FACT SHEET

Hawker policy in Taiwan

1. Background

- 1.1 Taiwan experienced massive inflows of immigrants in the late 1940s and early 1950s. Due to the lack of employment in formal sectors, many of these new immigrants earned their living through hawking. At that time, the Taiwanese government considered hawking as a means to solve the immigrant unemployment problem and street hawkers were highly tolerated as a result.
- 1.2 As Taiwan transformed from an agricultural to an industrial economy in the early 1970s, many people moved from the rural area to work in the city. This resulted in increased number of hawkers in the city as many uneducated or unskilled individuals who could not obtain employment took up street hawking as a livelihood. Yet the government's attitude towards hawking had remained tolerant. While acknowledging that hawking had given rise to a series of urban problems, the government tolerated this informal economic activity as it provided the necessary social security to the very poor. The government's attitude implicitly allowed more people to work as hawkers in the city.
- 1.3 In the early 1980s, the presence of hawkers in the city had become so widespread that hawking was no longer considered an informal occupation reserved only for the poor. Instead, it had become a job opportunity for many people. Meanwhile, shopkeepers in commercial premises viewed on-street hawking activities as an unfair competition and lobbied the Taiwanese government to restrict hawking. In response, the government implemented a series of measures to resolve the hawker problem, such as providing subsidies for local authorities to construct enclosed public markets to accommodate hawkers, creating a new government division (both at the central and local government levels) to administer hawking-related policies, and developing plans to formalize hawkers.

- 1.4 Today, hawking is still a feature of life in Taiwan that provides the population with cheap and convenient access to a wide range of goods and services as well as a means of making a living. It also brings vitality to the local districts with temporary centralized fields for vendors¹ (攤販臨時集中場) being one of the main tourist attractions in Taiwan. According to a survey conducted by the Tourism Bureau of the Ministry of Transportation and Communications in 2012, night market (a type of temporary centralized field for vendors which operates at night) was the most popular tourist attraction in Taiwan with a visitation rate of more than 77%.
- 1.5 In Taiwan, each local government has its own agencies and regulations for management of hawkers. As such, this fact sheet makes reference to the case of Taipei City for the study of hawker policy in Taiwan. As at end-August 2013, Taipei City accounted for about 10% of the total number of hawker stalls (攤販攤位) in Taiwan. Its Shilin Night Market is generally considered to be the largest and most famous night market on the island.²

2. Hawking activities in Taiwan

2.1 In Taiwan, hawking has become a major means of livelihood for many local people, especially during times of economic slowdown. The Directorate-General of Budget, Accounting and Statistics of the Executive Yuan ("DGBAS") (行政院主計總處) monitors hawking activities by conducting a island-wide survey of hawkers every five years. According to the latest 2013 survey, the number of hawker stalls increased steadily from 291 064 in 2003 to 309 154 in 2008 and further to 318 796 in 2013.³

In some areas where hawkers are too intransigent or intractable to be relocated right away, city government might designate these areas as temporary centralized fields for vendors. Hawker associations will then be set up to manage those hawkers on the behalf of city government.

Keelung City is also famous for its Keelung Temple Night Market. Yet the city only accounted for less than 3% of the total number of hawker stalls in Taiwan and its hawker policy is similar to that of Taipei City. In order to avoid duplication, this fact sheet focuses on the hawker policy in Taipei City.

³ 行政院主計總處(2003年、2008年及2013年).

- 2.2 In terms of employment, hawking activities involved an estimated workforce of 491 883 hawkers (難販) in 2013, comprising 318 796 stall owners, 148 008 of their family members and 25 079 employees. With each hawker household having an average of 4.2 members, a total of more than one million people are believed to be depending on hawking for their livelihood. In addition, DGBAS's survey found that more college graduates had taken up hawking as their occupation in recent years. They accounted for 11.6% of the total number of stall owners in 2013, up from 7.2% in 2008.
- 2.3 The proliferation of hawking activities in Taiwan could be attributed to factors such as low overhead involved, high operating profit and slow economic recovery in the wake of the 2008 global financial crisis. According to DGBAS's survey, 63% of the stall owners stated that they took in revenue of over NT\$1 million (HK\$269 000) in 2013, including some 26% with more than NT\$2 million (HK\$540 000). Stall owners also reported a high profit margin of 31.9% in 2013.
- Against the above, hawking has become part of social landscape in Taiwan, not only providing a convenient source of daily provisions to the general public but also a means of livelihood to many local people (including the educated). As such the Taiwanese government has all along taken a tolerant approach in its hawking policy. But at the same time it has to handle the problems that residents frequently complain about, including environmental nuisance and the space taken up by the stalls on already crowded roads and pavements. Instead of outright banning of hawking, the Taiwanese government has taken various measures to improve its hawker management policy, including constructing enclosed public markets to accommodate hawkers and fostering self-regulation culture within the hawker community.

3. Types of hawkers in Taipei City

3.1 In Taipei City, there are three types of hawkers, namely (a) government-licensed hawkers (有證攤販), (b) government-condoned hawkers (列管攤販), and (c) undocumented hawkers (無證攤販).

Government-licensed hawkers

- 3.2 To become a licensed hawker, the individual must apply for a hawker licence from the Taipei City government. The applicant must have established household registration (設籍) with the local household registration office for at least six months before the application. He or she must also comply with any one of the following requirements:
 - (a) a family member of low-income household;
 - (b) currently holding a hawker licence and planning to renew it;
 - (c) physically-handicapped; or
 - (d) aged 50 or above, having familial responsibilities but no regular employment, and was a hawker prior to 1984.
- One household is entitled to apply for one hawker licence. The applicant is required to submit the licence application form along with relevant documents to the Department of Economic Development of the Taipei City government for approval. A fee of NT\$300 (HK\$81) is charged for the application of the licence which is valid for three years. Apart from acquiring the hawking licence, the applicant must also register with a local hawker association (攤販協會) prior to starting his or her business. For hawkers who intend to continue their trade after the licence expires, they need to submit the licence application form three months prior to expiration.
- 3.4 The high threshold set for licence application has limited the number of government-licensed hawkers in Taipei, which amounted to 1781 as at end-March 2014. Government-licensed hawkers enjoy priority in the stall allocation in the temporary centralized fields for vendors where they register. When the licensed hawker passes away, his or her children can take over and continue to operate the stall.

Government-condoned hawkers

3.5 Government-condoned hawkers are those unlicensed hawkers who have applied from the Taipei City government for permission to operate stalls in temporary centralized fields for vendors. As at end-March 2014, there were 2 278 government-condoned hawkers in Taipei. The legal rights and interests of government-condoned hawkers are represented by the hawker association they belong, but these benefits are applicable only when the hawkers stay in the particular temporary centralized field for vendors where they operate.

Undocumented hawkers

3.6 Undocumented hawkers are the most transient form of hawkers.⁴ Some undocumented hawkers may use pickup trucks or mobile stalls while others may lay out their merchandise on the ground to conduct their trade. Undocumented hawkers may stay in one place or, when hassled, move to a new location. Unlike government-licensed and government-condoned hawkers, they are liable to prosecution by police. However, undocumented hawkers have been tolerated by the Taipei City government as long as they do not obstruct traffic flow or create too much inconvenience to the public.

4. Hawker management in Taipei City

4.1 In Taipei City, the Taipei City government (台北市政府) is responsible for all matters relating to hawking. Specifically, the Department of Economic Development (台北市政府產業發展局) is tasked with, among other things, the planning, registration, licensing and management of hawkers as well as supervising the Taipei City Market Administration Office (台北市市場處) in policy implementation.

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⁴ According to a survey conducted by DGBAS, it was estimated that the number of undocumented hawkers amounted to about 24 700 in 2008.

- 4.2 As regards hawker occupation counselling (攤販就業輔導), it is administered by the Department of Labor (台北市政府勞動局). Meanwhile, the Taipei City Police Department (台北市政府警察局) is responsible for enforcement against hawkers who fail to comply with the relevant legislation. In addition, the regulation of food safety and environment hygiene are overseen by the Department of Health (台北市政府衛生局) and the Department of Environmental Protection (台北市政府環境保護局) respectively.
- 4.3 The hawking policy in Taipei City is governed by the Regulations Governing Hawkers in Taipei City (台北市攤販管理自治條例). The regulations sets out, among other things, the hawker licensing procedure and the conditions for licence revocation, enforcement authorities, and the establishment of hawker associations in temporary centralized fields for vendors to facilitate and centralize the management of hawkers.
- 4.4 As the Taipei City government recognizes that hawking cannot be eradicated but must be managed instead, it relies heavily on hawker associations to manage the hawkers. By outsourcing the work of managing hawkers to hawker associations, the Taipei City government does not need to cope with each hawker individually.
- 4.5 A hawker association is a self-regulated and self-managed body tasked with solving vendor disputes, collecting waste, controlling environmental pollution, and maintaining the order and traffic flow on its turf. It consists of the hawkers themselves and subjects to the supervision by the Taipei City Market Administration Office. In temporary centralized fields for vendors, hawker associations are empowered by the Taipei City government to set cleaning and management fees. They also invest in necessary infrastructure, such as oil cleansers and pipelines, with the cost shared by all the hawkers.

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The Department of Labor has sought to transform hawkers into formal business owners through job training and career counselling.

5. Recent development of Taipei City's hawker policy

- 5.1 To understanding the difficulties encountered by the enforcement agencies against illegal hawking, the Taipei City government has commissioned an independent consultancy group to conduct a survey on hawking with the objective of analyzing the public views on hawking as well as coming up with suggestions for the way forward on hawker management. In the report published in 2011, the Taipei City government should take on a counselling and superintending role in helping the hawking communities to set up self-regulated and self-managed associations as a short-term measure to alleviate problems caused by undocumented hawkers.⁶
- 5.2 For the medium- and long-term measures, the 2011 report recommended the Taipei City government to re-allocate hawker stalls in temporary centralized fields for vendors to those undocumented hawkers who were truly in need. In addition, it should delegate powers to self-regulated and self-managed hawker associations through legislation so that these associations can efficiently exercise their supervisory and control functions among its members. Furthermore, in order to reduce the number of undocumented hawkers, the city government should enhance the provision of career counselling services to the hawkers to help them transform into formal business owners.

Research Office Information Services Division Legislative Council Secretariat 26 May 2014 Tel: 2871 2125

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⁶ See 中華徵信所企業股份有限公司(2011年).

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