

Advisory Council on Food and Environmental Hygiene

**Minutes of the Forty-sixth Meeting
held at 3:30 p.m. on Thursday, 8th September 2009
at Room 2005, 20/F, Murray Building, Garden Road, Central**

Mr. FONG Wo, Felix, JP	(Chairman)
Professor CHAN Yan-keung, Thomas	
Dr. HO Pak-leung	
Mr. Allen HO	
Mr. LAU Yiu-fai, Ronald	
Mr. LEE Chi-keung, Alan	
Dr. LEONG FUNG Ling-yee, Lilian, BBS, JP	
Ms. LI Hiu-lee, Winnie	
Professor LO Yuk-lam	
Professor WU Shiu-sun, Rudolf	
Dr. YUE Kwok-to	
Mr. CHEUK Wing-hing, JP	Director of Food and Environmental Hygiene
Dr. LEUNG Siu-fai	Deputy Director of Agriculture, Fisheries and Conservation
Dr. LEUNG Ting-hung, JP	Head, Surveillance and Epidemiology Branch, Department of Health

Absent with Apologies

Professor CHAN Kay-sheung, Paul	
Ms. CHEUK Fung-ting	
Dr. LO Chi-kin, JP	
Mrs. Elizabeth MOK	
Professor WONG Po-choi, MH	
Mrs. Stella HUNG, JP	Permanent Secretary for Food and Health (Food)
Mr. Alan WONG, JP	Director of Agricultural, Fisheries and Conservation

In Attendance

Food and Health Bureau

Ms. Kitty CHOI, JP	Deputy Secretary for Food and Health (Food)1
Mr. Philip CHAN, JP	Deputy Secretary for Food and Health

Mr. Francis HO	(Food)2 Principal Assistant Secretary for Food and Health (Food)2
Mr. Owin FUNG	Principal Assistant Secretary for Food and Health (Food)3
Mr. Edward CHAN	Assistant Secretary for Food and Health (Food) Special Duties 1
Mr. Damian LEE	Assistant Secretary for Food and Health (Food) 7

Food and Environmental Hygiene Department

Ms Rhonda LO, JP	Assistant Director (Ops)2
Dr. SY LEE	Assistant Director (Food Surveillance and Control)

Opening Remarks

1. The Chairman welcomed Members to the meeting, in particular Mr. Alan LEE who attended the meeting for the first time. He also welcomed Ms. Kitty CHOI and Mr. Philip CHAN, new Deputy Secretaries of the Bureau, who joined the meeting.

Agenda Item 1 : Confirmation of the Minutes of the Last Meeting

2. Members confirmed the minutes of the last meeting without amendments.

Agenda Item 2 : Matters Arising from the Minutes of the Last Meeting

3. There were no matters arising from the minutes of last meeting.

Agenda Item 3 : The Positioning, Functions and Usage of Public Markets (ACFEH Paper 08/2009)

4. Mr. Francis HO introduced the paper.
5. A member said he learned from newspapers that many market stalls were left vacant and some were used for storage purpose only. He opined that such use of market stalls was not proper and did not tally with the functions of public markets which aimed to resite on-street hawkers and

support the government's hawkler policy. In response to the member's remarks, Mr. Francis HO said that the average occupancy rate of Food and Environmental Hygiene Department (FEHD)'s public markets was more than 75%, though the rate varied from market to market. To tackle the problem of under-utilization in some public markets, Mr. HO said that FEHD had adopted a new auction policy on vacant stalls since early this year. Under the new policy, if a stall had been vacant for more than 6 months, the upset auction price would be set at 80% of the open market rental (OMR). The upset price would be further reduced to 60% of the OMR if the stall had been left vacant for more than 8 months. He said that since the introduction of the new policy, FEHD had successfully let out more than 700 vacant stalls. Having said that, Mr. HO informed that if the occupancy rate of a market was less than 60% for three consecutive years, consideration would be given to close it down. In this regard, the District Councils would be consulted first before FEHD proceed with any action to close down the market.

6. Mr. CHEUK Wing-hing informed the meeting that the occupancy rate of public markets in August is 81.3% and according to the utilization survey on wet markets conducted by FEHD, about 17% of public market stalls were inactive or non-operating. According to the terms of tenancy agreement, FEHD would take sanction against those tenants who did not operate their stalls for a long period of time. On the other hand, flexibility would be exercised if the tenant of an inactive stall also operated other stalls in the same market so that goods might be stored in the inactive stall rather than placed on passageways and caused obstruction.

7. A member commented that the design of some public markets were rather outdated with no storage areas for stall operators. As the common passageways were narrow, some operators had to make use of the ceiling of their stalls for storage. He also raised concern that some bidders tried to monopolize their business in the market by bidding several stalls at the same time and then operated only one stall while leaving the rest vacant. He urged FEHD to find some practicable ways to identify space in the public markets for storage purpose.

8. Ms Rhonda LO pointed out that the design of public markets built after 2000 had been much improved. As regards existing markets, Ms LO said that where practicable, improvement works would be conducted to enlarge the stall area by combining two vacant stalls into one to make them more attractive. The conversion and enlargement of fresh meat stalls into stalls for selling chilled meat in some markets was one of the successful examples.

9. In response to the Chairman's query on any action taken by FEHD to act against bid riggers and restrict the number of stalls that could be taken up

by a single operator, Mr. CHEUK Wing-hing replied that bid rigging was an offence and would be subject to prosecution by the Independent Commission Against Corruption. On the contrary, there was no restriction on the number of stalls that a tenant could rent and operate. This has been the policy both before and after dissolution of the two Municipal Councils in 2000. He added that the overall percentage of multiple holding of market stalls was very small and the majority of public market tenants operated one stall only. Mr. CHEUK added that it would not be economically practicable for a potential operator to bid several stalls with the intent to run one stall only.

10. A member said that despite the convenient location of some public markets, patronage remained low as indicated in the market survey. He suggested that the FEHD should try harder to find out the reasons why people did not prefer to go to these markets. Mr. CHEUK Wing-hing pointed out that there were basically two types of public markets: old markets built before or in the 80's with relatively small stalls, narrow common passageways and basic ventilation; and new markets developed in the past decade or so with larger stalls, wider passageways and air-conditioning. The new Wanchai Market was one of the examples in the latter category. He said that the improved environment in the new markets had successfully attracted more customers. Other than the market environment, Mr. CHEUK said that the location of the market remained one of the most important factors that determined viability.

11. In response to a member's query as to whether all newly built public markets were successful in terms of patronage and whether any efforts had been made to attract the younger generation to visit public markets, Mr. CHEUK Wing-hing replied that the new markets were generally more successful in terms of occupancy and patronage rates due to the better environment as discussed above. However, a few individual new markets such as Tai Kok Tsui Market were not so successful because of their inconvenient locations. He stressed that the FEHD had been trying every possible way to enhance the patronage of these new markets. The department also tried new and different approaches to attract the younger generation to visit public markets. For example, the provision of a cooked food centre on upper floor was a proven attraction to customers including young people. He said that a series of public fora would be launched to gather the views of the stall tenants on how to position and improve the function and usage of public markets. The Chairman drew reference from overseas places where markets were hubs for food, entertainment and other amusement activities for young people and therefore shared the view of the member that the FEHD should put in more efforts in turning the younger generation into habitual market goers.

12. A member said that the location of a public market was a decisive factor in determining its viability and sustainability. The new Wanchai Market was a case in point as it was surrounded by busy streets and supported by a good mix of population. She also opined that other facilities in the markets were also vital. For example, to locate a cooked food centre on the ground floor of the market should be considered. Mr. CHEUK Wing-hing explained that a cooked food centre on the upper floor of a public market had the benefit of drawing customers in through the (lower) wet market floors, thereby generating business opportunities and customer flow also for the wet market stalls. He reassured members that FEHD would work in collaboration with the Architectural Services Department on the design of public markets with a view to improving their overall functionality and viability.

13. A member suggested that the Government should make reference to overseas experience in revitalizing local public markets. He said that themes should be added to the markets to diversify their functions and as a result enhance their attractiveness. To allow more and different business activities (e.g. the selling of antiques) might also be beneficial to the overall viability of a public market. Another member concurred with the former's suggestion of the importance of establishing a theme for a market. He cited that Yeung Uk Road Market was reputable as a major live seafood market and had been very successful in attracting customers from other districts. Mr Lau further pointed out that the provision of many small shops selling Chinese herbs was another unique feature of Yeung Uk Road Market. A member commented that there were also some detrimental factors such as fish smell and wet floor that affected the attractiveness of public markets. He urged that stall operators should be reminded to exercise self discipline to keep their stalls and the vicinity clean and reasonably dry, and the Government should step up education for market operators and enforcement actions against those who adversely affected the market environment.

14. A member opined that public markets had their own positioning in the community and might have an edge over supermarkets in some aspects. In future, public markets should cater for more different business activities (e.g. snacks and bakeries) in order to boost their overall attractiveness to customers.

15. A member opined that the management of public markets should be outsourced or even privatized in a bid to improve the competitiveness and viability under commercial operation. As regards the prospect of attracting young people, he considered that it was not worthwhile to spend significant resources to promote public markets to the younger generation as they naturally preferred supermarkets to wet markets.

16. Mr. CHEUK Wing-hing said that not every single public market could develop a theme of its own. Consideration might, however, be given to introduce a theme in a certain number of stalls in a public market, e.g. the sale of religious food items in some market stalls near the proximity of some ethnic residential areas. In response to a member's suggestion of the sale of snacks in public markets, Mr. CHEUK said that a trial programme on the sale of bakery products had already been underway in some markets, e.g. Luen Wo Hui Market. To proceed forward, the Planning Department would be consulted as the issue on land use might arise in some markets where the sale of these popular snacks might be regarded as a kind of provision of a service contrary to the designated land use. As regards the proposed privatization of public markets, it would be controversial as strong objection from the tenants was anticipated due to the likely abrupt rise in market rental under commercial operation.

17. The Chairman concluded that there had been much discussion about the issue of the positioning and role of public markets, which had their value for conservation and continuous existence in the community. He further suggested that different stakeholders including stall operators, District Councils and local residents should be fully consulted on how to revitalise the public markets.

18. Mr. CHEUK Wing-hing informed the meeting that FEHD would consult the LegCo Panel on Food and Environmental Hygiene in October/November 2009 on the positioning, functions and usage of public markets and hold public consultation fora in September and October 2009 to gauge the views of the tenants and trade associations.

Agenda Item 4 : Public Market Stall Rentals and Charges (ACFEH Paper 09/2009)

19. Ms Rhonda LO introduced the paper.

20. In response to a member's query on the department's no intention to make the public market rentals reach full OMR, Mr. CHEUK Wing-hing explained that whether the rent of a market stall could reach full OMR after two consecutive tenancy agreements would depend on the then prevailing economic situation. If the economic environment after the two tenancy agreements, i.e. six years, was poor, there would be hardly any room to ask for further increase in the market rentals. The Administration would review the situation nearer the time and decide on the way forward.

21. A member pointed out that there was unfair competition among different stall operators as some were paying extremely low rentals while others were paying a premium. He stressed that FEHD should put in place an effective mechanism to realign rentals to rectify the problem.

22. In response to a member's question on whether the level of market rentals would be reviewed within the period of the two tenancy agreements, Ms Rhonda LO said that advice would be sought from the Rating and Valuation Department to assess the prevailing OMR before FEHD would sign or renew tenancy agreement with tenants.

23. A member enquired about the policy of succession of market stall tenancy. In reply, Mr. CHEUK Wing-hing said that the current policy allowed succession of market stall tenancy by immediate family members.

24. The Chairman said that it was an opportune time for the Government to review the market rental adjustment mechanism and propose ways to address the long standing problem of government subsidy. He concluded that the Advisory Council supported in principle the proposed rental adjustment mechanism in respect of public market stalls and the proposed arrangements to recover air-conditioning cost and rates from market tenants.

Agenda Item 5 : Summary of Recent Food Surveillance (ACFEH Paper 10/2009)

25. Dr. SY LEE introduced the paper.

26. A member said that he welcomed the satisfactory results of the food samples tested in the last month. He suggested that FEHD should also conduct test on cooking oil in restaurants and mono-sodium glutamate (MSG) which were of grave concern among the general public.

27. Dr. SY LEE said that the focus of the food testing was mainly on food safety. As MSG was not normally added in large quantity to food and usually posed no serious health risk, its priority in the present food surveillance programme was comparatively low. Notwithstanding this, she said that the suggestion would be taken into consideration when conducted relevant test/study in the future. As regards the testing of cooking oil used by restaurants, Dr. LEE said that there was previous test done by the Government and the present food surveillance programme had already covered the analysis of the chemical compositions of these oils to detect the presence of carcinogens.

28. In response to the Chairman's question on legislation against junk food, Mr. Philip CHAN informed that a new regulation on nutrition labelling had been passed in the Legislative Council and would become effective on 1 July 2010. With the implementation of the new legislation, the public could gather information from the labels of prepackaged food about the calorie level and seven other ingredients including transfat and sodium and make their choices according to their own preference and needs. Mr. Chan added that the Centre of Food Safety (CFS) would, through its continuous publicity programme, educate the public to pursue a healthy diet and avoid junk foods.

29. A member expressed his concern about the use of Bisphenol A (BPA) in food containers as he understood that such substance had already been banned from use in children's eating utensils in some states of the United States. Dr. SY LEE responded that BPA, which was a food contact material, was under the purview of the Customs and Excise Department. That said, she stressed that CFS would keep an eye on overseas research and studies and monitor if it had any adverse impacts on public health when it somehow found its way to food. She reassured the meeting that information presently available did not indicate that BPA posed an immediate threat to human health.

Agenda Item 6 : Any Other Business

30. There being no further business, the meeting adjourned at 5:40 p.m. The Secretariat would inform members of the date of the next meeting in due course.

**Secretariat
Advisory Council on Food and Environmental Hygiene
Food and Health Bureau
September 2009**