



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

[Translation]

7 January 2019

Clerk to Subcommittee on
Issues Relating to Public Markets
Legislative Council Complex
1 Legislative Council Road,
Central, Hong Kong
(Attn: Ms Alice LEUNG)

Dear Ms LEUNG,

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

Follow-up to the meeting on 12 June 2018

Thank you for your letter of 20 June 2018. I write to provide our response to the request for information raised by members at the above meeting.

(a) Factors considered by the Food and Environmental Hygiene Department (FEHD) when deciding on the closure of Tsuen King Circuit Market

When considering whether under-utilised markets are to be closed, FEHD will take into account a host of factors, including vacancy rate, prospect for improvement, availability of alternative sources of fresh provision outlets in the vicinity, the cost-effectiveness likely to be brought about by the upgrading works, and

the views of relevant District Councils, etc. FEHD will consult the relevant District Councils and the affected tenants when formulating plans for closure of markets.

In the case of Tsuen King Circuit Market, due to its consistently low let-out rate, FEHD had, from February 2009 to January 2010, tried to arrange the vacant stalls for open auction at lower upset prices (around 100 stalls on average per month). Yet, only 29 stalls were successfully leased out, of which 23 stall tenants subsequently applied for early tenancy termination. In 2010, FEHD and tenants reached a consensus on carrying out consolidation works of the two floors of the market into one floor. However, prior to the commencement of the works, some stall operators suddenly requested FEHD to provide additional stall facilities outside the scope of the standard ones. The Market Management Consultative Committee of Tsuen King Circuit Market therefore decided to shelve the related works in 2011. We considered that freezing the vacant stalls with a view to considering their future possible uses was in line with the public interest.

In view of the above and after taking into thorough consideration of all the relevant factors, we consulted the Tsuen Wan District Council on the proposal to close Tsuen King Circuit Market in March 2017 and obtained their support. Tsuen King Circuit Market was closed in March 2018 and will be vacated for other community uses.

(b) The number of cases involving warning letters issued or tenancy termination due to unauthorised change of use of stalls by tenants in public markets in the past five years

The required information is set out in **Annex**.

(c) The progress of improvement works for Ngau Chi Wan Market, Tsuen Wan Market, Yau Ma Tei Market and Wing Fong Street Market

FEHD has been following up on the recommendations to improve the operating environment of public markets as put forward by the consultant commissioned by the Food and Health Bureau. We have commenced the improvement works in Sheung Fung Street Market and Lockhart Road Market for completion in 2018 and 2020 respectively. We are also seeking funding approval to take forward the improvement works within the scope agreed by the Market

Management Consultative Committee in two other markets (Yau Ma Tei Market and Wing Fong Street Market). The appropriate improvement measures for the remaining two markets (Ngau Chi Wan Market and Tsuen Wan Market) under the current Market Modernisation Programme (MMP) are under consideration.

(d) *The average lead time for completing the following works in public markets in the past ten years: (i) fundamental overhaul; (ii) retrofitting air-conditioning systems (A/C); and (iii) other upgrading works*

Each individual works item is unique and the lead time for its completion is subject to the scope of works, the details of works and other factors. These depend on the circumstance of each market, including its original design, current condition, site constraints and surrounding environment. Some examples are set out below for illustration -

- *Fundamental overhaul:* Projects of this nature have never been done before. According to the MMP, we plan to conduct a fundamental overhaul in Aberdeen Market, which has been in operation for almost 40 years. Apart from retrofitting A/C, we will carry out other major improvement works in order to enhance the overall hardware standard of the market. If certain conditions¹ can be fulfilled, our overhaul works can be completed on the basis of full closure of the market for 14 months.
- *Retrofitting A/C systems:* We are taking forward the A/C retrofitting works in Tai Wai Market, which was approved by the Finance Committee of Legislative Council in June this year. The whole project will take about 17 months and will be carried out in three phases, during which full closure of Tai Wai Market for 7 months will be required.
- *Minor upgrading works:* We refurbished the external walls and toilets of Tsuen Wan Market. The whole project took around 13 months, during which there was no market closure.

¹ These conditions include allowing extension of working hours during night time and holiday; support from local residents, especially those affected by the works; contractor's undertaking to complete the works within the time frame as specified in the tender requirements; and the Legislative Council's scrutiny on the funding proposal (more funds may be required due to a shorter lead time for completing the works).

(e) *Has/ Will the Government planned/ plan to conduct any strategic analysis of existing public markets (e.g. a Strengths-Weaknesses-Opportunities-Threats analysis) in contemplating the type of improvement projects that best suits individual public markets*

When taking forward the MMP, we will review the overall landscape of the 99 existing public markets in a critical and systematic manner. In identifying candidates for projects under the MMP, the prime objective is to maximise the impact of hardware improvement. Public markets would be selected with regard to their geographical location and distribution, condition of facilities, business viability, community needs and tenants' readiness. In particular, we would seek to ensure that the location of markets to be covered under the MMP is conducive to their future business viability, and that there is a reasonable spread of such markets across the territory to benefit the community at large.

In this regard, we place utmost importance on the pioneering overhaul project currently underway as it can set a prototype for a feasible overall improvement plan. Since July this year, we have been engaging with the tenants of the Aberdeen Market for introducing the fundamental overhaul plan, in a bid to ascertain the scope of works and its arrangements as soon as possible.

Yours sincerely,

[signed]

(Miss Irene CHEUNG)

for Secretary for Food and Health

c.c. Director of Food and Environmental Hygiene

**Enforcement figures of unauthorised change of use of stalls
in public markets**

Year	2014	2015	2016	2017	2018 (as at 30.9.2018)
No. of warning letters issued	113	227	210	237	303
No. of tenancy termination notices issued	2 (0)	12 (2)	5 (0)	9 (1)	12 (0)

Note: The numbers in brackets represent the number of cases ruled in favour of the tenants upon review by the Municipal Services Appeal Board.

FEHD does not have the breakdown of information by individual markets.