

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 49 – FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT

Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following supernumerary directorate post in the Food and Environmental Hygiene Department for a period of five years with immediate effect upon approval of Finance Committee –

1 Administrative Officer Staff Grade C
(D2) (\$161,450 – \$176,550)

PROBLEM

Closely related to people's livelihood, many public markets could not perform their functions of serving the needs of the public very effectively due to their seriously outdated facilities and entrenched management problems. There is a genuine need to take forward a fundamental review to revitalise and modernise the hardware, operation and management of these markets to put valuable land resources to gainful use and better serve the needs of the community.

PROPOSAL

2. We propose to create a supernumerary Administrative Officer Staff Grade C (AOSGC) (D2) post in the Food and Environmental Hygiene Department (FEHD), for a period of five years with immediate effect upon the approval of the Finance Committee, to take forward a fundamental review of the facilities and management of public markets, formulate overall strategy and action plans, and oversee the implementation of the enhancement measures.

/JUSTIFICATION

JUSTIFICATION

Consultancy study and policy commitment

3. The Food and Health Bureau (FHB) has commissioned a consultant to conduct a study on ways to improve the operating environment of public markets. The Consultant's recommendations were presented to the Subcommittee on Issue Relating to Public Markets under the Panel of the last-term LegCo in June 2015. The Consultant selected six representative markets¹ for detailed study and put forward specific improvement recommendations. The Government is following up the specific improvement proposals for these markets by phases. The experience gained and the improvement recommendations taken forward will serve as a reference for pursuing improvements to other similar markets in future.

4. Moreover, the Consultant has also put forward some suggestions on how to enhance the management of public markets, including the mode of management, priority areas for strengthening enforcement, and other non-physical measures. The Consultant considered that, among other things, there is a need to tackle fundamentally the sub-optimal use of market stalls (e.g. as storage space) which in turn dampened the vibrancy of public markets. The consultant also proposed some new measures to publicize and promote public markets. An abstract of the Consultant's final report is at Enclosure 1.

Encl. 1

5. On 1 July 2015, the threshold of tenant support for the installation of air-conditioning system in public markets was lowered from 85% to 80%. FEHD has since consulted the Market Management Consultative Committees (MMCCs) of those public markets without air-conditioning². The MMCCs of 27 markets/cooked food centres/cooked food markets indicate support for conducting questionnaire surveys among tenants. So far, 11 markets and/or cooked food centres have attained the 80% threshold.

6. In the 2017 Policy Address, it was stated that 'the Government will build sizable public markets in new development areas (NDAs) and has initially identified suitable sites in the Tung Chung New Town Extension Area and Hung Shui Kiu NDA. The Government will continue to identify suitable sites in other NDAs. In addition, we will continue to enhance the hardware of a number of existing public markets, including reprovisioning, reconfiguration and upgrading of

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¹ The six markets were Lockhart Road Market, Ngau Chi Wan Market, Sheung Fung Street Market, Tsuen Wan Market, Wing Fong Street Market and Yau Ma Tei Market.

² Not including those markets where tenant support had already passed the threshold during the surveys conducted earlier, and those where the environment was not suitable for retrofitting air-conditioning systems (for example, those located in an outdoor environment).

facilities, etc. We will also take forward progressively the installation of air-conditioning in public markets which have obtained overwhelming support from tenants... We will endeavour to deliver hardware and management enhancement in parallel with a view to revitalising and modernising the operation and management of markets, so as to ensure that the enhancement measures are sustainable.'

Need for fundamental review

7. In their longer term suggestions, the Consultant laid out a general direction of enhancing the vibrancy of public markets by identifying potential challenges and pinpointing areas where there is room for review and possible improvement, both on the management side and the hardware side. Examples include the layout of the markets and configuration of stalls therein as well as the composition and operation of the current consultative mechanisms of public markets. The commitments set out in the 2017 Policy Address are ambitious and far-reaching. To take forward the consultancy suggestions and follow up the policy commitments, it would require an overall fundamental review as a credible basis for formulating concrete and effective measures in a systematic manner to improve the facilities and management of public markets and sustaining the improvements over time. As it involves many strands and stakeholders with different interests, intensive directorate input to iron out all relevant policy, planning, co-ordination, implementation, and stakeholder engagement issues is needed.

8. On the management side, we have to tackle a lot of entrenched problems with the formulation of a holistic strategy and comprehensive measures. A fundamental review of the management mode, enforcement strategies, supportive measures for tenants and mechanism for engaging relevant stakeholders is required. The over 100 public markets/cooked food markets vary greatly in terms of design, physical conditions/constraints, vibrancy, demographic mix, trade mix, tenants' sentiment, patronage, community needs, accessibility, competition from surrounding area, etc. All these factors would have to be taken into account in order to work out appropriate strategies and measures that are not only fair and consistent across the board but can also be applied to cater for the diverse circumstances of different markets. This would involve engaging stakeholders, conducting desk-top researches, exploring feasible management modes with reference to stakeholders' views and research findings, identifying policy options, striking balances between different interests, etc. The policy areas and issues involved would be diverse and complex. We should also bear in mind that notwithstanding the overarching objectives of the review in modernising and vitalizing the operation of markets, thereby benefitting the community, the changes so engendered could impact various aspects of market operation and as a corollary,

/affect

affect different stakeholders. The process would therefore be a complicated one with interests to be balanced and disputes to be settled. The setting up of a dedicated team to be headed by an officer at D2 level is required to spearhead this review and oversee the implementation of any improvement recommendations.

9. On the hardware side, most of the public markets were built before mid-1990s. The design and layout of these older market buildings were not intended to accommodate the retrofitting of air-conditioning and the operating needs of present-day markets. They often lack sufficient electrical capacity and/or the necessary space and headroom for adding plant rooms, transformer rooms and ducting facilities. A possible way to resolve the problem is to close some stalls permanently to give room for the necessary installations. However, this is usually met with strong objection by the tenants. Moreover, the retrofitting works will inevitably cause disruption to the tenants' business and the operation of the public markets. The works often involve partial or complete closure of the market for a relatively long period of time, depending on the circumstances of the specific market concerned. It would be more effective to set up a dedicated team to be headed by a directorate officer at D2 level to spearhead these projects and coordinate closely with various relevant departments and stakeholders to work out the most suitable solutions to tackle various problems encountered.

10. Furthermore, as a result of demographic changes, new development/redevelopment projects and competition from other fresh food provision outlets, the appeal of some public markets has been diminishing over time thus leading to reduced patronage and under-utilisation. Subject to the outcome of the review, it is necessary to formulate suitable strategies and implementation plans to revitalize and modernize under-utilised public markets to make better use of the land resources and better serve the needs of the community. This also requires directorate input at D2 level to ensure that any adverse impact on the tenants and the public during the process would be minimised as far as possible.

Proposed creation of one supernumerary AOSGC post in FEHD

11. Having regard to the complexity and intricacy of the review as well as the wide range of politically-charged and interest-laden issues to be addressed in the course of the review, a general grade directorate officer with rich policy and administrative exposures to different parts of the government and a wide management horizon would be best placed to steer the review. A review led by an officer capable of approaching issues from different perspectives and balancing with dexterity the views and interests of different parties could better deliver optimal results from the review. It follows that a directorate officer at the rank of AOSGC with the necessary leadership skills, administrative experience, strategic vision and political acumen is required to lead the new dedicated team to take

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forward the fundamental review of the facilities and management of public markets, formulate overall strategy and action plans, and oversee the implementation of the enhancement measures.

12. On the duration of the proposed AOSGC post, we expect that it will take at least several years to complete the formulation of strategies and implementation plans for major improvements to the facilities and management of public markets; the review of policies and adjustment mechanisms for market rentals and related charges; drawing up design standards for new public markets as well as achieving considerable progress in taking forward various major improvement works, market revitalization and consolidation and new market projects. In particular, the officer filling the proposed post will follow up and oversee the improvement works of six representative markets and take forward feasible air-conditioning projects steadfastly benefitting tenants and users alike (paragraphs 3 and 9 above). The officer will also take a fresh look at the design and layout plans of possible new markets, especially the two proposed for Tung Chung East and Hung Shui Kiu (paragraph 6 above), with a view to enhancing accessibility of patrons and hygiene conditions without compromising stall operation, patron-friendly display of goods, etc.. The officer will identify under-utilised markets with strategic priorities, formulate plans for revitalization and modernization and set in train large scale works programme for implementation (paragraph 10 above). On the management side, he/she will formulate strategies to enhance the mode of operation of public markets in such aspects as enforcement, market management consultation, promotion, etc. and kick start concrete work plans that would see to progressive results over time (paragraph 8 above). We propose, therefore, that the AOSGC post be created for five years to oversee the above work and to bring the running of the public markets back to a healthy course and sustainable track. He/she will report to the Deputy Director (Administration and Development). The proposed duty list of the post and

Encls. 2 & 3 organization chart are at Enclosures 2 and 3.

Non-directorate support

13. The proposed AOSGC post will be supported by a team of non-directorate staff, comprising those in the Administrative Officer, Executive Officer, Health Inspector, secretarial and clerical grades. The proposed organization chart of the dedicated team is at Enclosure 4.

Encl. 4

ALTERNATIVES CONSIDERED

14. We have critically examined whether the duties of the proposed directorate post could be absorbed by the existing relevant Assistant Directors (ADs). Having regard to their portfolio and current workload as well as the complexity and huge volume of work envisaged to be undertaken by the dedicated

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team, we consider it not feasible for the existing ADs to absorb any such additional work without compromising the delivery of their existing duties. The existing organization chart of FEHD and the details of the work schedule of the existing Encls. 5 & 6 relevant ADs are at Enclosures 5 and 6 respectively.

FINANCIAL IMPLICATIONS

15. The proposed creation of the supernumerary directorate post will bring about an additional notional annual salary cost at mid-point of \$2,056,200. The additional full annual average staff cost, including salaries and staff on-cost, is \$2,916,000.

16. The total additional notional annual salary cost at mid-point for the three non-directorate new civil service posts in the new dedicated team (i.e. AO, Superintendent of Environmental Hygiene and Personal Secretary I posts) is \$2,397,960 and the full annual average staff cost, including salaries and staff on-cost is \$2,968,000.

17. FEHD has included sufficient provisions in the 2017-18 draft Estimates to meet the costs of the staffing proposal and will reflect the resources required in the Estimates of subsequent years.

PUBLIC CONSULTATION

Encl. 7 18. The Panel on Food Safety and Environmental Hygiene was consulted on the proposed creation of the supernumerary AOSGC post at its meeting on 11 April 2017. Members in general supported the proposal. Two motions were passed at the meeting urging the Government to review the positioning of public markets, the management mode and framework and cater for the demand for new public markets; and to gauge stakeholders' views on how to revitalize public markets respectively. In reply to the two motions at Enclosure 7, we reiterated our commitment to improve both the hardware and software of public markets and hence their vibrancy, and would follow up Members' concerns in the context of the fundamental review as planned.

/ESTABLISHMENT

ESTABLISHMENT CHANGES

19. The establishment changes in FEHD for the last two years are as follows –

Establishment (Note)	Number of posts		
	Existing (as at 1 April 2017)	As at 1 April 2016	As at 1 April 2015
A [@]	15 [#]	15	15
B	308	297	292
C	10 856	10 877	10 876
Total	11 179	11 189	11 183

Note :

A – ranks in the directorate pay scale or equivalent

B – non-directorate ranks, the maximum pay point of which is above MPS Point 33 or equivalent

C – non-directorate ranks, the maximum pay point of which is at or below MPS Point 33 or equivalent

@ – excluding supernumerary posts created under delegated authority

– as at 1 April 2017, there were no unfilled directorate posts in FEHD

CIVIL SERVICE BUREAU COMMENTS

20. The Civil Service Bureau supports the proposed creation of the supernumerary AOSGC post. The grading and ranking of the posts are considered appropriate having regard to the level and scope of responsibilities.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

21. As the directorate post is proposed on a supernumerary basis, its creation, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Consultancy Study on Ways to Improve the Operating Environment of Public Markets

Abstract of the Final Report

Preface

1. The main objectives of this consultancy study, commissioned by the Food and Health Bureau, are to:
 - (a) tender views on the present-day functions and positioning of public markets; and
 - (b) develop proposals for improving the operating environment of public markets¹, for the purpose of enhancing their functionality and competitiveness.

Positioning and functions of Public Markets

2. Public markets are expected to continue to serve as one of the major sources of fresh food provisions and goods for the general public in the years to come. For members of the public who patronise public markets, this important function is unquestionable.
3. It is a common aspiration of both the customers and tenants that public markets should provide clean and hygienic environment to facilitate pleasant shopping experience albeit they are not expecting public markets to be upgraded to unduly upmarket shopping venues. Whilst the Government, as the manager of public markets, is responsible for providing facilities and services meeting the aspired standards, one should recognise that the Government is also expected to ensure that the public resources involved in enabling the provision of public markets (including land resources) represent an efficient use. Many public markets are located in prime locations with good accessibility. Allowing market stalls to remain in an under-utilised state would contradict the above-mentioned principle.
4. Public markets, in particular those that are situated in well sought-after locations, should generate at least a reasonable degree of patronage in order to justify their use of scarce and valuable land resources.
5. It is widely accepted that public markets are providing job opportunities for the grassroots. However, no means tests or assessments have been conducted to judge the eligibility of bidders before letting out market stalls. As such, it is not appropriate to treat them as social welfare for their tenants.
6. Tenants of public markets are free to determine the prices of their goods sold. There have been views that public markets are a cheap source of fresh food that helps maintain the stability of food prices. To the extent that consumers also stand to benefit, the proponents of such views go on to cite this as an argument for subsidising public market operations. However, as the Government does not control the prices, public markets do not necessarily sell goods at a lower price.

¹ *Through the study, we have been tasked first to present an overall profile of the public market sector in Hong Kong and the challenges it faces, including aging facilities, changes in customer expectations and habits, as well as competition from other retail outlets, ... etc. Having done that, we are required by the consultancy brief to develop (a) major improvement plans for six selected public markets; and (b) routine and easy to administer minor improvements as well as measures to preserve market stalls selling traditional commodities. The improvement plans and measures thus developed would provide reference for future improvements to other public markets.*

7. A level playing field in renting public market facilities as a use of public resources may help drive continued improvements in services that would enhance customer satisfaction, to the benefit of all stakeholders who have an interest in keeping public markets vibrant. The low rental for many of the stalls may be one of the factors contributing to the inherent problems of the markets. To better manage the markets, the Government should duly address this issue.

Public Market Improvements

8. Some public markets possess unique advantages and create special shopping experience for customers. Improvement in facilities and the shopping environment could deliver significant benefits.
9. At the time when most of the existing public markets were built, the top priority then was to re-site as many on-street hawkers as the markets could take in. This had shaped the design and layout of the public markets as how they appear today.
10. The facilities of many public markets are facing the aging issue in the course of time. However, with some entrenched behaviour and practice of tenants, e.g. unauthorised extension of business areas, choking of floor drains on passageways etc., the Government has encountered difficulties in maintaining the hardware in a decent state.
11. A set of high level criteria have been identified to shortlist 15 public markets for further investigation: for example, the selected markets should be (i) of a significant size, (ii) with lower customer flows, (iii) having potential patrons in the catchment area, and (iv) of more urgency in needing improvement.
12. A survey on the 15 markets has been conducted on the level of importance attached to various key factors, including convenience, stall situation, commodities sold, facilities, daily management, promotion and overall situation. Stakeholders' satisfaction for these factors has also been evaluated for the selected public markets.
13. These have subsequently helped identify six markets² (which are of different sizes and located in both urban and suburb areas for demonstrative purpose) and develop specific improvement plan for each of them. The six markets selected are:
- Tsuen Wan Market (荃灣街市);
 - Yau Ma Tei Market (油麻地街市);
 - Ngau Chi Wan Market (牛池灣街市);
 - Sheung Fung Street Market (雙鳳街街市);
 - Lockhart Road Market (駱克道街市); and
 - Wing Fong Street Market (榮芳街街市).

The New Design

14. For each of the six selected markets, we have drafted one or two improvement plan(s)³ depending on their actual physical conditions. The proposed new designs improve the physical operating environment, which intend to help enhance the functionality and efficiency of operations for tenants as well as to offer comfortable shopping experience for patrons. The essence of individual improvement plans may be summarised as follows:

² The methodology used for selecting these six markets is set out in detail in the final report.

³ For cases where two options have been developed, the proposed design option (1) does not involve reduction in the number of occupied stalls. The proposed design option (2), by contrast, would entail altering the number and changing the position of existing stalls (e.g. from ground floor to first floor, or from the middle of an aisle to the end of it ... etc.). New shopping experience will be created through these new designs.

To implement the improvement measures, especially those under the proposed design option (2), some foreseeable challenges exist. We will return to this in paragraphs 23 to 27 below.

- Tsuen Wan Market : Re-zoning of stalls
 - Yau Ma Tei Market : Revitalising the under-used space
 - Ngau Chi Wan Market : Reconnecting it with the neighbourhood
 - Sheung Fung Street Market : Refining the market identity
 - Lockhart Road Market : Reprogramming the trade mix
 - Wing Fong Street Market : Reconfiguring the layout
15. Tsuen Wan Market is to be re-zoned such that dry goods stalls will be located on the first floor and the fish stalls will be near the loading / unloading area on the ground floor. Street facing stalls will be created at the entrance facing Chung On Street to become more inviting.
 16. The new design for Yau Ma Tei Market seeks to revitalise the under-utilised space, including the central void. The unique façade is suggested to be preserved.
 17. For Ngau Chi Wan Market, the improvement plan targets to re-connect the market with the vibrant shopping environment nearby. The entrance facing Kam Chi Path, one of the key entrances used by the patrons, is enlarged and street facing stalls are created to attract patronage. The concrete wall facing Lung Cheung Street will be replaced with a glass wall to further enhance visibility.
 18. Sheung Fung Street Market is in a fair condition where relatively slight refinement is required. The height of the walls near the centre of the market is lowered to enhance visibility. The market façade will be modified to be more inviting in order to catch the attention of pedestrians.
 19. Located in a commercial district, the focus of Lockhart Road Market is to modify its trade mix to allow more flexibility. The area in between the escalator and the entrance facing Hennessey Road should be utilised as a flea market zone / pop-up retail area so that tenants can rent and sell their goods on promotion. It is also suggested that flexibility should be allowed in diversifying the trade mix of Lockhart Road Market to include light refreshment and food ready for instant consumption.
 20. Wing Fong Street Market is re-organised in such a way that the existing loading bay and refuse room will switch their location with one of the entrances so as to capture the patronage from the prime shopping area outside the market.
 21. In addition to proposing individual themes for different markets, the consultant has also recommended some general physical improvement items such as lower partition walls, creating storage area for stalls, reconfiguration of floor drain etc. Air conditioning is recommended in some of the markets, e.g. Tsuen Wan Market, Ngau Chi Wan Market and Wing Fong Street Market.
 22. The improvement proposals would provide reference for future improvement of other public markets.

Potential Challenges

23. Some of the proposed improved designs entail (a) reduction in the number of stalls and/or (b) changes to the physical position/alignment of existing stalls. In the options with reduced number of stalls, while all tenants can potentially rent at least one stall, the thorny issue will be to determine which tenant(s) should give up any of their stalls if they have more than one at present. The challenges inherent in bringing about such changes should not be under-estimated. Where changes to the position / alignment of stalls are involved, the thorny issue is for the redesigned stalls to be reallocated to the tenants, in addition to the question of whether the relocation should entail a consequential change in rent.
24. To implement fundamental changes to the existing layout, temporary closure of the market is likely to become inevitable. Possible demands from tenants include minimising the impact of the improvement works on their business which would require prudent and delicate handling.

25. Taking full advantage of the proposed new features (such as lower stall walls, additional storage space away from their own stalls, reconfigured floor drains, etc.) can lead to a gradual change in tenants' behaviour for maintaining a better operating environment. Tenants' cooperation in adopting new behaviour and practices is also important, bearing in mind that keeping the common areas of public markets clean and tidy is also beneficial to tenants.
26. Implementation of the improvement measures will entail substantial costs on the part of the Government and may also mean additional operating costs for tenants. In some of the selected markets, the installation of air-conditioning system is recommended. It is suggested that the tenants will have to bear the air-conditioning charges⁴ on a cost-recovery basis.
27. Other constraints may come to light during the detailed design stage, such as the need for additional space to house enhanced electricity equipment; air-conditioning plants; or reconfigured floor drains linking to public sewers etc. There may also be a lack of space to accommodate barrier free access facilities built inside or outside the public markets to up-to-date standards.

Non-physical Improvement Measures

28. It may take time for the physical improvement plans to be fully implemented, as it requires further discussion with affected tenants. Meanwhile, a number of non-physical measures have been identified. These measures are related to the management, hygiene, marketing and promotion of public markets. They are prioritised as follows:

Priority	Measures
Core	Strengthening of Routine Management and Enforcement Work
Quick Win	Enabling Octopus Payment Diversifying / Allowing Flexibility in the Trade Mix Provision of ATM Services Short Term Lease of Promotional Areas Creating a Dedicated Market Website / App Creating a New Icon or Mascot Representing Public Markets
Potential	Organising Skills Upgrade Programme for Tenants Launching Market Membership Scheme Organising Voluntary Price Discount Programmes Creating Notice Boards Dedicated to Promotion and Discount Information Organising Seasonal / Festive Promotion Installation of MTR Saver
Optional	Provision of Washbasins for Hand Washing Publishing a Public Market Photo-book Organising an Exhibition of Public Market Installation of TV Screens Recognising Famous Stalls and Public Markets Promoting Recycling of Food Waste

29. Some of the non-physical improvement measures will incur additional costs and require additional resources for management on the part of the Government. The Government will need to review carefully if existing resources are sufficient to implement the proposed measures. Wherever appropriate, deployment of additional human resources should be considered.
30. Whilst some of the non-physical measures outlined in paragraph 28 above may be implemented separately, greater synergy could be created if these non-physical measures would be combined with changes to physical design/layout as well as enhanced management.

⁴ Air-conditioning charges include electricity charges and general maintenance costs.

Need for Changes beyond Hardware Improvements

31. Mere improvements to the physical design and layout of public markets would not bring about lasting changes.
32. There is a need for the Government to help foster a “sense of ownership amongst tenants” by creating an “opportunity for tenants’ participation” in the decision-making process of the public markets’ daily management.

Mindset Change

33. As the landlord of the markets, the Food and Environmental Hygiene Department (FEHD) de jure possesses the power to take enforcement actions, terminate tenancies and adjust rentals. However, the powers that FEHD has been exercising are de facto limited. Not all the tenants take ownership of the responsibility to keep the operating environment of public markets decent, clean and tidy. For example, FEHD encountered some difficult cases in which individual tenants consistently ignored the tenancy conditions and extended their business areas without proper authorisation.
34. In taking forward improvement measures such as routine maintenance and consolidation of stalls, FEHD more often than not meets with resistance from tenants with the excuse of disruption to business or potential loss of clientele. In some cases, individual tenants simply refused to allow repair and maintenance works to take place during the operating hours of public markets.
35. FEHD, being a government department, is often expected to be more than a landlord. Frontline staff are for instance expected to show sympathy for tenants (who are perceived to be largely from the grassroots) apart from being fair and open. FEHD’s experience has also shown that enforcement actions were subject to appeals and legal challenges, resulting in formidable workload.
36. Past attempts to adjust rent have not been successful and the rents of public market stalls have been frozen for more than a decade. The disproportionately low rent for some stalls may be one of the factors contributing to the inherent problems of the markets. Some under-utilised stalls are being operated more like a store house.
37. FEHD should take effective enforcement actions stringently. The public should understand the importance of stringent enforcement actions on the part of FEHD as a means to help ensure that public markets are managed in a sustainable manner. In this regard, the provision of clearer conditions in the tenancy agreements for tackling inactive stalls is necessary and should be implemented.
38. In view of the historical background of public markets, it is fully recognised that the above preferred changes to FEHD’s management role may be difficult to achieve. Some fundamental mind-set changes are needed.

Management Model

39. For many years, the focus of daily management in public markets lies with maintaining hygiene and basic order for operation, rather than attracting patrons or boosting commercial utilisation. In terms of manpower and expertise, the existing management teams of public markets are less than well placed to serve the function of enhancing the competitiveness of public markets and sustaining further development.
40. We suggest that the Government should look into the feasibility of introducing a new management model for public markets. We have identified a few models for consideration. They include empowering the Market Management Consultative Committee; exploring the use of a Community Management Corporation; or subletting to a single operator.

Preservation of Stalls Selling Traditional Commodities

41. Traditionally, public markets serve as venues for a number of individuals to craft their own traditional trades. The collective heritage value of these individual stalls may be significant albeit intangible and hard to quantify. The role of public markets in preserving stalls selling traditional commodities should be recognised and maintained.
42. To maintain and enhance the role in the preservation of traditional stalls, the Government may consider conducting more promotion and creating and encouraging tradesman stalls in the market. For example, reopening the third floor at Sai Ying Pun Market for selling traditional commodities can be considered as a pilot scheme. Apart from the specified list of tradesman activities, the Government may consider relaxing such list of trades on a case by case basis. To cultivate traditional trades and help preserve the collective heritage value, the Government should give thoughts to the means of achieving this goal in a sustainable manner.

Support from Tenants and the Community

43. Keeping the common areas of public markets clean, tidy and in good order is beneficial to tenants - in fact, tenants are the direct beneficiaries. The successful implementation of physical, non-physical and managerial changes requires the concerted contributions of all stakeholders, including the tenants. The benefits brought about by having improved public markets should be communicated to the community through engaging more promotional and public relations activities.

**Job Description for the Post of
Assistant Director (Market Special Duties)**

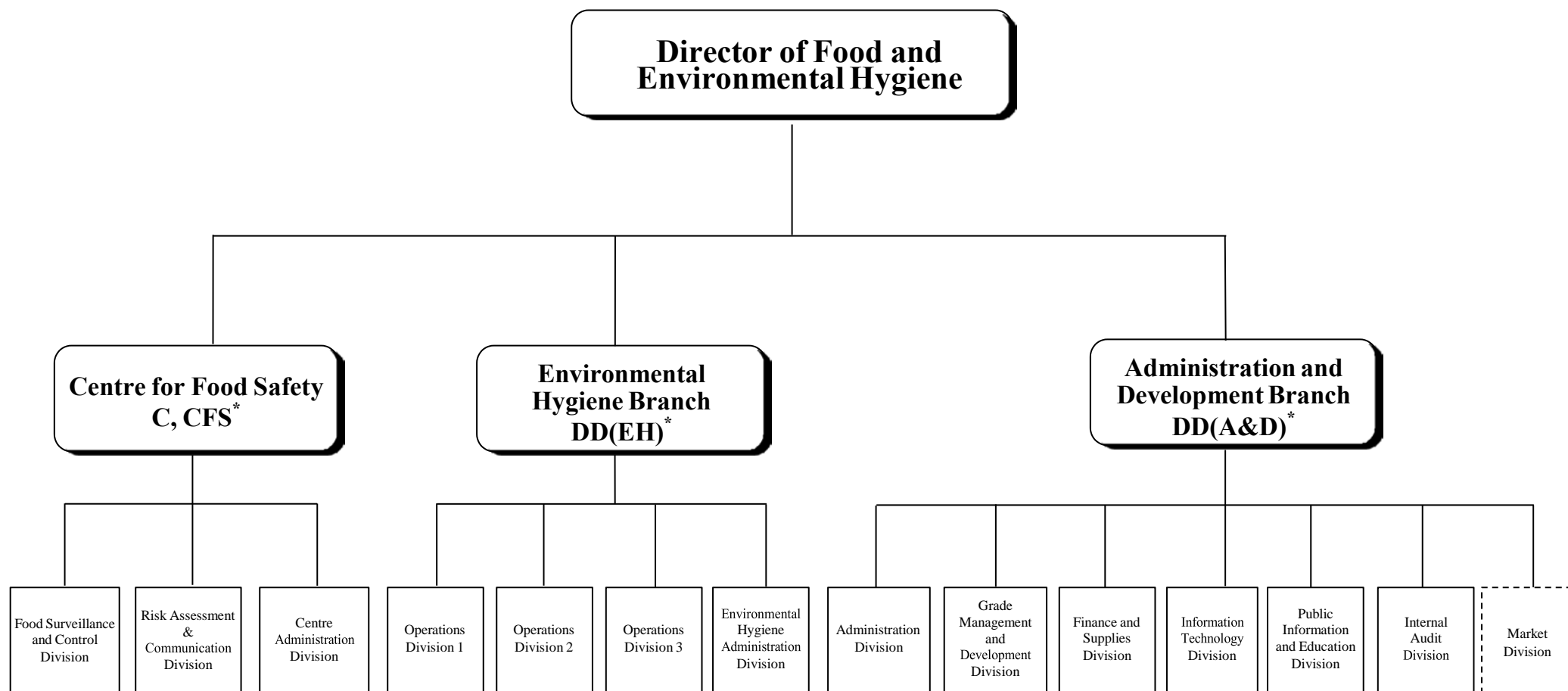
Rank : Administrative Officer Staff Grade C (D2)

Responsible to : Deputy Director (Administration and Development)

Main Duties and Responsibilities –

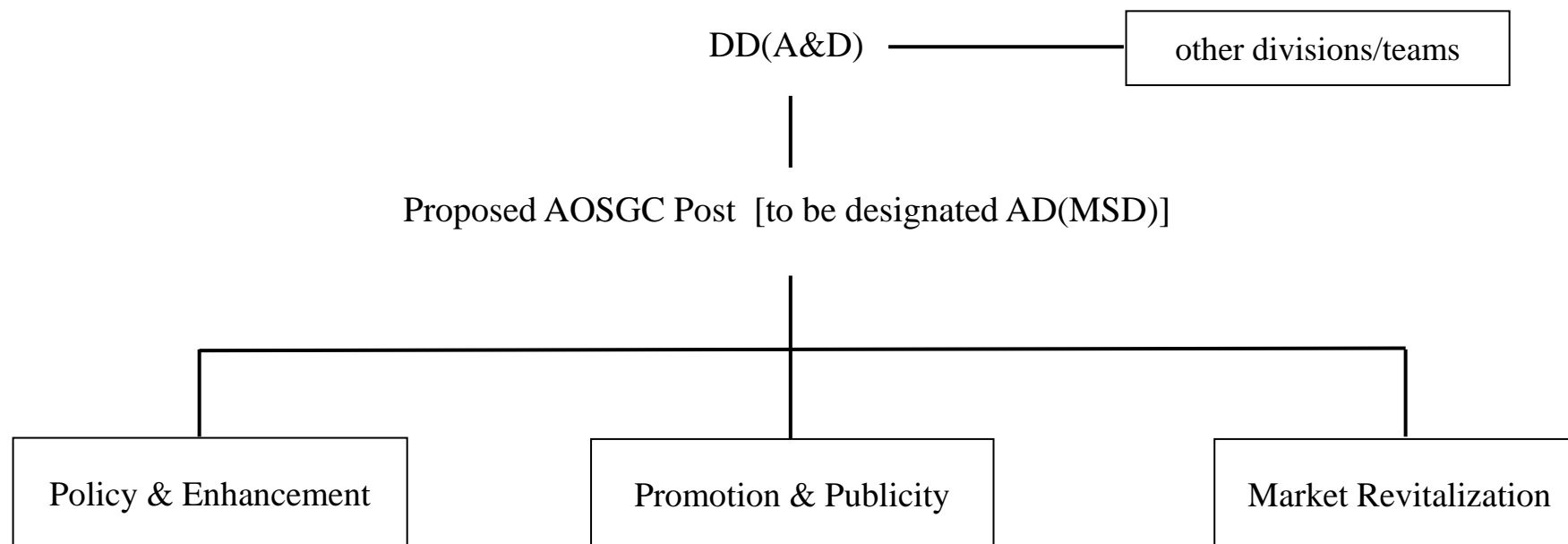
- (i) taking forward a fundamental review of the facilities and management of public markets;
- (ii) putting in place a mechanism for more effective and efficient implementation of major improvement works projects for existing markets, cooked food centres and cooked food markets and overseeing the implementation of such major improvement works projects;
- (iii) formulating overall strategies, identifying markets for priority actions and working out implementation plans for revitalisation and consolidation of under-utilized markets;
- (iv) taking forward air-conditioning projects and related issues with a view to improving the operating environment of the Food and Environmental Hygiene Department (FEHD) markets, ensuring the sustainability of the improvements and tackling any ancillary issues;
- (v) reviewing and enhancing the mode of operation and management of public markets, including reviewing the market management consultation mechanism; and enhancing the engagement with relevant stakeholders;
- (vi) conducting a comprehensive review of the adjustment mechanisms for rents and rates, taking into account the role of FEHD markets;
- (vii) reviewing and formulating enhanced enforcement strategies and related matters;
- (viii) formulating enhanced strategies and implementation plans for strengthening marketing and promotion of public markets; and
- (ix) reviewing and enhancing the design standards for stalls for selling different types of fresh food products and ancillary facilities in new public markets to better serve the needs of the public and to achieve business viability; assessing the merits of any proposals for new markets; and overseeing the implementation of new public market projects.

PROPOSED ORGANISATION CHART OF FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT



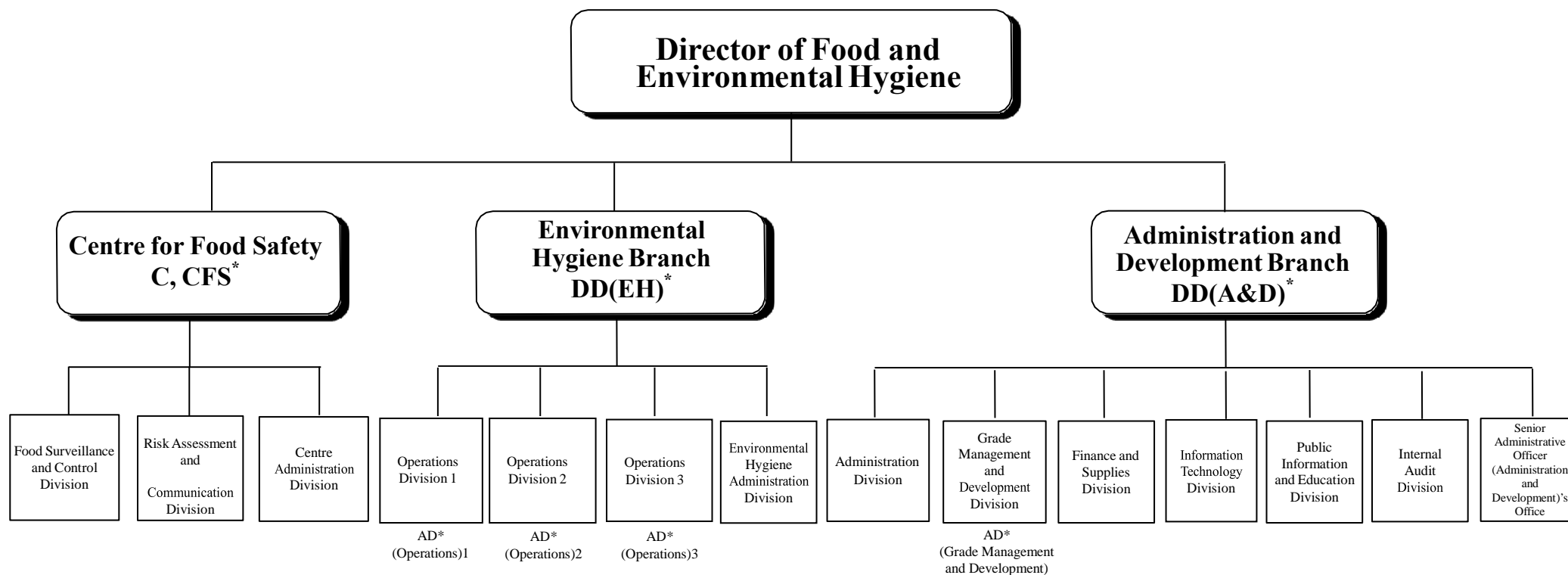
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 C, CFS - Controller, Centre for Food Safety
 DD(A&D) - Deputy Director (Administration and Development)
 DD(EH) - Deputy Director (Environmental Hygiene)
 - Proposed new division

**Proposed Organizational Chart of the New ‘Market Division’,
Food and Environmental Hygiene Department**



Note : AD(MSD) - Assistant Director (Market Special Duties)
DD(A&D) - Deputy Director (Administration and Development)

ORGANISATION CHART OF FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT



- * AD - Assistant Director
- C, CFS - Controller, Centre for Food Safety
- DD(A&D) - Deputy Director (Administration and Development)
- DD(EH) - Deputy Director (Environmental Hygiene)

**Major Duties and Responsibilities of
The Existing Relevant Assistant Directors of the Food and Environmental
Hygiene Department**

Assistant Director (Operations)1

- Overall command of district environmental hygiene operations and facilities in the Central/Western, Eastern, Islands, Southern and Wan Chai Districts, including market management, refuse collection, street cleansing, public toilets,hawker control, inspection of licensed premises and law enforcement
- Management of centralized functions for the five districts including the Prosecution and Licensing Office, Duty Room and Hawker Control Task Force
- Regular review and planning of the provision of environmental hygiene services and facilities for the five districts
- Formulation, promulgation and review of procedures, standards and strategies on licensing, prosecution, environmental hygiene and licensing enforcement matters
- Overseeing the provision of support services to Liquor Licensing Board on liquor licensing matters
- Processing of applications for review to the Licensing Appeals Board (LIAB) and the Municipal Services Appeals Board (MSAB) as appropriate in respect of licensing matters of food and non-food premises

Assistant Director (Operations)2

- Overall command of district environmental hygiene operations and facilities in the Kowloon City, Kwun Tong, Mong Kok, Sham Shui Po, Wong Tai Sin and Yau Tsim Districts, including market management, refuse collection, street cleansing, public toilets, hawker control, inspection of licensed premises and law enforcement
- Management of centralized functions for the six districts including the Prosecution and Licensing Office, Duty Room and Hawker Control Task Force

/Regular

- Regular review and planning of the provision of environmental hygiene services and facilities for the six districts
- Formulation, promulgation and review of procedures, standards and strategies on hawker and market management
- Processing of applications for review to LIAB and MSAB as appropriate in respect of hawker and market matters

Assistant Director (Operations)³

- Overall command of district environmental hygiene operations and facilities in the Kwai Tsing, North, Sai Kung, Sha Tin, Tai Po, Tsuen Wan, Tuen Mun and Yuen Long Districts, including market management, refuse collection, street cleansing, public toilets, hawker control, inspection of licensed premises and law enforcement
- Management of centralized functions for the eight districts including Prosecution and Licensing Office, Duty Room, Mechanized Cleansing Services Unit and Hawker Control Task Force
- Regular review and planning of the provision of environmental hygiene services and facilities for the eight districts
- Formulation, promulgation and review of procedures, standards and strategies on public cleansing, waste collection (including planning and supporting work to tie in with the implementation of the Municipal Solid Waste Charging Scheme) and pest control services
- Management and operation of the Intelligence Unit
- Branch Safety Officer and contribution in bringing about improvement to health and safety at work of staff
- Formulation and review of procedures and standards on slaughtering activities and overseeing of slaughterhouses operations including meat inspection services
- Coordination of influenza/coronavirus disease related matters including coordination of cross division operations

/Assistant

Assistant Director (Grade Management and Development)

- Development of a comprehensive Human Resources Management strategy for Environmental Hygiene grades (e.g. Health Inspector, Hawker Control Officer and Foreman etc.)
- Grade management and development for Environmental Hygiene grades
- Outsourcing
- Training programmes for Environmental Hygiene grades
- Management services/Value for money studies
- Surveys and statistics
- Quality Assurance
- Formulation and review of procedures and standards on cemeteries, columbaria and crematoria services and management of public cemeteries, columbaria and crematoria
- Matters relating to the formulation and implementation of the new legal regime for regulating private columbaria



中華人民共和國香港特別行政區政府總部食物及衛生局

Food and Health Bureau, Government Secretariat
The Government of the Hong Kong Special Administrative Region
The People's Republic of China

25 April 2017

Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
(Attn: Ms Josephine So)
(Fax No.: 2509 9055)

Dear Miss So,

Panel on Food Safety and Environmental Hygiene

Motions passed at the meeting on 11 April 2017

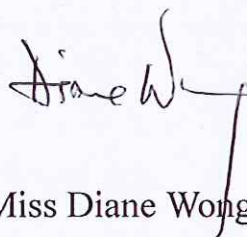
Thank you for your letter of 13 April 2017. I write to provide the Government's response to the motions passed at the captioned meeting.

The Government is committed to improving both the hardware and software of public markets, and hence their vibrancy. As explained in Panel paper no. CB(2)1141/16-17(05) and discussed at the Panel meeting on 11 April 2017, the proposed supernumerary directorate post in question will be responsible for taking forward a fundamental review of the facilities and management of public markets. The officer filling the post will indeed be tasked with a number of duties, which aim to better ensure effective use of valuable land resources. These duties include formulating overall strategies and identifying markets for priority actions; working out implementation plans for revitalisation and consolidation of under-utilized markets; reviewing and enhancing the mode of operation and management of public markets; and assessing the merits of any proposals for new markets.

Having regard to the wide range of issues and interests involved, the officer will coordinate closely with all government departments concerned, and come up with an effective stakeholders engagement plan to ensure that all relevant considerations, including stakeholders' views, are taken into account.

At the Panel meeting, Members were generally supportive of our proposal to create the supernumerary directorate post for five years. We would follow up Members' concerns in the context of the fundamental review as planned, and look forward to Members' continued support for the proposal in the Establishment Sub-committee and the Finance Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Diane Wong", with a long vertical line extending downwards from the end of the signature.

(Miss Diane Wong)

for Secretary for Food and Health

c.c. Director of Food and Environmental Hygiene