry on whether HA would consider requiring SOM tenants to set the rental

for a stall according to the revenue earned by the stall operator, <u>AD(EM)2</u>, <u>HD</u> advised that stall operators might not consider it reasonable for them to pay higher stall rents because they had generated more revenue.

Effectiveness of single-operator markets

- 31. Dr CHENG Chung-tai and Mr Nathan LAW were of the view that the single-operator management mode had not been operating effectively, given that among the six SOMs under HA, two operators had surrendered their tenancies, thereby causing considerable loss to individual stall operators and inconveniencing residents. Mr SHIU Ka-chun and Mr LEUNG Yiu-chung held the view that HA should not let out its markets to single operators. Mr LEUNG said that HA should directly manage its markets. Mr Wilson OR enquired how the rent of stalls, prices of goods and services sold, tenancy renewal rate of stall operators and level of satisfaction of customers in SOMs were compared to the markets directly managed by HA. Mr LUK Chung-hung raised similar enquiry and asked about the number of markets which were directly managed by HA. In reply, DD(EM), HD advised that HA at the time managed 16 markets directly. As these markets offered limited business potentials, HA considered it not appropriate to let out these markets to single operators.
- 32. <u>Dr Fernando CHEUNG</u>, <u>Mr LUK Chung-hung</u> and <u>Mr KWOK Waikeung</u> said that HA's markets should provide affordable foods and commodities for public housing residents, and HA should manage its markets directly. <u>Mr POON Siu-ping</u> opined that SOMs were operated on a commercial basis, and might not provide goods and services suitable for low-income families in public housing estates. He enquired whether HA would consider following the Singaporean government's practice of engaging social enterprises to manage its markets. <u>DD(EM)</u>, <u>HD</u> and <u>AD(EM)2</u>, <u>HD</u> replied that direct management of the markets required considerable amount of human resources and expertise. The purpose of implementing SOMs was to leverage on the expertise and flexible management and operation mode of the private sector, with a view to providing better shopping choices and service environment for residents.

- 33. Mr CHU Hoi-dick asked about the additional cost to be incurred if HA directly managed the markets which had been let out to single operators. He further enquired whether HA had imposed any rent control in the 16 markets directly managed by HA. AD(EM)2, HD replied that the stalls in the 16 markets were usually rented out by tender, and hence there was no upper limit on the stall rents. In response to Mr CHU's enquiry on whether the stall operators in these markets would have priority in renewing the stall tenancy upon expiry, AD(EM)2, HD advised that HD would discuss with stall operators if they had indicated an intention to renew the tenancy. Whether the stall operator concerned had previously breached the relevant tenancy agreement was a factor for consideration of the renewal. Mr CHU said that HA should directly manage all its markets and apply rent and tenure control to them so as to provide a stable operating environment for stall operators.
- 34. The Chairman said that members had expressed views at the meeting that SOMs had not been operating effectively and HA should directly manage its markets. She considered it important for HA to provide a low-cost business environment for stall operators so that they could provide affordable goods and services to public housing residents. DD(EM), HD replied that the Commercial Properties Committee of HA had been reviewing the operation of SOMs on a regular basis, and following the review in March 2017, HA had introduced various measures to enhance protection for stall operators. The Administration would relay members' views and suggestions to HA.

Motions

35. <u>The Chairman</u> referred members to five motions put forth by Mr Andrew WAN, Mr SHIU Ka-chun, Mr LUK Chung-hung, Mr Wilson OR and Dr Fernando CHEUNG respectively, which she considered relevant to the agenda item. The wordings of the motions were as follows –

The first motion, moved by Mr Andrew WAN:

"本會要求房屋署提供文件,交代房屋署屬下街市整體承租的招標準則及房屋署監管承租商的具體機制及監管數字(有關投訴、巡查次數、懲處次數及方式等),以作進一步討論及改善現有街市承租制的問題。"

(Translation)

"This Panel requests the Housing Department to provide papers on the tendering criteria for the single-operator markets under its auspices, and on the specific mechanism adopted by the Housing Department in monitoring the performance of such operators as well as the related figures (such as the number of complaints received, number of inspections conducted, number of occasions when penalty was imposed and the form of penalty, etc.), to facilitate further discussion on improving the existing arrangement for the letting of markets."

The second motion, moved by Mr SHIU Ka-chun:

"鑒於房屋署外判街市的政策千瘡百孔,房屋署監管不力,本會要求房屋署盡快對外判街市政策進行全面的檢討,並將有關結果向立法會交代。"

(Translation)

"Given that the policy adopted by the Housing Department in outsourcing the operation of its markets is full of flaws and loopholes, and the Housing Department's monitoring of such outsourced markets is lax, this Panel requests the Housing Department to expeditiously conduct a comprehensive review of its policy on outsourced markets, and report the findings to this Council."

The third motion, moved by Mr LUK Chung-hung:

"房屋署自1988年起採用整體承租方式出租轄下街市,問題層出不窮,租金貴,承租商欠缺責任,市民承受物價高的苦果。本會要求取消整體承租商制度,以房屋署直接管理取代。"

(Translation)

"Since the Housing Department's adoption of the single-operator letting arrangement for its markets in 1988, various problems have been emerging incessantly, and members of the public have to bear the brunt of high prices resulting from high rentals in such markets which are run by irresponsible operators. This Panel requests that the single-operator system be abolished and the Housing Department should manage its markets directly."

The fourth motion, moved by Mr Wilson OR:

"鑒於近年的整體承租表現並不理想,本會促請當局就現行整體 承租機制作全面檢討及諮詢居民意見,以確保房屋署街市的管理 及租務政策能配合居民的需求。"

(Translation)

"As the performance of single-operator markets has been unsatisfactory in recent years, this Panel urges the authorities to comprehensively review the existing single-operator letting arrangement and consult the residents thereon, so as to ensure that the management of and the leasing policy for markets under the Housing Department can tie in with the needs of the residents."

The fifth motion, moved by Dr Fernando CHEUNG:

"鑒於近年六個房屋委員會用整體承租的街市有兩個承租商退場,導致個體商戶承受不少損失,居民受不便之影響,投訴不斷,本委員會認為房屋委員會應直接管理轄下的街市,用合理而非牟利的目標將街市出租予個別商戶,方便居民,使街市提供全面而廉官的食用品予公屋居民。"

(Translation)

"Given that among the six single-operator markets under the Housing Authority, two operators have surrendered their tenancies in recent years, thereby causing considerable loss to individual tenants, inconveniencing residents and giving rise to numerous complaints, this Panel opines that the Housing Authority should manage its markets directly by leasing its market stalls to individual tenants under the objective of offering reasonable and non-profit-making services to public rental housing ("PRH") residents, so that residents may enjoy the convenience of shopping in markets that aim to provide a wide range of affordable food and commodities for PRH residents."

36. <u>Members</u> agreed to proceed to deal with the motions. <u>The Chairman</u> put the five motions to vote one by one. <u>The Chairman</u> declared that the motions were carried.

(*Post-meeting note*: The wordings of the motions passed were issued to members vide LC Paper Nos. CB(1)1086/16-17(01) to CB(1)1086/16-17(05) on 7 June 2017 and was provided to the Administration via the letter dated 7 June 2017.)

[At 4:30 pm, the Chairman ordered a break of five minutes. The meeting resumed at 4:35 pm]

VI. Receiving public views on issues relating to letting of markets under the Hong Kong Housing Authority and development of bazaars in public housing estates

Relevant papers

(LC Paper No. CB(1)1024/16-17(04) — Administration's paper on letting of markets under the Hong Kong Housing Authority

LC Paper No. IN14/16-17

Paper on single-operator markets under the Hong Kong Housing Authority prepared by the Research Office of Legislative Council Secretariat (Information note)

LC Paper No. CB(1)1024/16-17(05)

— Paper on the single-operator letting arrangement for markets under the Hong Kong Housing Authority prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(1)352/16-17(01)

Referral memorandum from the Public **Complaints** Office of the Legislative Council Secretariat policy issues relating management of markets in housing public estates (Chinese version only) (Restricted to members only)

LC Paper No. CB(1)899/16-17(04)

 Administration's paper on development of bazaars in public housing estates

LC Paper No. CB(1)899/16-17(05)

 Paper on development of bazaars in public housing estates prepared by the Legislative Council Secretariat (background brief))

Submissions from deputations/individuals not attending the meeting

(LC Paper No. CB(1)1024/16-17(08) — Submission from Momentum 107 (Chinese version only))

37. <u>Members</u> noted a submission from the Hong Kong Council of Social Service tabled at the meeting.

(*Post meeting note*: The submission tabled at the meeting was circulated to members in electronic form vide LC Paper No. CB(1)1085/16-17(01) on 6 June 2017.)

Meeting arrangements

38. The Chairman advised that 42 deputations/individuals had submitted applications to attend the meeting to present their views on issues relating to letting of markets under HA and development of bazaars in public housing estates. The meeting would be held in two sessions with a five-minute break in between. Members raised no objection to the meeting arrangements.

Presentation of views by deputations/individuals

39. At the invitation of the Chairman, a total of 28 deputations/individuals presented their views. A summary of the views of these deputations/individuals was in the **Appendix**.

[At 6:00 pm, the Chairman ordered a break of five minutes. The meeting resumed at 6:05 pm]

Discussion

- 40. At the invitation of the Chairman, <u>DD(EM)</u>, <u>HD</u> and <u>AD(EM)2</u>, <u>HD</u> gave the following responses to the views expressed by deputations/individuals
 - the Government adopted a positive attitude towards specific proposals on bazaars put forward by individuals/organizations in the local community. As long as the proposal did not compromise public order and safety, food safety and environmental hygiene or obstruct public access, the Food and Health Bureau ("FHB") would liaise with relevant policy bureaux and departments sites the after the regarding the use of concerned individuals/organizations had identified suitable sites and obtained support from local communities and respective DCs;
 - (b) in complement with the Government's policy, on receipt of a specific proposal to set up a bazaar in HA's PRH estate, HA would study its feasibility and impact on the estate concerned. The proposal should also be supported by the local communities and the relevant DC. As public housing estates were densely populated in general, and open spaces on the ground level were often public passage, sitting-out areas or common spaces for residents' use, HA would consider the content of individual proposals on a case-by-case basis;

- (c) if facilities within the concerned estates involved other owners (including the Link Real Estate Investment Trust ("Link REIT") or other owners), agreement from such owners on the bazaar proposals was required. If the relevant land lots were subject to land leases and deeds of mutual covenant ("DMC"), approval from the Lands Department ("LandsD") might be required for the implementation of the proposal; and
- (d) estate management staff were informed of the considerations and principles in handling applications for the holding of bazaars in HA's PRH estates, and would provide appropriate assistance and information in response to queries from organizations on the setting up of bazaars in HA's PRH estates.

Development of bazaars in public housing estates

- 41. Mr Andrew WAN said that there were 78 public housing estates which were not involving owners other than HA, and enquired whether the Administration would provide a list setting out which of these estates could provide spaces for community organizations to set up bazaars. Mr LEUNG Che-cheung said that HD should provide for community organizations' reference information on the feasibility for setting up bazaars in the estates where no markets were provided. Dr YIU Chung-yim opined that HA should clarify the factors which Link REIT would take into account when considering the proposals of setting up bazaars in estates co-owned by HA and Link REIT.
- 42. In reply, <u>DD(EM)</u>, <u>HD</u> advised that bazaars might be of different nature and organized in different form. The actual circumstances of public housing estates also varied. Regardless of whether other owners were involved in the estates concerned, HA had to duly consider the views of the residents and other stakeholders through EMACs, as well as the impact of bazaar proposals on estates. As HA had to examine such proposals on a case-by-case basis, it was not practicable for HA to produce the list as mentioned by Mr WAN.

Handling of applications for setting up bazaars

43. Mr Wilson OR said that he supported the development of bazaars in public housing estates in view of the lack of retail facilities in some districts such as those in Kowloon East. He enquired whether HA would actively liaise with non-government organizations to organize more bazaars in estates, and whether HA would introduce measures to enhance the transparency and efficiency in processing applications for setting up bazaar. DD(EM), HD replied that HA all along handled bazaar proposals in complement with the Government's policy. In handling a bazaar application, HA would assist the proponent to consult the residents and relevant stakeholders according to the Government's policy on bazaars. If the concerned estate involved land lease, DMC and other owners, HA would also assist the proponent to consult the owners concerned and LandsD.

[At 6:42 pm, the Chairman announced that the meeting be extended for not more than 15 minutes.]

- 44. <u>Dr CHENG Chung-tai</u> opined that it was important for the Administration to put in place a mechanism for submission and approval of bazaar applications in order to avoid public suspicions on the possible transfer of benefits arising from the handling of such applications. <u>Mr LEUNG Kwok-hung</u> said HA should make clear the time taken by it to process a bazaar application, and the criteria for accepting or rejecting the application. <u>Dr LAU Siu-lai</u> and <u>the Chairman</u> requested the Administration to provide information on
 - (a) details of the processes/workflows for handling a proposal of setting up bazaars in public housing estates; for each process/workflow, the parties/stakeholders involved to approve/examine/give views on the bazaar proposal, and the relevant considerations and criteria involved;
 - (b) how the views and positions of local communities, including DCs and EMACs, regarding a bazaar proposal would affect HA's assessment or decision on the proposal, and whether HA/HD would reject the bazaar proposal if it was not supported by the relevant DC and/or EMAC; and

(c) the situation under which HA/HD would seek the advice/approval of LandsD on a bazaar proposal; whether it was not necessary for HA/HD to seek LandsD's advice/approval if the proposed bazaar operation was non-profit-making and temporary in nature.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)1296/16-17(01) on 11 July 2017.)

45. <u>Dr LAU Siu-lai</u> enquired how HA would deal with the situation where more than one proponent submitted applications for organizing a bazaar during the same period of time at the same venue. <u>DD(EM), HD</u> and <u>AD(EM)2, HD</u> replied that HA would, depending on the actual circumstances, co-ordinate the applications, with a view to facilitating the implementation of the proposal by each organization concerned. According to the mechanism for organizing activities in PRH estates, balloting might be arranged in the witness of all proponents if there were more than one proposed activity during the same period of time at the same venue. In the case of bazaar proposals, HA would consult FHB, if necessary, during the process. <u>The Chairman</u> requested the Administration to provide supplementary information to address Dr LAU's enquiry.

(*Post-meeting note*: The Administration's supplementary information was issued to members vide LC Paper No. CB(1)1296/16-17(01) on 11 July 2017.)

Level of fees charged for the provision of venue for setting up bazaars

46. Dr YIU Chung-yim asked about the level of fees charged by HA for providing venues in each public housing estate for organizations to set up bazaars. He further enquired about the use of the fees received from bazaar organizers. AD(EM)2, HD replied that HA would assess the venue fees for commercial activities at market level. For non-profit-making activities organized by non-profit-making organizations that did not involve cash transactions, HA would provide venues free of charge. As regards setting up of bazaars in public housing estates, if both the proposed bazaars and the organizers were non-profit making in nature, HA would charge the fees for the venue on a concessionary basis. The fees received from bazaar organizers would be credited to the management account of the estate concerned. AD(EM)2, HD advised that HA would charge a concessionary fee of \$600 daily for providing the venue for the charitable organization concerned to organize the holiday bazaar at the amphitheatre of Tin Yiu Estate.

47. In response to Dr YIU's enquiry on whether the level of fees varied according to the location of the proposed bazaar and the area covered by it, <u>AD(EM)2</u>, <u>HD</u> advised that the fees charged for bazaars might vary depending on the area occupied. Given that bazaars usually occupied an area of similar size, the level of fees charged on concessionary basis by HA would be roughly the same.

Operation of bazaars

- 48. Mr LEUNG Che-cheung enquired about the operation situation of the bazaar in Tin Yiu Estate. Chief Manager/Management (Tuen Mun & Yuen Long), Housing Department replied that the bazaar in Tin Yiu Estate had been operating for two weeks. As the bazaar was conveniently located and there were special price offers for selected products, it was well received by the residents of the estate. In response to Dr CHENG Chung-tai's enquiry on whether the Administration had any plan to reissue new hawker licences and whether HA would support the Administration's implementation of the plan, DD(EM), HD advised that HA would introduce measures as far as practicable to tie in with any new Government policy in this regard.
- 49. <u>Dr YIU Chung-yim</u> enquired whether HA had put in place measures to control the rent of stalls in bazaars. <u>AD(EM)2</u>, <u>HD</u> replied that when assessing a bazaar application, HA would take into consideration the proponent's proposal regarding the rent for stalls in the bazaar to be charged.

Single-operator markets

50. The Chairman enquired about the Administration's position regarding the deputations' concern on the excessive rent charged by SOMs on stall operators. DD(EM), HD replied that to cope with the changing business environment, it was necessary for HA to allow single operators sufficient flexibility in the management of the markets. Based on this principle, single operators could select individual stall operators and negotiate with them on the rents and terms of letting on a commercial basis. As HA had no contractual relationship with individual stall operators, it was not appropriate for HA to intervene or participate in the negotiation or agreement between single operators and individual stall operators. HA also did not set a ceiling for the rent or rate of rental increase. HA considered that in negotiating with stall operators on the rents, SOM tenants would take into account the demand and supply situation of market stalls, and the stall operators' affordability. Charging a rent which was unaffordable to market stall operators would result

in an increase of vacant stalls, and hence affecting the effective operation of the market.

- 51. <u>Dr LAU Siu-lai</u> said that SOM tenants had directly operated part of the stalls in the markets, and charged excessive rent on the operators of other stalls, thereby making the latter difficult to sustain their business. The direct operation of stalls by SOM tenants would lead to monopoly in individual trades and high prices of goods in the markets. She held the view that HD should directly manage its markets, instead of letting out its markets to single operators. <u>Mr LEUNG Kwok-hung</u> opined that SOMs which were operated on a commercial basis might not provide goods and services suitable for low-income families in public housing estates.
- 52. DD(EM), HD replied that it might sometimes be necessary for SOM tenants to directly operate some market stalls in order to reduce the vacancy rate or to meet the tenancy requirement of providing certain proportion of foodstuff and miscellaneous trades. In order to strike a balance between maintaining flexibility for SOM operation and addressing public concerns, HA had restricted the scale of direct operation by the SOM tenant to an area of not more than 20% of the total internal floor area of individual stalls. DD(EM), HD said that the prices of goods in SOMs could be affected by factors other than the stall rentals. As foodstuff and commodities in SOMs were available in other markets or shops, SOM tenants and stall operators in SOM had to offer their goods at competitive prices. Dr LAU Siu-lai remarked that some public housing residents might not be able to afford high transport costs for gaining access to other markets. HA should require SOM tenants to lease out all stalls at uniform rent.

Concluding remarks

53. Concluding the meeting, <u>the Chairman</u> thanked the deputations for giving views on the subject, and requested the Administration to relay the views at the meeting to HA.

VII. Any other business

54. There being no other business, the meeting ended at 6:53 pm.

Council Business Division 1
Legislative Council Secretariat
16 October 2017

Panel on Housing

Meeting on Monday, 5 June 2017, at 2:30 pm

Agenda item VI - Receiving public views on issues relating to letting of markets under the Hong Kong Housing Authority and development of bazaars in public housing estates

Summary of views and concerns expressed by deputations/individuals

No.	Name of deputation/individual	Submission / Major views and concerns
Session	One	
1.	Miss Sammi FU Representative New People's Party	 The Administration should allow charitable/non-profit making organizations to set up bazaars in public housing estates. The Administration should provide more markets with choices for residents other than the markets and shopping arcades under Link Real Estate Investment Trust ("Link REIT").
2.	Mr LAW Ngan-fung District Developer of the New Territories East Branch The Civic Party	• Presentation of views as set out in LC Paper No. CB(1)1113/16-17(01) (Chinese version only)
3.	Mr LAI Wai-tong Officer Captain O	 The provision of shopping facilities very often could not tie in with the population intake of new public housing estates. The Hong Kong Housing Authority ("HA") had the responsibilities to ensure that public housing residents would be provided with affordable goods and services, and should provide a list of venues in public housing estates which were suitable for community organizations to organize bazaars.

No.	Name of deputation/individual	Submission / Major views and concerns
4.	Ms WU Sui-shan Chairperson Labour Party	 Residents in public housing estates should be engaged in planning the development of bazaars in estates in light of their needs and aspirations, and non-profit making organizations should be allowed to help organize the residents in this regard. The Housing Department ("HD") should provide a list of venues in public housing estates which were suitable for setting up bazaars.
5.	Miss Christine FONG Kwok-shan Sai Kung District Councilor Professional Power	• Presentation of views as set out in LC Paper No. CB(1)1082/16-17(01) (Chinese version only)
6.	Mr CHEUNG Yin 同行者 Democracy Groundwork	• Presentation of views as set out in LC Paper No. CB(1)1113/16-17(02) (Chinese version only)
7.	Mr HSU Yau-wai Representative DAB	 The Administration should allow development of bazaars in public housing estates to provide residents with choices other than the markets and shopping arcades under Link REIT and business opportunities for grassroots/small business operators. The Administration/HA should consult the relevant local communities and stakeholders on bazaar proposals and secure their support for the implementation of the proposals, and should provide one-stop service to streamline application procedures for setting up bazaars.
8.	Dr CHOW Sung-ming	• Presentation of views as set out in LC Paper No. CB(1)1024/16-17(06) (Chinese version only)

No.	Name of deputation/individual	Submission / Major views and concerns
9.	Ms WONG Wai-yin Officer (Policy Research & Advocacy) The Hong Kong Council of Social Service	 Presentation of views as set out in LC Paper No. CB(1)1085/16-17(01) (Chinese version only)
10.	Miss SIU Wing-yee	 The Administration should make clear whether it would allow community organizations to implement proposals for setting up bazaars in public housing estates which were supported by the majority of residents and stakeholders concerned. The Administration should collaborate with community organizations to work out options to facilitate development of bazaars in public housing estates.
11.	Mr LEE Wai-chung	 The provision of shopping facilities very often could not tie in with the population intake of new public housing estates. HA should allow development of bazaars in newly completed public housing estates to provide business opportunities for grassroots and affordable goods and services to residents.
12.	伍靜茵小姐 發言人 撐基層墟市聯盟	 HA should provide information on the fees it charged for providing bazaar venues in public housing estates, the use of such fees, and the procedures for processing applications for setting up bazaars. HA should make clear whether it would provide venues in public housing estates for organizing bazaars which would involve cash transactions and whether bazaar organizers were allowed to charge rent on stalls in the bazaars.
13.	Mr KWOK Chung-man	HA should rectify the problems of single-operator markets, or consider outsourcing or directly managing its markets.

No.	Name of deputation/individual	Submission / Major views and concerns
		 HA should allow development of bazaars in newly completed public housing estates, and make clear to the public the terms and conditions of the relevant deeds of mutual covenant that might restrict the development of bazaars in existing public housing estates.
14.	趙羨婷小姐 計劃主任 東涌社區發展陣線	 HA should provide clear guidelines for its estate frontline staff to follow when receiving bazaar applications, and a list setting out the estates which were co-owned by HA and Link REIT and could provide spaces for setting up bazaars. HA should make it clear how the views and positions of District Councils ("DCs") and Estate Management Advisory Committees ("EMACs") regarding a bazaar proposal would affect HA's assessment or decision on the proposal.
15.	Mr Simon LEE	 The suggestions of controlling the rent imposed on market stall operators might not help to ensure that the foodstuff in markets would be affordable to grassroots residents. The Administration should take forward more direct measures, such as issuing food coupons, to assist low-income people.
16.	周子銘先生	 The Administration should make clear the criteria and weightings for assessing the performance of SOM tenants/bidders for SOMs. It might not be desirable to invite only those in the Client List for SOM to bid for markets. The Administration should directly manage its markets instead of letting out them to single operators.
17.	陳淑淇小姐 發言人 監察公營街市發展聯盟	 Presentation of views as set out in LC Paper No. CB(1)1024/16-17(07) (Chinese version only)

No.	Name of deputation/individual	Submission / Major views and concerns
18.	馬嘉琳小姐 成員 富東街市關注組	 Bazaars in public housing estates could provide residents with choices other than the markets and shopping arcades under Link REIT, facilitate efficient use of open spaces in estates, and help enhance family cohesion. HA should make public the procedures and applications forms for processing bazaar proposals.
19.	梁兆隆先生 組織幹事 天水圍社區發展網絡	 SOMs had not been operating effectively, and HA should directly manage its markets and allow development of bazaars in public housing estates to provide more shopping choices for residents and housewives. HA should engage community organizations, stall operators, residents and local representatives in working out measures to address the problems of HA's markets.
Session	Two	
20.	Miss LEUNG Wei- ching 代表 Hong Kong Women Workers' Association	 HA should support the development of bazaars including those involving cash transactions, and provide venues in public housing estates for organizing activities which would involve cash transactions. HA should provide clearer guidelines to community organizations which had been given approval to set up bazaars in public housing estates regarding the requirements that had to be met by them when operating the bazaars, including the requirements set out in its approval letters (such as the one in LC Paper No. CB(1)1082/16-17(02) (Chinese version only)).
21.	Mr WONG Chun-kit	 HA should control the level and rate of increase in rent charged by SOM tenants on stalls. The Administration should take forward its plan of providing new public markets in Tung Chung as early as possible.

No.	Name of deputation/individual	Submission / Major views and concerns
22.	Mr TANG Ka-piu	 SOMs were not operating effectively, and HA should not let out its markets to single operators. The rents of market stalls in SOMs were much higher than those in markets directly managed by HA.
23.	Mr LAU Chin-pang	 The foodstuff prices in the markets in Tung Chung were much higher than those in other districts. HA should actively support the development of bazaars including those involving cash transactions in the public housing estates of Tung Chung to provide affordable foodstuffs and commodities to residents and business opportunities for young people.
24.	Mr LUK Tsz-fung	 The high market stall rents in Hung Fuk market had resulted in an increase of vacant stalls and had pushed up the prices of goods in the market. HD should directly manage its markets, instead of letting out its markets to single operators.
25.	Miss LEUNG Wing- yan	 The provision of shopping facilities very often could not tie in with the population intake of new public housing estates, and HA should allow development of bazaars in newly completed public housing estates to provide daily necessities to residents and business opportunities for low-income residents. HA should make clear whether it would not allow community organizations to develop bazaars involving cash transactions in public housing estates.
26.	Miss SO Man-ying Policy Researcher Smart Governance Lab	• Presentation of views as set out in LC Paper No. CB(1)1082/16-17(03) (Chinese version only)
27.	Miss CHAN Wai-chun	• There was a lack of local retail facilities that could meet the shopping needs of the public housing residents living in Stanley, and HA should put more efforts in facilitating development of bazaars in public housing estates.

No.	Name of deputation/individual	Submission / Major views and concerns
		• HA should provide a list of the estates which could provide spaces for setting up bazaars instead of considering bazaar applications on a case-by-case basis, and the Administration should designate a government department such as Home Affairs Department to coordinate the planning and development of bazaars over the territory.
28.	Mr Harris YEUNG	 Apart from rent control, HA should impose control on profits of market stalls to discourage operators enjoying low stall rents from selling goods and services to public housing residents at high prices. To prevent the HA's market stalls from being operated by large consortium, stall operators in HA's markets should be subject to asset tests.

Council Business Division 1 <u>Legislative Council Secretariat</u> 16 October 2017