

**For Discussion
on 10 June 2008**

**LegCo Panel on Food Safety and Environmental Hygiene
Review on Hawker Licensing Policy**

Purpose

The Food and Health Bureau (FHB) and the Food and Environmental Hygiene Department (FEHD) are jointly reviewing the policy on hawker licensing. This paper sets out the Government's preliminary ideas to seek Members' comments.

Background

2. Street hawking in Hong Kong has a long history. Street hawking provides job opportunities as well as a cheaper supply of goods to customers. However, it also gives rise to environmental hygiene problems, noise nuisance and obstruction of public passages. In addition, there are complaints from business operators that street hawking poses unfair competition to shop and market stall lessees who pay rent for their trading premises.

3. For many years, the Administration's policy has been to properly regulate the hawking activities of licensed hawkers and take enforcement action against illegal hawking. Since the early 1970's, the two former municipal councils had stopped issuing new hawker licences under normal circumstances. Succession and transfer of hawker licences already issued have also been subject to stringent restrictions. Subsequently, taking into consideration that "Dai Pai Tong" (formally known as Fixed-Pitch (Cooked Food or Light Refreshment) Hawkers) and itinerant hawkers were more likely to cause environmental hygiene problems, noise nuisance as well as obstruction of public passages, a five-year voluntary surrender scheme for hawker licences was introduced in 2002 to encourage "Dai Pai Tong" licensees and itinerant hawkers to surrender their licences voluntarily in exchange for a one-off ex gratia payment, rental of a vacant stall in public markets/cooked food centres under concessionary terms, or becoming a (non-cooked food) fixed pitch

hawker. The voluntary surrender scheme applicable to “Dai Pai Tongs” ended on 30 November 2007, while the scheme applicable to itinerant hawkers was extended to 31 December 2008.

4. As at 31 March this year, the total number of Fixed-Pitch Hawker Licences (including “Dai Pai Tongs”) and Itinerant Hawker Licences in Hong Kong were 6 513 and 590 respectively. Please see Annex for details.

Existing Hawker Licensing Policy

5. As mentioned in paragraph 3 above, the Administration has stopped issuing new hawker licences under normal circumstances since the early 1970’s. Succession and transfer of all types of hawker licences already issued are also subject to stringent restrictions. A hawker licence will be cancelled upon the death of the licensee. “Succession” of a licence refers to the issuance of a new licence to the immediate family member of a deceased licensee. If a licensee, on grounds of, for example, old age or ill health, makes an application for his family member to replace him as the licensee, it will be regarded as a licence “transfer”. When processing the application for transfer, the FEHD will cancel the original licence held by the licensee and issue a new one to the transferee. The succession and transfer restrictions for different types of hawker licences are as follows –

- (a) General Fixed-Pitch Hawker Licence can be succeeded by or transferred to the “immediate family member” of the licensee (i.e. parent, spouse, son or daughter).
- (b) “Dai Pai Tong” licences are also a kind of Fixed-Pitch Licences, which, according to current arrangements, may only be succeeded by or transferred to the licensee’s spouse.
- (c) Succession to and transfer of Itinerant Hawker Licence is not allowed.

Hawker Licensing Policy Review – Preliminary Ideas

6. FHB and FEHD are jointly reviewing the policy on hawker licensing,

including exploring the feasibility of re-issuing new hawker licences and relaxing the requirements for succession and transfer of hawker licences without compromising environmental hygiene. Our preliminary thoughts are as follows.

Issuing New Hawker Licences

(i) Fixed-Pitch Hawker Licence

7. Since the Administration has not issued new hawker licences for many years, some pitches in open-air hawker bazaars (such as the Tung Choi Street Hawker Permitted Places) were left vacant as a result of the departure of or licence surrender by pitch operators. We propose that provided the current number of fixed pitches is maintained, consideration may be given to issuing licences to new operators for trading in the vacant pitches or allowing licensees of adjacent pitches to use these vacant pitches as an expanded business area while paying the relevant fees. This will on one hand enhance the vibrancy of hawker bazaars, and help reduce the problem of illegal occupation of vacant pitches on the other. Given that the total number of fixed pitches will remain unchanged, the above should have no significant implications on environmental hygiene.

8. There are now merely 28 on-street “Dai Pai Tongs”. Some of them prepare hot beverages such as tea with milk and coffee, and some others serve seafood and other small stir-fry dishes. Depending on the type of cooked food they prepare, their mode of operation and their respective locations, some “Dai Pai Tongs” have indeed created environmental hygiene problems and noise nuisance, as well as obstruction of public passages. Others might have successfully blended with their surroundings, providing specialty cooked food and considered part of the local heritage that deserves preservation. In other words, we think the preservation or eradication of “Dai Pai Tongs” should not be handled rigidly. It is suggested that District Councils (DCs) may, when a “Dai Pai Tong” is closing down because of the death of the licensee or other reasons, advise the Government on whether that “Dai Pai Tong” should be allowed to continue to operate in situ, after having regard to the specific circumstances of the district and the residents’ aspirations. If the DC indicates support for the continued operation of the “Dai Pai Tong” in situ, we may then consider arranging for the succession and transfer of licences, or issue new licences to interested operators in accordance with the proposed new

arrangements set out in paragraph 12 below. This would address various concerns without increasing the number of “Dai Pai Tongs”.

(ii) Itinerant Hawker Licence

9. Itinerant Hawker Licences are classified into three main categories, namely Itinerant Hawker Licences for selling wet and dry goods, Itinerant (Mobile Van) Hawker Licences and Itinerant (Frozen Confectionery) Hawker Licences.

(a) Itinerant Hawker Licence for selling wet and dry goods

Itinerant hawkers selling wet and dry goods usually gather and operate at prime locations, inevitably impeding the pedestrian passage with their trolleys and goods and bringing about certain impact on environmental hygiene. We propose to maintain the existing policy of not issuing new Itinerant Hawker Licences for selling wet and dry goods and putting an end to the voluntary surrender scheme for itinerant hawker licences which will expire on 31 December this year, with a view to encouraging itinerant hawkers to voluntarily surrender their licences as soon as possible.

(b) “Small ice cream vendors” (formally known as Itinerant (Frozen Confectionery) Hawker Licence)

“Small ice cream vendors” usually sell frozen pre-packaged confectionery such as ice-cream, ice lollies, soft drinks and other non-alcoholic beverages at the entrance of parks, beaches and tourist spots. There are only 30 such licensed itinerant hawkers at present. Their mode of operation is different from that of other licensed itinerant hawkers. They usually operate with motorcycles or bicycles and are scattered at different locations, hence providing convenience to visitors at remote areas without causing obstruction to public passages. We are of the view that the re-issue of a designated number of “small ice cream vendors” licences should be acceptable, provided that the food safety and environmental hygiene conditions will not be jeopardized.

(c) *“Ice cream van” (formally known as Itinerant (Mobile Van) Hawker Licence)*

Currently, there are 16 licensed “ice cream vans” selling soft ice-cream from pre-prepared mixture. These mobile vans operate at different locations and rarely cause obstruction to pedestrians and vehicles. We consider that it should be acceptable to re-issue a fixed number of “ice cream van” licences, provided that the food safety and environmental hygiene conditions will not be jeopardized.

10. Re-issue of any type of hawker licences must be carried out in a fair and just manner. The detailed arrangements still need to be further studied. As regards the new licences, including those issued on account of “succession” or “transfer” of licences, consideration may be given to specifying a validity period (e.g. three or five years) and disallowing further succession or transfer. This way, the vitality of the trade could be maintained through the keeping of the right to operate mobile, and affording opportunities to those interested in entering the trade.

Succession and Transfer of Hawker Licences

11. As hawker licences should not be regarded as commodities available for free transfer or trading in the market, stringent requirements on the succession and transfer of the existing hawker licences are necessary.

12. As regards “Dai Pai Tongs”, as mentioned in paragraph 8 above, subject to the views of DCs, arrangements on the succession and transfer of licences may be relaxed to allow the succession by or the transfer of the licences to “immediate family members” apart from the spouse of the licensee.

13. The existing requirement that there should be no succession or transfer of itinerant hawker licences should be maintained.

Open-air Hawker Bazaars

14. In recent years, members of the public have proposed, from time to time, the establishment of open-air bazaars rich in local characteristics at suitable sites. We are open-minded to such proposals and stand ready to

provide, in collaboration with the relevant departments, appropriate assistance to the proponents if they have identified suitable sites with support of the local districts, and have satisfied the requirements on food safety and environmental hygiene. As to whether trading in open-air bazaars belongs to hawking activity for which a licence is required, it depends on the specific circumstances.

Role of District Councils

15. The public has divergent views regarding the operation and management of hawking activities. Some are concerned about the environmental hygiene problems arising from hawking activities while others maintain that the existing hawker bazaars should be kept or even new ones should be established. In view of the close impact that may be caused by hawker policy to districts and the fact that DCs have a better understanding of the local situation and the residents' needs, we propose to strengthen the role of DCs in terms of hawker licensing and hawker bazaar management at the district level. The relevant DCs could advise the Government after having regard to the specific circumstances of the district and the residents' aspirations. For example, DCs may have greater participation in issues such as the re-allocation of vacant fixed pitches in their districts and whether "Dai Pai Tongs" in their districts should be preserved or eradicated.

Way Forward

16. We intend to consult hawker associations and the District Councils shortly on the above preliminary ideas.

Advice Sought

17. Members are invited to comment on the above preliminary ideas.

**Food and Health Bureau
Food and Environmental Hygiene Department
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