

**立法會**  
**Legislative Council**

LC Paper No. CB(2)1208/18-19  
(These minutes have been seen  
by the Administration)

Ref : CB2/PS/3/16

**Panel on Food Safety and Environmental Hygiene**

**Subcommittee on Issues Relating to Public Markets**

**Minutes of meeting**

**held on Monday, 21 January 2019, at 10:45 am  
in Conference Room 2 of the Legislative Council Complex**

**Members present** : Hon Wilson OR Chong-shing, MH (Chairman)  
Hon HO Kai-ming (Deputy Chairman)  
Hon Claudia MO  
Hon CHAN Han-pan, BBS, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung, JP  
Dr Hon Elizabeth QUAT, BBS, JP  
Dr Hon CHIANG Lai-wan, SBS, JP  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Hon SHIU Ka-fai  
Hon SHIU Ka-chun  
Hon LAU Kwok-fan, MH  
Hon Jeremy TAM Man-ho  
Hon AU Nok-hin

**Members absent** : Hon Steven HO Chun-yin, BBS  
Hon YUNG Hoi-yan

**Public Officers attending** : Items I to III  
Dr CHUI Tak-yi, JP  
Under Secretary for Food & Health

Mr Gilford LAW Sun-on  
Principal Assistant Secretary for Food and Health  
(Food) 2

Ms Karyn CHAN Ching-yuen  
Deputy Director (Administration & Development)  
Food and Environmental Hygiene Department

Mr Damian CHAN Kwok-wai  
Assistant Director (Market Special Duties)  
Food and Environmental Hygiene Department

**Clerk in attendance** : Ms Alice LEUNG  
Chief Council Secretary (2) 6

**Staff in attendance** : Mr Richard WONG  
Senior Council Secretary (2) 8

Miss Meisy KWOK  
Legislative Assistant (2) 6

---

Action

**I. Rental adjustment mechanism for public market stalls**

(LC Paper Nos. CB(2)618/18-19(01) to (02))

The Subcommittee deliberated (index of proceedings attached at **Annex**).

2. At the invitation of the Chairman, Under Secretary for Food and Health ("USFH") briefed members on the current situation regarding public market rental adjustment mechanism and the Administration's preliminary direction on its review (LC Paper No. CB(2)618/18-19(01)).

Follow-up actions arising from the discussion

Admin

3. The Subcommittee requested the Administration to provide:

Action

- (a) more detailed information on how the Rating and Valuation Department would assess the reference rental of public market stalls; and
- (b) more details on the arrangements to be adopted by the Food and Environmental Hygiene Department in consulting the stakeholders on the management reform of public markets (particularly those measures relating to trade mix and rental adjustment mechanism) with a view to enhancing the vibrancy of public markets.

**II. Vacancy situation in public markets and related issues**  
(LC Paper Nos. CB(2)618/18-19(03) to (04))

4. The Subcommittee deliberated (index of proceedings attached at **Annex**).
5. At the invitation of the Chairman, USFH briefed members on the latest vacancy situation in public markets and related issues (LC Paper No. CB(2)618/18-19(03)).

**III. Further discussion on the modus operandi of the Market Modernization Programme**  
(LC Paper Nos. CB(2)618/18-19(05) to (06) and LC Paper No. CB(2)1544/17-18(03))

6. The Subcommittee deliberated (index of proceedings attached at **Annex**).
7. At the invitation of the Chairman, USFH briefed members on the latest progress of the Market Modernization Programme (LC Paper No. CB(2)618/18-19(05)).

Motions moved by members

8. Mr SHIU Ka-chun and Mr Andrew WAN indicated their intention to move motions under this agenda item. The Chairman ruled that the two motions were directly related to the agenda item and members present agreed that the motions should be dealt with.

Action

*[The Chairman left the meeting at 12:17 pm due to other prior commitments and the Deputy Chairman took the chair.]*

*Motion 1*

9. The Deputy Chairman put to vote the following motion, which was jointly moved by Mr SHIU Ka-chun and Mr Andrew WAN:

"本小組委員會促請政府，受街市現代化計劃影響而需搬遷至其他街市的租戶，他們的每月所交的租金應維持原本水平。"

(Translation)

"That, for stall tenants affected by the Market Modernization Programme who need to be relocated to other markets, this Subcommittee urges the Government to maintain their monthly rental payment at the original level."

10. All members present voted for the motion. The Deputy Chairman declared that the motion was carried.

*Motion 2*

11. The Deputy Chairman put to vote the following motion, which was moved by Mr Andrew WAN:

"本小組委員會要求政府部門盡快就公眾街市檔位租金、空置問題、街市現代化計劃的全面推動等，落實制訂針對問題核心及能解決整體問題的政策及措施，避免令目前不理想情況延續下去；同時，政府相關部門在制訂上述具體措施及政策前，必須作出全面的公眾諮詢，改善目前選擇性諮詢的做法，以提高制訂政策過程的透明度及有效性。"

(Translation)

"That this Subcommittee requests government departments to formulate and implement expeditiously specific policies and measures on rental of public market stalls, vacancy problems and full implementation of the Market Modernization Programme, etc, that can get to the heart of the matter, resolve the overall problems and avoid further aggravation of the current unsatisfactory situation, and, prior to

Action

the formulation of such specific policies and measures, conduct comprehensive public consultation to improve upon the current practice of selective consultation, with a view to increasing the transparency and enhancing the effectiveness of the policy making process."

12. The majority of members present voted for the motion. The Deputy Chairman declared that the motion was carried.

**IV. Any other business**

Way forward of the Subcommittee

13. Members noted that the 12-month period of work of the Subcommittee would expire on 5 March 2019, and all the issues set out in the work plan of the Subcommittee as well as other issues which members had raised concerns at previous meetings had been discussed by the Subcommittee. Members agreed that this would be the last meeting of the Subcommittee, and the Subcommittee should then conclude its work and prepare a report on its deliberations. Members noted that the draft report, once ready, would be circulated to members for consideration.

14. There being no other business, the meeting ended at 12:46 pm.

Council Business Division 2  
Legislative Council Secretariat  
11 April 2019

**Proceedings of the meeting of the  
Subcommittee on Issues Relating to Public Markets  
on Monday, 21 January 2019, at 10:45 am  
in Conference Room 2 of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
<i>Agenda item I – Rental adjustment mechanism for public market stalls</i>			
000746 – 001129	Chairman Admin	<p>The Chairman's opening remarks.</p> <p>Briefing by the Administration on the current situation regarding public market rental adjustment mechanism and the Administration's preliminary direction on its review (LC Paper No. CB(2)618/18-19(01)).</p>	
001130 – 001536	Chairman Mr SHIU Ka-fai Admin	<p>Mr SHIU Ka-fai expressed reservation about the direction of management reform of public markets in respect of rental adjustment mechanism and tenancy agreement put forward by the Administration. Mr SHIU considered it reasonable to provide rental concessions to stall tenants operating small business activities so as to protect their livelihoods, prevent large corporations from gaining a predominant market presence in fresh provision retail outlets, and ensure that fresh provision would be sold to the general public at affordable prices. He also considered that when taking forward management reform of public markets, the Administration should give due regard to the historical background of public markets, and also engage relevant stakeholders, particularly stall tenants and the Federation of Hong Kong Kowloon New Territories Hawker Associations.</p> <p>The Administration advised that the Food and Environmental Hygiene Department ("FEHD") would enter into tenancy with an individual, but not a limited company nor a partnership, and therefore, stall tenants should remain to be individuals in the capacity of small traders. In taking forward management reform of public markets, FEHD would abide by the following reform principles: (a) public markets should principally be operating on a commercial basis allowing market forces to play in full swing; (b) individual stalls should be allowed to compete on a level playing field; and (c) public markets as municipal infrastructure should ultimately serve the public interest benefitting the community at</p>	

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s) / Discussion</b>	<b>Action required</b>
		<p>large. FEHD would maintain communication with the stakeholders.</p>	
001537 – 002009	<p>Chairman Mr SHIU Ka-chun Admin</p>	<p>Mr SHIU Ka-chun queried whether one of the directions of management reform was to set the rental level of new public market stalls higher than or equal to the reference rental. Besides, he hoped that FEHD would consider leasing public market stalls to those operators who were unable to continue their business in wet markets owned by Link Real Estate Investment Trust for reasons such as high rental level or overhaul works.</p> <p>The Administration advised that FEHD would not conduct background checks or means tests on the applicants/tenants before letting out public market stalls. Given that a lower rental might inadvertently incentivize shorter business hours, change of use of stalls, or even turning into back-end logistics support for shops and restaurants on high streets, the new rental determination and adjustment mechanism should in principle ensure a level reflecting the full economic value of stalls, in order to nurture a fair business environment and encourage active operation of market tenants.</p>	
002010 – 002524	<p>Chairman Dr CHIANG Lai-wan Admin</p>	<p>Dr CHIANG Lai-wan was concerned whether a level reflecting the full economic value of stalls meant that the tenancy would be granted to the tenderers who offered the highest bid. She enquired about how the reference rental was set. The Administration advised that the Rating and Valuation Department ("RVD"), in assessing the reference rental, would make reference to the auction results of similar stalls in the same market and other FEHD markets, the location and facilities of the market, as well as the permitted trade, size, layout and position of the stalls within the market. However, the reference rental served only as a reference for determining upset price for auction, and the actual rentals would be based on the outcome of auction or the fair price the market was willing to pay for use of the market stall.</p> <p>Dr CHIANG Lai-wan considered that the patronage and vibrancy of the relevant public market should be some of the most important factors in assessing the reference rental of stalls</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>therein. She hoped that the Administration to relay her views to RVD for consideration.</p> <p>The Chairman requested the Administration to provide more detailed information on how RVD would assess the reference rental of public market stalls.</p>	<p><b>Admin</b> (Para. 3(a) of the minutes)</p>
002525 – 003038	Chairman Dr KWOK Ka-ki Admin	<p>Dr KWOK Ka-ki considered that the rental level of some public market stalls were too high. He suggested that the Administration should provide those stalls which were charged high rentals (say, \$20,000 or above a month) with rental freeze or rental concession in order to enhance their business viability, particularly in time of economic downturn. He also urged FEHD to take measures to ensure that stalls which were currently inactive or vacant would be made available for lease by interested operators.</p> <p>The Administration explained that public market stalls whose rental level was higher than or equal to the reference rental were usually leased through open auctions. These stalls were rented on a commercial basis, and the actual rentals were based on the outcome of auctions, which reflected the fair price the market was willing to pay for use of these stalls. Nevertheless, with a view to achieving better utilization of long-standing vacant stalls, FEHD had since February 2009 introduced an arrangement whereby long-standing vacant stalls were put up for auction at concessionary upset prices.</p>	
003039 – 003456	Chairman Mr KWOK Wai-keung Admin	<p>Mr KWOK Wai-keung expressed reservation about the direction of management reform put forward by the Administration, particularly one of the reform principles that "there should be a healthy rental adjustment mechanism that would ensure a level reflecting the full economic value of stalls". He added that as regards public markets to be selected for fundamental overhaul under the Market Modernization Programme ("MMP"), the siting tenants of those markets should be allowed to enter into tenancy agreement at a similar rental level after re-admission.</p> <p>The Administration advised that under MMP, hefty financial investment was to be made into overhauling a wet market with brand new layout</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>design (necessarily bigger stalls and wider passageways), air conditioning ("A/C") systems, etc. To join MMP, tenants should be prepared to pursue active operation, and face the present day competition for their own good and benefit the public at large. These tenants would need to come to terms with the new management rules to be implemented by FEHD, and to pay for a new rental reflecting the full economic value of the new stalls. Having said that, some flexibility might be allowed, e.g. sitting tenants wishing to return to the overhauled market might benefit from a certain restricted auction (though there might be no guarantee of a stall in some cases), through which a certain concession might be given to returning tenants for the first three-year tenancy.</p>	
003457 – 003905	Chairman Admin	<p>The Chairman considered that the Administration should give due consideration to the historical background and social functions of public markets, as well as the views and concerns of stall tenants. He emphasized that prior to taking forward management reform in relation to rental adjustment mechanism and tenancy agreements, FEHD should take measures to improve the vibrancy of public markets and ensure a proper trade mix in these markets. He suggested that the Administration should provide extra-gratia arrangements for the affected tenants as appropriate.</p> <p>The Administration advised that FEHD had all along adopted a flexible approach towards public market stall tenants, e.g. rental freeze had been provided for nearly two decades until July 2017. FEHD would deal with hardware and management issues in parallel, in a bid to break the longstanding logjam and find concrete solutions to many current problems facing the operation of public markets. In taking forward the management reform, FEHD would maintain communication with the stakeholders.</p> <p>The Chairman requested the Administration to provide more details on the arrangements to be adopted by FEHD in consulting the stakeholders on the management reform of public markets (particularly those measures relating to trade mix</p>	<p><b>Admin</b> (Para. 3(b) of the minutes)</p>

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		and rental adjustment mechanism) with a view to enhancing the vibrancy of public markets.	
003906 – 004422	Chairman Mr Andrew WAN Admin	<p>Mr Andrew WAN considered that various issues relating to public markets were interrelated, e.g. rental adjustment mechanism, operating environment and vacancy situation, and therefore, the problems pertaining to the operation of public markets could only be resolved if the Administration could tackle them in a comprehensive manner. He suggested that the Administration should conduct a public consultation exercise on a comprehensive review of public markets. In his view, stalls/markets which had long been inactive or vacant should be converted into other uses, e.g. allowing non-governmental organizations to operate "social economy" stalls or bazaars.</p> <p>The Administration advised that FEHD had kept exploring ways to enhance the vibrancy of public markets. FEHD had since February 2009 introduced an arrangement whereby long-standing vacant stalls were put up for auction at concessionary upset prices, and had since July 2009 widened the trade mix by introducing service trades, light refreshment and bakery stalls. In taking forward management reform, FEHD would consult relevant stakeholders including stall tenants and tenant associations, and would revert to the relevant Panel in due course.</p> <p>The Chairman said that where necessary, the Subcommittee could recommend the Panel to continue to follow up issues relating to public markets.</p>	
004423 – 005132	Chairman Mr SHIU Ka-fai Mr KWOK Wai-keung Admin	<p>Mr SHIU Ka-fai emphasized that when contemplating the rental adjustment mechanism of public market stalls, due consideration should be given to the relevant historical background. He considered that if, due to the implementation of improvement measures on hardware/software of public markets, some stall tenants would need to discontinue their operation, extra-gratia payment should be provided for these tenants so as to protect their livelihoods.</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>Mr KWOK Wai-keung considered it reasonable to set public market stall rental at a level below the market rental value, as public markets serve important social functions and the management of public markets was different from other private facilities. He also considered that concessionary rate should be provided to stall tenants who were facing difficulties due to deterioration of operating environment, e.g. the Java Road Market. Besides, in the event that some sitting tenants would not be re-admitted to the overhauled market, FEHD should put in place proper exit arrangement, e.g. an adequate amount of extra-gratia payment.</p> <p>The Administration advised that various options would be offered to stall tenants affected by improvement works under MMP, including permanent re-location and exit arrangements. Besides, restricted auctions would be arranged for stall tenants who were willing to re-admit to the overhauled market, and such stalls would be rented at a concessionary upset price and the rental concession was set to run for the tenants' first tenancy agreement.</p>	
<i>Agenda item II – Vacancy situation in public markets and related issues</i>			
005133 – 005415	Chairman Admin	Briefing by the Administration on the latest vacancy situation in public markets and related issues (LC Paper No. CB(2)618/18-19(03)).	
005416 – 005824	Chairman Ms Alice MAK Admin	<p>Ms Alice MAK expressed concern about FEHD's suspension of the open auction of public market stalls since mid-2018 to facilitate the implementation of the MMP. She called on the Administration to introduce measures to better utilize vacant stalls (e.g. letting out vacant market stalls through short-term tenancy in festive seasons and summer holidays) so as to support small business operators and enhance the patronage of public markets.</p> <p>The Administration responded that having regard to FEHD's operational needs, the implementation of MMP and the closure of under-utilized public markets, the Administration had to reserve or freeze some vacant market stalls to address the needs of affected stall tenants who had to relocate to other markets to continue their business. As</p>	

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s) / Discussion</b>	<b>Action required</b>
		<p>regards members' concerns about the vacancy situation of public market stalls, the Administration was carefully reviewing the relevant arrangements and would study the feasibility of different arrangements (e.g. letting out vacant market stalls through short-term tenancy) so as to allow flexibility in meeting operational needs on one hand and put vacant market stalls to good use on the other. The Administration hoped that it would complete the review and work out the detailed arrangements as soon as practicable.</p>	
005825 – 010241	Chairman Mr SHIU Ka-chun Admin	<p>Noting that in the implementation of MMP, some sitting stall tenants might have to be relocated to vacant stalls in other public markets to continue their business, Mr SHIU Ka-chun urged the Administration to maintain the existing monthly rental level of the affected sitting stall tenants. He also enquired whether the rental level of public markets would be raised after a fundamental overhaul under MMP and whether the Administration would consider providing a waiver of air-conditioning charges to the sitting stall tenants if the fundamental overhaul included retrofitting of A/C systems.</p> <p>The Administration explained that according to the existing policy, the Administration would let out market stalls to sitting tenants required to be relocated to other markets through restricted auctions at a concessionary upset price. Regarding markets that had undergone a fundamental overhaul under MMP, given that the new market stalls would be different from the existing market stalls in terms of location, size and hardware support, the Administration would enter into new tenancy agreements with the sitting tenants upon their re-admission. When determining the rental level of the new market stalls, the Administration would adopt the reference rental of public market stalls as assessed by RVD as its basis. The Administration assured that it would proactively consider introducing flexible rental arrangements for the sitting stall tenants affected by MMP. It would also put in place exit arrangements for those sitting tenants who did not wish to continue their business upon completion of the overhaul project.</p>	

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s) / Discussion</b>	<b>Action required</b>
010242 – 010647	Chairman Admin	<p>The Chairman considered that the vacancy situation of public markets was partly attributed to the long lead time of refurbishment and minor upgrading works in public markets. He called on the Administration to enhance co-ordination between FEHD and other departments in expediting the refurbishment and minor upgrading works, so that stall tenants could resume their business as soon as possible.</p> <p>The Administration advised that due to the outdated facilities in some existing public markets, it might take a longer duration to complete the relevant upgrading works. FEHD would work closely with the works departments (e.g. the Architectural Services Department ("ArchSD") and the Electrical and Mechanical Services Department) to shorten the works period so as to minimize disruption to the business of market stall tenants.</p> <p>In response to the Chairman's suggestion of setting a performance target on the duration of minor upgrading works of public markets, the Administration advised that the duration of each project varied and depended on the nature and scope of works as well as the physical limitation of individual public markets. FEHD would maintain close liaison with ArchSD with a view to completing the minor upgrading works within a reasonable timeframe.</p>	
010648 – 011152	Chairman Dr Elizabeth QUAT Admin	<p>Dr Elizabeth QUAT expressed dissatisfaction with FEHD's slow progress in reviewing the usage of some under-utilized public markets (e.g. Tui Min Hoi Market in Sai Kung District), despite the Director of Audit had recommended FEHD to conduct a review on public markets with viability problems and identify those markets that should be closed down in a report published in 2003. She urged FEHD to conduct a comprehensive review of the under-utilized public markets without further delay and identify the root causes for the vacancy situation and work out suitable solutions to tackle the problem.</p> <p>The Administration responded that as set out in the Chief Executive's 2018 Policy Address, the Administration was conducting a comprehensive review of the usage and development potential of</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>existing public market, with a view to formulating appropriate development plans for fulfillment of the policy objectives of optimizing land uses, benefitting the public and promoting district development. When considering whether individual under-utilized public markets were to be closed, FEHD would take into account a host of factors, including vacancy rate, prospects for improvement, and the views of the relevant District Councils ("DCs"), etc. Where a market was closed and the premises were no longer required by FEHD, the vacated building space would be handled according to the established procedures. Depending on the circumstances, FEHD might hand over the sites to the relevant government bureaux/departments for proposals to put the premises to gainful long-term use.</p> <p>In response to the Chairman's enquiry, the Administration advised that FEHD closed down two under-utilized markets in 2017-2018, and had plans to close down three markets with consistently high vacancy rates (including Tui Min Hoi Market in Sai Kung District) in the near future. When taking forward a market closure plan, FEHD would consult the relevant DCs and the sitting stall tenants in accordance with the established procedures.</p>	
<i>Agenda item III – Further discussion on the modus operandi of the Market Modernization Programme</i>			
01153 – 011611	Chairman Admin	Briefing by the Administration on the latest progress of MMP (LC Paper No. CB(2)618/18-19(05)).	
011612 – 012520	Chairman Dr Elizabeth QUAT Admin	<p>Dr Elizabeth QUAT noted that the retrofitting works of A/C system in Tai Wai Market had not yet commenced. She expressed grave concern as to whether the Administration and the tenants could agree on the concessionary arrangement, and considered that as the livelihoods of the tenants were at stake, FEHD could be more accommodating to tenants' requests. Besides, she relayed the concern raised by some tenants about the threatening attitude of some FEHD staff members when discussing with them the retrofitting works.</p> <p>The Administration explained that FEHD had maintained communication with the tenants of Tai Wai Market in a bid to work out an agreeable</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>concessionary arrangement before the retrofitting works commenced. The Administration assured members that FEHD had not threatened the tenants and would not do so in the future. According to the latest concessionary arrangement, for the first 10-month period where a few stall tenants would be directly affected, a 50% rental waiver would be granted to all stall tenants, and there would be no rental payable for the seven-month period of full market closure. Three-month full rental plus A/C charges waiver would be granted to all tenants after re-opening of the market.</p> <p>Dr QUAT also reiterated her view that the A/C charges attributable to common areas of markets and the maintenance cost of A/C systems should be borne by the Administration while stall tenants should only pay A/C charges on the actual size of their stall areas.</p>	
012521 – 013441	Chairman Mr Andrew WAN Mr SHIU Ka-chun Admin	<p>Mr Andrew WAN noted that FEHD had considered that there were 20 markets having the potential for giving priority for inclusion in MMP. He considered that a much larger number of FEHD markets in various districts should be overhauled or refurbished, e.g. Tsuen Wan Market, Wing Fong Street Market and North Kwai Chung Market. He suggested that the Administration should consider in-situ redevelopment of some public markets instead of fundamental overhaul, where appropriate, in order to achieve greater cost-effectiveness and optimize the use of land resources.</p> <p>Mr SHIU Ka-chun enquired about when and how the Administration would determine the way forward for the 79 public markets which had not yet been given priority for inclusion in MMP. Mr SHIU was also concerned whether any improvement works would be implemented in Sai Wan Ho Market and Wing Fong Street Market in the near future.</p> <p>The Administration advised that public markets to be included in MMP were selected with regard to their geographical location and distribution, condition of facilities, business viability, community needs and tenants' readiness. As tenants' readiness was be one of the important</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>factors, FEHD had to liaise with the sitting tenants about the project details, and at the current stage, it would be inappropriate to make public the list of the 20 public markets. Other than the markets covered in the first phase of MMP, the Administration would take into account the factors listed above and the preliminary assessment on the existing markets, continue to identify suitable markets for inclusion in MMP. As regards Wing Fong Street Market, which was one of the six representative public markets identified in the consultancy study issued in 2015, FEHD had already consulted the relevant Market Management Consultative Committee, and commenced the relevant improvement works which were expected to be completed within 2019.</p>	
<p><i>[The Chairman left the meeting at 12:17 pm due to other prior commitments and the Deputy Chairman took the chair.]</i></p>			
013442 – 014212	Deputy Chairman Mr SHIU Ka-fai Admin	<p>Mr SHIU Ka-fai considered that the Administration should allocate more funding so that all 99 markets could be included in MMP. He stressed that the availability of A/C systems in public markets was important in attracting patronage, and urged the Administration to be more accommodating to the requests of tenants of Tai Wai Market (particularly on A/C charging arrangement) so that the relevant works could be implemented as soon as possible.</p> <p>The Administration reiterated its position concerning A/C charging arrangement as expressed at previous meetings of the Subcommittee, adding that as fundamental overhaul projects under MMP would include retrofitting of A/C systems, FEHD would no longer set a threshold of tenants' support for such retrofitting.</p>	
014213 – 014711	Deputy Chairman Dr CHIANG Lai-wan Admin	<p>In response to Dr CHIANG Lai-wan's enquiry, the Administration advised that overhaul projects under MMP might include A/C systems, re-design and re-zoning of stalls, re-configuring the layout, etc. The Administration would also conduct minor improvement works in public markets where appropriate. Besides, FEHD provided routine maintenance for an average of approximately 20 public markets every year,</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		<p>which might include replacement of escalators depending on the circumstances.</p> <p>Dr CHIANG considered that the Administration should also take the opportunity of MMP to modernize public markets in a fundamental manner, e.g. by converting some under-utilized space of public markets into community facilities such as planters.</p>	
014712 – 015233	Deputy Chairman Mr CHAN Han-pan Admin	<p>Mr CHAN Han-pan made a declaration of interest that his family members were currently involved in the operation of public market stalls. Expressing concern about the progress of the retrofitting works of A/C system in Tai Wai Market, he considered that the Administration should be more accommodating to tenants' requests in respect of the length of rental and A/C charge waiver. Besides, Mr CHAN considered that in taking forward management reform in relation to tenancy agreement and rental adjustment mechanism, the Administration should give due consideration to providing concessionary arrangement for sitting tenants.</p> <p>The Administration advised that in taking forward hardware and software improvement measures, FEHD would communicate with tenants in a bid to work out a feasible option. FEHD had maintained communication with tenants of Tai Wai Market in order to take forward the works project as soon as possible.</p>	
015234 – 015748	Deputy Chairman Admin	<p>The Deputy Chairman held the view that given the important social functions of public markets, stall tenants should not be required to pay the A/C charges for common areas in public markets such as passageways. He wondered why shopping centres managed by the Housing Department could set A/C charges on the basis of the actual size of rented areas of tenants.</p> <p>The Administration reiterated its position on A/C charging arrangements as expressed at previous meetings of the Subcommittee, adding that common areas in public markets were usually part of the trading environment where transactions between patrons and tenants took place, whereas tenants of shopping centres only operated in their clearly-divided units. The proposal to exclude</p>	

Time marker	Speaker(s)	Subject(s) / Discussion	Action required
		the common areas of public markets from the calculation of A/C charges payable by tenants would deviate from the existing practice in all Government rental properties.	
015749 – 020105	Deputy Chairman Mr SHIU Ka-fai Admin	<p>In response to Mr SHIU Ka-fai's enquiry, the Administration affirmed that as fundamental overhaul under MMP would include retrofitting of A/C systems, the Administration would no longer set a threshold of tenants' support for such works. For those public markets having the support threshold reached earlier and preliminarily planned to have A/C systems retrofitted, they would have more potential to be accorded priority for inclusion in MMP for an overhaul as their tenants were more ready for the improvement works.</p> <p>Mr SHIU Ka-fai expressed worries that since tenants of public markets usually have different views towards whether to take forward hardware improvement works, the Administration would take longer than expected time to garner sitting tenants' support for taking forward MMP projects.</p>	
020106 – 020145	Deputy Chairmna Mr SHIU Ka-chun	Moving of motion by Mr SHIU Ka-chun	
020146 – 020257	Deputy Chairman Mr Andrew WAN	Moving of motion by Mr Andrew WAN	
<i>Agenda item IV – Any other business</i>			
020258 – 020438	Deputy Chairman	The Deputy Chairman consulted members on the way forward of the Subcommittee.	