



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

11 June 2018

Clerk to Subcommittee on  
Issues Relating to Public Markets  
Legislative Council  
Legislative Council Complex  
1 Legislative Council Road,  
Central, Hong Kong

Dear Miss Leung,

**Panel on Food Safety and Environmental Hygiene  
Subcommittee on Issues Relating to Public Markets**

**Motions passed under Agenda item I  
“Market Modernization Programme”  
at the meeting on 10 April 2018**

Thanks you for your letter of 12 April 2018. I write to provide the Government's response to the above motions.

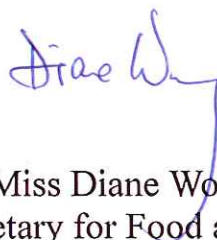
In her Policy Address delivered in October 2017, the Chief Executive pledged that the Government would make available resources for building new public markets to offer wider choices of fresh provisions to the public in Tung Chung, Tin Shui Wai and Hung Shui Kiu. The Government will also study the need and feasibility of providing new public markets in districts where relevant facilities are alleged to be insufficient, having regard to factors including the population and demographic mix of the area; community needs; the availability of market facilities and the number of fresh provision retail outlets in the vicinity. To maximise the land resources that may be earmarked for the development of new public markets and to better meet the needs of the local community, the Government will consider ways to facilitate implementation of a “single site, multiple use” model in multi-storey development on government land in order to consolidate and provide more Government, Institution or Community facilities.

In his Budget Speech delivered in February 2018, the Financial Secretary announced that \$2 billion would be earmarked for implementing a Market Modernisation Programme (MMP) over the next 10 years to expedite hardware improvement works for **existing** public markets. The Government would not rule out further funding support for the MMP if a clear momentum has been generated to bring more existing public markets into such a mainstream modernisation programme in a cost-effective manner to benefit the community. Funding for the development of new public markets would be provided separately, i.e. outside the MMP.

Regarding the request for the Government to bear the air-conditioning (A/C) charges attributable to the common areas, it is worth noting that the high capital costs of retrofitting A/C systems are already borne entirely by the Government. Unlike landlords in private commercial venues, who seek to recover the capital costs of retrofitting A/C systems through rental adjustments, the Government does not recover such capital costs. Bearing in mind the fact that tenants in public markets are in fact engaging in commercial operations, further Government subsidy in the form of A/C charges may give rise to unfair competition between stalls in public markets and similar retail operators in private commercial retail premises, especially those in areas nearby. The proposal to exclude public areas of markets from the amount of A/C charges payable by tenants would be inconsistent with the existing practice in Government rental properties. Since public areas are integral parts of the market trading environment and are used by the patrons of the stalls, it would only be reasonable for tenants to pay for the relevant A/C charges.

A dedicated team has been set up in the Department to conduct a comprehensive review of public markets and formulate concrete and effective measures to improve their facilities, management and operating environment. It will plan for the building of new public markets and take forward the MMP for existing ones in earnest.

Yours sincerely,



(Miss Diane Wong)  
for Secretary for Food and Health

c.c. Director of Food and Environmental Hygiene