

**For discussion
on 5 February 2013**

Legislative Council Panel on Food Safety and Environmental Hygiene

**Assistance Scheme for
Hawkers in Fixed-pitch Hawker Areas**

PURPOSE

This paper briefs Members on the details of the Government's five-year assistance scheme for licensed hawkers operating in 43 fixed-pitch hawker areas ("the Assistance Scheme").

BACKGROUND

2. Two major fires broke out at the hawker stalls at Fa Yuen Street in Mongkok in December 2010 and November 2011, with the latter causing a considerable number of casualties in the adjoining buildings. To reduce the fire risks posed by on-street hawking activities, the Food and Environmental Hygiene Department ("FEHD") has strengthened its work on the management of the 43 fixed-pitch hawker areas (**Annex A**), with particular regard to fire safety issues. These measures include requiring stall hawkers to comply with the stall area requirements during and outside business hours, and enforcement actions against stall canopies constructed of combustible materials and the overnight storage of commodities outside the approved stall areas, in order to reduce fire risks as far as possible. A Steering Committee, chaired by the Director of Food and Environmental Hygiene, has been set up to formulate and oversee the implementation of specific measures to improve management and to reduce fire risks in each hawker area. Hawker Management Consultative Committees ("HMCCs") covering all hawker areas have also been set up.

3. On 12 June 2012, the Government reported to the Panel the direction in which we proposed to improve management of the hawker areas¹. The Panel supported the proposals. The Government fully recognises the history of hawking in Hong Kong. Hawker areas are very often conveniently located and offer cheaper goods for the general public. The unique culture of street hawkers/hawker bazaars has become part of the

¹ LC Paper No. CB(2)2285/11-12(04).

everyday life of many Hong Kong residents. Some hawker areas have become tourist attractions. The Government believes that the best way to preserve the tradition related to hawking lies in maintaining the current flexible, low cost environment, so as to sustain vibrancy. This enables hawker areas to operate, thrive and develop in an organic manner. On the other hand, the Government has a duty to regulate on-street hawking activities to maintain order, to reduce environmental nuisance and to minimise fire risks to nearby residents. Our task is to strike a balance between providing enough room for hawkers to make a living while ensuring public hygiene and safety.

4. To further improve the fire resistance capability and design of hawker stalls, the Secretary for Food and Health announced on 3 September 2012 a plan to launch a five-year Assistance Scheme for hawkers operating in the 43 hawker areas.

THE ASSISTANCE SCHEME

5. To reduce fire risk posed by on-street hawking activities in the hawker areas, the Government considers it necessary to improve the fire resisting capability and design of hawker stalls, and to relocate stalls away from staircase discharge points of buildings or emergency vehicular access. The Assistance Scheme aims to provide financial assistance to hawkers in the hawker areas for stall reconstruction and relocation in order to expedite the forward movement of our work in reducing fire risks. Besides, an ex-gratia payment (“EGP”) is offered under the Assistance Scheme for voluntary surrender of hawker licences. This would help expedite the release of vacant pitches and hence facilitate the relocation of stalls which pose higher fire risks.

6. Specifically, we propose that the Assistance Scheme should last for five years and be implemented in the 43 hawker areas with the following features –

- (a) hawkers who are required by FEHD to move their stalls to new pitch spaces for fire safety reasons may apply for a one-off relocation grant;
- (b) hawkers who are not required to relocate their stalls under (a) may apply for a one-off reconstruction grant to carry out partial or full reconstruction of their stalls in-situ for reducing fire risks; and

- (c) an EGP will be paid to hawkers (except those whose licences are newly issued pursuant to the hawker licensing policy review in 2008-09) who opt for voluntary surrender of their hawker licences to the Government.

Eligibility of Applicants

7. In the hawker areas, there are currently around 4 300 fixed-pitch hawker stalls. Of these, around 2 600 are “cabinet-type” stalls, whilst the remaining 1 700 are “Hawker Permitted Place” (“HPP”) stalls. Some 550 stalls of the 4 300 stalls are located directly in front of staircase discharge points of buildings or obstructing emergency vehicular access and/or operation of aerial ladders, thus posing higher fire risks.

Relocation and In-situ Reconstruction of Stalls

8. FEHD will relocate some 550 stalls which are located directly in front of staircase discharge points of buildings or obstructing emergency vehicular access and/or operation of aerial ladders. The hawkers concerned may apply for a one-off relocation grant to dismantle their old stalls and build new ones at the newly assigned pitch spaces. For the rest of the 4 300 stalls which are not required to relocate, the hawkers concerned may apply for a one-off grant to reconstruct their stalls at the same locations, i.e. in-situ reconstruction, for reducing fire risks and improve their stall functionality.

Voluntary Surrender of Hawker Licences

9. Under the Assistance Scheme, hawkers may opt for voluntary surrender of their hawker licences to the Government and apply for an EGP. However, this option is not applicable to the 141 hawkers whose licences are issued after the hawker licensing policy review in 2008-09. As they have only recently chosen to enter the hawking trade, there is no strong case for allowing them to surrender their licences in order to apply for an EGP shortly after such licences have been issued.

10. Hawkers who have obtained a grant for in-situ reconstruction or relocation of their stalls under the Assistance Scheme will not be eligible for obtaining the EGP, if they surrender their hawker licences subsequently.

Amount of Grants and EGP

Relocation and In-situ Reconstruction of Stalls

11. For applications for in-situ reconstruction, we propose that a maximum grant of \$40,000, \$47,000 or \$54,000, depending on the size of the stall², be provided to hawkers holding “cabinet-type” stall licence to cover the cost incurred for stall reconstruction by reimbursement. All stalls which are constructed with the grant provided must meet the prescribed specifications. In consultation with the Fire Services Department and the Buildings Department, FEHD are finalising the relevant fire-resisting specifications (the latest draft is at **Annex B**). Subject to full compliance with the fire-resisting specifications, hawkers may adopt different stall designs to suit their operation needs. Also, we propose to allow applicants to opt for reconstructing one or more of the following component parts: (a) the canopy; (b) the electricity supply system and relevant fittings; and/or (c) the body of the stall. A maximum grant amount would be assigned to each component part, and each hawker may only apply for the grant for each component part once.

12. As for “cabinet-type” stalls which are required to relocate, we propose that in addition to the amount of grant set out in paragraph 11 above, a non-accountable amount of \$10,000 be given to each eligible applicant, having regard to the more substantive disruption caused to the hawkers. In other words, the maximum grant available for hawkers who relocate their stalls will be \$50,000, \$57,000 or \$64,000, depending on the size of the stall².

13. For HPP hawkers, taking into account the more flimsy/make-shift structure of their stalls, the maximum grants for in-situ reconstruction are proposed to be half of those for “cabinet-type” stalls, i.e. \$20,000, \$23,500 or \$27,000, depending on the size of the stall². For those HPP hawkers who are required to relocate their stalls, we propose to offer (on a similar footing) an additional non-accountable sum of \$10,000 on top of the maximum grants for in-situ reconstruction, i.e. making a total of \$30,000, \$33,500 or \$37,000, depending on the size of the stall².

14. The Assistance Scheme will not cover costs for works that are minor or for routine maintenance and repair of stalls (e.g. adding display/frames/racks, installing awning to existing canopy, carrying out regular inspections, maintenance and repair of the electrical fittings installed

² Currently, the approved pitch areas are divided into 3 categories, i.e. (1) Not exceeding 1.1 m²; (2) Exceeding 1.1 m² but not exceeding 1.7 m²; and (3) Exceeding 1.7 m² but not exceeding 2.2 m².

in the stall). Besides, the Assistance Scheme will not have retrospective effect. In other words, all reconstruction and relocation works that have commenced or finished by the time of application will not be eligible for assistance under the Assistance Scheme. All future maintenance costs in relation to the stalls constructed under the Assistance Scheme will similarly be borne by the hawkers themselves.

15. FEHD will give approval-in-principle to applications for grant for relocation and in-situ reconstruction of stalls with cost estimates subject to the relevant caps if FEHD considers that the proposed new stalls meet the specifications. Reimbursement of the reconstruction costs as approved in the relevant applications will be made after the applicants have provided proof of completion of works and subject to confirmation of compliance, including the provision of certifications as required in the specifications.

Voluntary Surrender of Hawker Licences

16. We propose that an EGP of \$120,000 be provided to eligible hawkers, “cabinet-type” and HPP alike, who opt for voluntary surrender of their hawker licences, in order to encourage take-up and facilitate timely vacation of space in the interest of public safety.

17. A summary of the package under the Assistance Scheme is at **Annex C**.

NEXT STEP

18. The five-year Assistance Scheme is estimated to cost a total of \$230 million. Subject to the support of this Panel, we plan to seek funding approval of the Finance Committee in March 2013. Subject to the Finance Committee’s funding approval, we plan to launch the Assistance Scheme in this summer.

19. FEHD has already kicked off local consultation on the specific resiting proposals for each hawker area. Upon finalisation of the details of the Assistance Scheme, we will arrange briefing sessions for the relevant District Councils and HMCCs. FEHD will also issue letters to all hawkers in the 43 hawker areas to inform them of the details of the Assistance Scheme and invite applications.

20. Moreover, FEHD will arrange briefings for contractors who are interested in constructing hawker stalls to facilitate their understanding of the prescribed specifications and requirements of a new stall.

ADVICE SOUGHT

21. Members are invited to note and comment on the contents of this paper.

**Food and Health Bureau
Food and Environmental Hygiene Department
January 2013**

43 Fixed-pitch Hawker Areas

District	Location of Fixed Pitches
Eastern	1. Chun Yeung Street
	2. Marble Street
	3. Kam Wa Street
	4. Tai Tak Street
	5. Mong Lung Street
Central & Western	6. Pottinger Street
	7. Graham Street
	8. Gage Street
	9. Li Yuen Street East
	10. Li Yuen Street West
	11. Peel Street
	12. Wing Kut Street
	13. Upper Lascar Row
	14. Man Wa Lane
Wan Chai	15. Gresson Street
	16. Cross Street
	17. Tai Yuen Street
	18. Jardine's Crescent
Yau Tsim	19. Reclamation Street
	20. Pak Hoi Street
	21. Saigon Street
	22. Canton Road
	23. Bowring Street
Mongkok	24. Temple Street
	25. Tung Choi Street
	26. Canton Road
	27. Fife Street
	28. Yin Chong Street
	29. Ki Lung Street
	30. Poplar Street
	31. Fa Yuen Street
32. Nelson Street	
Sham Shui Po	33. Wing Lung Street
	34. Fat Tseung Street
	35. Cheung Fat Street
	36. Fuk Wa Street
	37. Fuk Wing Street
	38. Pak Hoi Street
	39. Apliu Street
	40. Ki Lung Street
	41. Tai Nan Street
	42. Kweilin Street
Kowloon City	43. Pau Chung Street

**Specifications of Stalls Constructed under
the Assistance Scheme for Hawkers in Fixed-pitch Hawker Areas**

(DRAFT)

1. The stall structure (including fixed canopy and stall body) shall be constructed of metal, and retractable canopy shall be constructed of fire retardant materials (e.g. polyvinyl chloride (PVC) tarpaulin).
2. All metalwork of the stall structure, including the exposed and concealed structural framework, shall be rust-resistant. The exterior metal surfaces of the stall shall be painted with at least 2 coats of polyurethane paint.
3. If galvanized mild steel (“GMS”) is used as the main construction material for the stall body, its thickness shall not be less than 2 mm. If other materials are to be used, certificates or proofs shall be provided to show that the material is non-combustible, has fire resistant capability comparable to 2 mm-thick GMS, is suitable for use as the main construction material for the stall and is durable for at least 8 years.
4. If the stall is used for sale of dry goods, the stall body (including the door) shall be fully enclosed. For stall selling wet goods, the portion of the stall body that is at least 2 m above the ground can have ventilation openings covered with metal wire gauze, and the remaining parts of the stall shall be fully enclosed.
5. All materials shall be new and free from defects.
6. The stall area shall not exceed the pitch area approved on the licence.
7. Unless with the approval of the Food and Environmental Hygiene Department (“FEHD”), the height of the stall including its canopy shall not exceed 2.5 m.
8. Unless with the approval of FEHD, fixed canopy or any retractable awning when fully retracted shall not exceed any side of the pitch by 0.45 m. The canopy at the sides of the stall shall not be connected

with the canopies of neighbouring stalls, and the canopy at the rear of the stall shall not be connected to or in contact with external wall of adjoining buildings.

9. Individual electricity meter boxes shall be installed for stalls with electricity supply, and it is suggested that meter boxes be located at the back of the stalls. Electricity supply to a stall shall be provided directly by the China Light and Power Company Limited or the Hong Kong Electric Company Limited (as the case may be).
10. A hawker who applies for the grant for stall relocation or in-situ reconstruction (“applicant”) shall submit the design of the stall and the construction works quotations for endorsement by FEHD. If FEHD is satisfied that the proposed new stall meets the required specifications, FEHD would give approval-in-principle, subject to the relevant caps of individual categories.
11. Upon completion of the construction works, the applicant shall submit to FEHD certificates or proofs issued by the relevant contractors, manufacturers, suppliers or accredited laboratories to ensure that all materials used for construction of the stall conform to the required specifications. If there is electrical installation at the stall, Work Completion Certificate (WR1) certified under Regulation 20 of the Electricity (Wiring) Regulations (Cap. 406 sub. leg.) covering the entire electrical installation of the stall shall be submitted to FEHD.

**Proposed amounts of Grant/Ex-gratia Payment (“EGP”) under the
Assistance Scheme for Hawkers in Fixed-pitch Hawker Areas**

Type	Size	Maximum Grant		EGP for Voluntary Surrender of Licence
		In-situ Reconstruction	Relocation	
“Cabinet-type” Hawker Stalls	Not exceeding 1.1 m ²	\$40,000	\$50,000	\$120,000
	Exceeding 1.1 m ² but not exceeding 1.7 m ²	\$47,000	\$57,000	
	Exceeding 1.7 m ² but not exceeding 2.2 m ²	\$54,000	\$64,000	
Hawker Permitted Places Hawker Stalls	Not exceeding 1.1 m ²	\$20,000	\$30,000	\$120,000
	Exceeding 1.1 m ² but not exceeding 1.7 m ²	\$23,500	\$33,500	
	Exceeding 1.7 m ² but not exceeding 2.2 m ²	\$27,000	\$37,000	