

## REPORT OF THE HAWKER CENTRES PUBLIC CONSULTATION PANEL

### Executive Summary

#### Background

In recent years, there has been increased public discussion on the cost of living, of which food costs are a major part. In view of this, the Government announced in October 2011 that about 10 new hawker centres will be built in the next 10 years to increase the provision of affordable food. This increase would have a dampening effect on curbing future increases in food cost.

The Public Consultation Panel on Hawker Centres was formed in November 2011 to provide ideas on the new hawker centres and comprises 18 representatives from different social enterprises and industries.

The Panel welcomes the government's decision to build new hawker centres and undertake a review of existing policies to ensure the new generation of hawker centres continue to meet the needs of the residents – primarily to ensure food prices remain affordable. The panel's recommendations cover three key areas, namely, *Management Model, Design, and Vibrancy and Social Graciousness*.

#### Management Model

The Panel recommends that new hawker centres could be operated on a not-for-profit basis by social enterprises or cooperatives. The PCP's recommendations for management models are based on the following priority in descending order of importance:

- a. The community should derive maximum benefit from the centre;
- b. The centre should serve as an employment opportunity especially for individuals in the lower income groups and the less privileged; and
- c. The centre should provide a platform for individuals who aspire to be part of the food industry.

There should be a dedicated management team for each hawker centre who would be responsible for the daily operations and management. The management team would ensure stallholders abide by the tenancy conditions and create programmes and events for promotions and community engagement. It would also be important to set up a business centre to support hawkers' entry into the food industry and to link them up with veteran hawkers. The panel recommends that hawker centres should be a source of affordable food and a means to keep our food tradition alive. An institution for promoting, teaching and transferring of skills should be set up as soon as possible to equip a new generation of hawkers with the necessary skills to produce traditional and heritage hawker food.

Hawker centres should also serve the needs of the community and priority on stall allocation should be given to individuals, instead of corporate entities. The social enterprise management would determine the stall rentals and stall conditions. Cleaning services in all hawker centres and markets should be centrally managed by an agency.

The Panel had earlier proposed disallowing stall assignment and subletting but would consider joint tenancy to let two stall holders run a stall to increase the operating hours of the hawker centre, so as to improve its vibrancy. The Panel is encouraged by the government's decision to accept its recommendations in these areas.

## **Design**

The design of the new hawker centres should be based on the principles of environmental sustainability, cost effectiveness, and low life-cycle costs. These principles emphasize design considerations that are sensitive to our tropical climate, and the adoption of energy and water efficient practices and features.

Each centre should have an innovative design (i.e. different from each other derived through design proposals from different architects) that is an improvement over existing centres and relates appropriately to the individual physical and social context. They should be architecturally decorous and delightful.

To further promote environmental sustainability, the Panel recommends providing recycling facilities, such as food collection points and recycling bins; solar panels and incorporating green features, such as roof gardens, and bioswales, when and where appropriate.

## **Vibrancy and Social Graciousness**

Hawker centres play an important role as gathering places for the community, with a high standard of cleanliness. Vibrancy could be achieved through a right mix of shops and providing spaces for community activities. Hawker centres can also showcase Singapore's food culture through organised events such as food trails for both tourists and locals.

As a common space where social norms are formed and reinforced, hawker centres can be a platform to develop and nurture social graciousness among patrons and proprietary stallholders. This goal can be reached through the combination "Hardware" (facilities and design) and "Software" (policies and practices), together which would form "Heartware" (a socially gracious Singapore).

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## **RECOMMENDATION REPORT OF THE HAWKER CENTRES PUBLIC CONSULTATION PANEL**

### **BACKGROUND**

#### *Important Social Role of Hawker Centres*

Hawker centres and wet markets were built by the government between the 1960s and 1980s with the main objective of providing public infrastructure for the sale of food in a clean and hygienic manner while minimizing environmental pollution. The role of hawker centres has evolved over the years. Besides providing a source of affordable food for the community, hawker centres have become part of the social landscape, being community spaces where residents from all walks of life could freely interact. They are a unique feature of Singapore's urban landscape and help engender a sense of belonging to Singapore. They also play an important role as a 'crucible' and repository of our diverse food heritage.

### **BUILDING OF NEW HAWKER CENTRES**

2. The last hawker centre was built in 1985 when the resettlement of street hawkers was completed. Since then, the Government has focused its efforts on upgrading and rejuvenating existing hawker centres over \$420 million has been invested in improving the dining and marketing environment under the Hawker Centres Upgrading Programme (HUP).
3. In recent years, there has been renewed public attention on hawker centres. The economic downturn a few years ago brought greater attention to the cost of food and its significant impact on the overall cost of living in Singapore. There has also been public demand for more hawker centres in housing estates where there is a lack of affordable dining options.
4. Given the continued importance of the social role of our hawker centres, the Government recognizes that they should remain a unique and key feature of Singapore's social landscape. In Oct 2011, the Government thus announced that 10 new hawker centres will be built in the next 10 years. Depending on the market's response, the government may also accelerate the developmental pace of these new hawker centres to meet the public demand for more affordable dining options.

### **HAWKER CENTRES PUBLIC CONSULTATION PANEL (PCP)**

5. Following the decision to build new hawker centres, Minister (MEWR) suggested the formation of a panel to act as a focal point for suggestions and ideas on the building of new hawker centres. In November 2011, the Hawker Centres Public Consultation Panel

comprising 18 members from different fields and chaired by Ms Elim Chew, founder of 77<sup>th</sup> Street, was formed. The list of members is shown in the **Annex**.

**Terms of Reference (TOR)**

6. The Terms of Reference for the Panel are:

**a. Management Models**

To suggest ideas on not-for-profit management models for the running of hawker centres to ensure food price affordability.

**b. Infrastructure & Design**

To suggest ideas on infrastructure and design that will enhance cleanliness, hygiene and resource efficiency of hawker centres.

**c. Vibrancy**

To suggest ideas that will enhance the vibrancy of the hawker centres.

*(Subsequently, the panel included “sustainability” and “social graciousness” under this sub topic).*

**Panel’s Discussion Sessions**

7. The panel met formally on seven occasions to deliberate on their recommendations for the respective topics:

<b>Date</b>	<b>Discussion Topic</b>
17/18 November 2011	Background Briefing
1 December 2011	Design and Infrastructure
5 January 2012	Vibrancy
13 January 2012	Management Models
20 January 2012	Overall Discussion
9 February 2012	Panel Retreat
27 Mar 2012	Final Discussion

It also met hawkers from different generations and members of the public and visited a number of hawker centres.

## **RECOMMENDATIONS**

8. The Panel welcomes the government's decision to build new hawker centres and undertake a review of existing policies to ensure the new generation of hawker centres continue to meet the needs of the residents – primarily to ensure food prices remain affordable. To aid in this effort, the panel submits the following recommendations, which are described in detail in the following sections.

### ***(a) Management Model***

#### **Key Principles**

9. The PCP's recommendations for management models are based on the following priority in descending order of importance:

- a. The community should derive maximum benefit from the centre;
- b. The centre should serve as an employment opportunity especially for individuals in the lower income groups and the less privileged; and
- c. The centre should provide a platform for individuals who aspire to be part of the food industry.

#### **Management Approach**

10. New hawker centres could be managed by social enterprises<sup>1</sup> (SE) with funding and other support from the government for the operation, management and upgrading of the centres and the necessary subsidies to achieve its objectives. This management model is one where the daily operations are run by the social enterprise but still takes directions and instructions from a board of directors who are appointed by the government. Under such a model, the government could explore co-managing the centre with the social enterprise for an initial period to lend its expertise in hawker centre management to the latter.

11. The government should appoint the Board of Directors which in turn will appoint the managing agent of the new centres through a proper and transparent selection process as soon as possible to ensure that the management agent is involved early in the design and planning stage.

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<sup>1</sup> A social enterprise is a regular business that maximises profits to deliver social impact such as hiring ex-offenders. It is considered "for profit" when it is invested by private investors who take equity stakes. It is considered "non-profit" when the full profit is either ploughed back to the parent non-profit organization or fully retained in the company to create maximum social benefits without giving out any returns to investor shareholders.

The hawker centre social enterprise is a registered non-profit company that tenants out hawker stalls to create viable livelihoods for small time individual hawkers, the low income and the less privileged locals to provide affordable food to the community.

12. There should be a dedicated management team for each centre. The team would be responsible for the operations and management of the centre, including its branding and marketing to increase patronage. The team would also ensure that stallholders abide by the agreed stall rental conditions, and would coordinate programmes and events held at the hawker centres. The activities and operations that the management team could consider include:

- a. Creating promotions and community engagement events to increase catchment areas, tapping on co-located facility partners to capitalise on organic captive crowd, and exploring loyalty programs to increase sales;
- b. Drawing income from advertising and event space – to increase vibrancy and using the funds that are generated to benefit the centres and stallholders;
- c. Providing wi-fi access (this should be available only during off-peak hours so that the community at large will have a congenial meeting place);
- d. Encouraging food waste recycling and reducing energy consumption;
- e. Promoting a tray return system and instilling social graciousness with posters and decals; and
- f. Considering central bulk purchases for the entire hawker centre or clusters of hawker centres to reap savings.

#### Business Centre

13. The panel believes that it is important for a business centre to be set up to support new and young hawkerpreneurs' entry into the food industry and to link them up with veteran hawkers. The business centre could also work with the National Heritage Board (NHB). It could also work with International Enterprise Singapore (IES) and the Singapore Tourism Board (STB) to promote hawker food internationally, and showcase hawker centres as part of Singapore's heritage – our "Singapore's kitchens of the world".

14. An institution for promoting, teaching and transferring of skills to produce traditional and heritage hawker food should be set up as soon as possible, preferably at the beginning of the programme to create and construct these 10 new hawker centres. The institution should also prepare and equip a new generation of hawkers with skills that are necessary for the management of the hawker stall as a small business.

#### Supporting Less Privileged or Marginalised Community

15. Hawker centres could employ individuals from the less privileged or marginalised community in areas such as table-top cleaning or central washing as well as the newly proposed behavioural changing scheme as customer service greeters and guides. Cleaning and greeting services in all hawker centres and markets should be centrally managed by an agency.

16. The SE rental package could be bundled with the Singapore Totalisator Board's Micro Credit Business Scheme and food preparation courses with cooking institutions such as Dignity Kitchen or Restaurant Association of Singapore.

### Stall Allocation

17. Priority for the allocation of stalls should be given to individuals, instead of corporate entities. In the case of franchises, as long as the franchisee is an individual, the Panel finds this acceptable as the income from the stall would go to the individual's family, and not the company. The proportion of stalls to be allocated to SEs (including those from the less advantaged groups) and to the open market can be left to be decided by the management team or Hawker Centre Social Enterprise (HCSE), instead of the government so as to be closer and more sensitive to the ground.

### Determination of Rent

18. Stall rentals should be pre-determined by the HCSE and operators with credentials would be invited to operate them. Stall rentals should also be charged according to the type of food (or drinks) sold as each food type may have different profit margins. The HCSE could peg the rental for each stall to a certain percentage of the market rent of the same stall that is assessed through professional valuation.

### Stall Rental Conditions

19. The assignment of stalls should be abolished and stallholders who wish to exit the trade should return their stalls to NEA for reallocation. However, stall assignments among immediate family members could be considered to preserve traditional/heritage food.

20. Subletting of stalls should be disallowed. However, joint tenancies may be considered to improve the vibrancy of centres if each partner is personally operating the stall for at least half a day.

21. The management team should ensure a good spread of food types so that the dining needs of the major ethnic groups are met.

22. All cooked food stalls should be encouraged to offer a cheaper food option in the form of a value dish or meal. This should be left to the management team to decide.

23. Cooked food stalls should also be encouraged to include a healthy food option.

### Specific Recommendations for Markets

24. The provision of a market for each new hawker centre is not an imperative; it should be dependent on the local community needs.

25. Joint tenancies should be allowed for market stalls.

26. The locations of the different sections of market should be made clear to its patrons.

27. Only shells should be provided for market stalls with no fixtures. This is to enable stallholders to customise their own fixtures to suit their trades. In addition, every stall should also have a signboard.

28. Stalls that require an additional area for sorting should be clustered together so that a common sorting area can be provided for them.

29. Stallholders should adopt a standardised image by wearing aprons uniquely designed for them.

**(b) Design and Infrastructure**

Key Principles

30. The PCP's recommendations for the design and infrastructure of new hawker centres are based on the following key principles:

- a. Environmental Sustainability;
- b. Cost Effectiveness; and
- c. Low Life-Cycle Costs

31. In addition, the design of the new hawker centres should also incorporate the following characteristics:

- a. Innovative design that is an improvement over existing hawker centres;
- b. Each designed with a strong identity by different architects taking into account the physical and social contexts of the surroundings; and
- c. Architecturally decorous and delightful.

32. The aspect of environmental sustainability in the centre's design should be incorporated via a multi-disciplinary, multi-stakeholder approach and applied throughout the building's life-cycle. An example is the selection of building materials that are easy to maintain and disassemble for future re-cycling and/or reuse.

33. To ensure that new hawker centres are designed with environmental sustainability in mind, they could be required to achieve the Building Construction Authority's Green Mark Incentive Scheme (GMIS) Gold Award<sup>2</sup>. This would require building consultants to incorporate Computational Fluid Dynamics (CFD) methods in their design to study air-flow patterns, day lighting, shadow casting, etc. – which would help reduce long-term operating costs.

34. Energy efficiency may be attained with best building orientation, befitting design schema/paradigms such as a courtyard form, proper envelope design, the use of natural ventilation, daylighting, and the use of renewable energy. For example, hawker centres can be fitted with LED lightings for the common areas and stalls, and use energy-saving light bulbs such as compact fluorescent lamp (CFL) that uses one fifth to a third less power than conventional light bulbs and are eight and fifteen times longer-lasting. The government could also install solar panels at the roof tops of new hawker centres.

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<sup>2</sup> MEWR will have to liaise with MND to create this new scheme for hawker centres.

35. Water efficiency may be achieved through the use of water efficient fittings, water recycling, monitoring and control of water consumption, and early leak detection.

36. Good environmental protection practices include the use of green or local building components, and good storm water design and management.

37. Indoor environment quality may be maximised through good design that ensures thermal comfort, reduces noise, and manages air quality.

38. To improve indoor environmental quality and comfort, roof gardens could be incorporated as one of the design features in new hawker centres, as they have the benefit of reducing heat around a building, absorbing rainwater and reducing the speed of water flow.

39. Other green innovations could include the incorporation of, composting stations, recycling bins, a centralized dish collection and washing area, ergonomic and universal design solutions, clever juxtaposition of the hawker centre and wet market.

40. The government could consider providing incentives for stallholders who intend to adopt green initiatives for their business. For example, incentives to help stallholders switch from the use of plastics to more sustainable packaging options like corn-starch based take-away boxes, and for the purchase of energy-saving appliances.

41. The government could also provide rental incentives to stallholders who choose to recycle their waste. Recycling bins could be provided in individual stalls and at the centralized rubbish collection points.

42. Besides giving incentives to promote green practices, the government could encourage stallholders to make explicit the costs of non-biodegradable items such as straws, disposable chopsticks, styrofoam containers, and charge patrons for their use.

43. On the part of stallholders, they should be encouraged to reduce the use of styrofoam food containers and plastic bottles. Stallholders could offer food rebates or omit their current practice of charging extra for their take-away plastic containers to consumers who bring their own tiffin carriers/food containers. Drink stalls could offer personal water bottles refills for a low price instead of selling bottled water.

### ***(c) Vibrancy and Sustainability***

44. The panel noted the important roles hawker centres play in Singapore. Besides serving cheap, affordable food, they also form the heart of neighbourhoods and serve as gathering places for the community. They are a watering hole and a communal place for friend-building and family-bonding.

45. In view of their important social and cultural functions, there is a need to ensure hawker centres' continuity, growth, and long-term viability. Going forward, they need to remain vibrant places pulsating with energy and activity.

46. Besides achieving operational efficiency, another objective of new hawker centres is to achieve a high standard of cleanliness. The government should ensure that hawkers achieve high standards of personal hygiene and adopt best practices in food handling. Additionally, the dining area must be clean and hygienic and the washing area should be both accessible and contained.

47. The building of new hawker centres presents an opportunity to design better toilets and to ensure that restrooms are clean, dry, and odourless as far as possible. The responsibility rests on all parties, including the architects whose task is to come out with better designed toilets, the operators in educating cleaners on the proper cleaning methods, and gracious behaviour on part of the restroom users. There could also be grading ratings for these toilets.

48. The new hawker centres and some selected existing hawker centres should be promoted to both locals and foreign visitors so as to bring about greater awareness of the new hawker centres.

49. Vibrancy in hawker centres could be further promoted through activities and programs, including but not limited to the following:

- a. The provision of Wi-Fi for the convenience of internet using customers;
- b. The organization of “fringe” activities such as street busking, kids activities, cooking demonstrations, etc.
- c. Ensuring a good mix of heritage and traditional food to attract a constant flow of customers;
- d. A good mix of retail and household services such as dried goods, lock smiths, cobblers, etc next to the food stalls for the convenience of shoppers, and
- e. The availing of a dedicated “event space” for organized events to take place. Revenues from rental could be ploughed back to defray operation costs of the hawker centre.
- f. The hawker centre could also be co-located with social enterprises and social services providers within the same building without accruing GFA for the hawker centre and market, similar to the Culture and Community Scheme. For example, tuition centres for poor families and drop-in centres for at risk youth after school hours.

50. Promotional and advertising activities may include neighbourhood shops and should coincide with national events where possible (such as the Singapore Food Festival) to achieve maximum benefit for all parties.

### ***Instilling Social Graciousness***

51. The Panel is of the view that instilling social graciousness is an important goal that new hawker centre development could help achieve. This goal can be reached through the combination “Hardware” and “Software”, together which would form “Heartware”.

52. “Hardware” is defined as the physical, infrastructure-related part of new hawker centres, including posters, table decals, the physical structure and elements of the hawker centre (including tray return areas, stalls, and sitting areas). These physical parts could be designed to promote social graciousness. For example, posters may be put up and table decals printed to remind customers to return their trays. The architects could design conveniently located tray return stations so customers do not have to go out of their way to look for these stations. Toilets and washing areas may be designed to reduce splashing and sitting areas and the ergonomics of furniture and fittings ought to be designed so as to be universally responsive and friendly to one and all, including children, expecting and child minding parents and the elderly. It should be noted that enhanced social graciousness can also result in lower operating costs which in turn helps to keep prices at hawker centres more affordable.

53. Included as part of the “hardware” is the support staff. Support staff are the cleaners whose job in the new hawker centres is to meet and greet customers, and advise the public to clear the tables themselves. These cleaners would clean only in the central washing area. They should be given uniforms and higher salaries to instil in them a sense of pride in their work, and to promote greater respect from the public.

54. The older workers presently make up the bulk of hawker centre cleaners. These older workers should have better conditions to work in and future government policy on promoting social graciousness could go a long way in helping them.

55. Community pressure forms yet another part of the “hardware” mentioned earlier. This could take the form of “hard” community pressure (e.g. fines levied on customers who do not return trays) and “soft” community pressure (e.g. nominations and awards for social graciousness, character-building programs and activities for school-going children to serve as volunteer greeters and guides on weekend so as to learn and share the simple graces of daily living.).

56. The “Software” portion of the equation refers to the following key ingredients:
- a. Stakeholder ownership – There must be pride of ownership by the stakeholders, including stall owners, cleaners, and the management.
  - b. Political will – This must be available to promote and if necessary, enforce social graciousness.
  - c. Managerial will – The management must help to incentivize and make avail resources to promote social graciousness.
  - d. Staff selection – The staff selected must be the right fit for the job and given reasonable pay benefits.
  - e. Staff development – This is necessary to make them more proficient and help promote pride in their work.
57. According to this vision, the combination of “hardware” and “software” will create “heartware” which is a socially gracious Singapore.

**(E) CONCLUSION**

58. This report shows the full list of recommendations made by the Hawker Centres Public Consultation Panel. The Panel hopes that the government will consider them so that hawker centres can continue to meet the community’s dining needs while remaining a source of affordable food for all in Singapore.

HAWKER CENTRES PUBLIC CONSULTATION PANEL

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**Annex**

**LIST OF PUBLIC CONSULTATION PANEL MEMBERS**

<b>S/N</b>	<b>Name</b>	<b>Organisation</b>	<b>Designation</b>
1	Ms Elim Chew (Chair)	77th Street (S) Pte Ltd	Founder
2	Ms Teo Mee Hong	Social Enterprise Association Ltd	Executive Director
3	Mr Danny Chong	Hawker Representative/ Association	Representative
4	Mr Perry Ong	NTUC Foodfare Cooperative Ltd	CEO
5	Mr Benny Se Teo	18 Chefs Pte Ltd	Director
6	Ms Sim Sin Sin	Laksania	CEO
7	Ms Tan Puay Hoon	Restroom Association of Singapore	President
8	Mr Mark Cheng	Avelife	Executive Director
9	Mr Ashvin Kumar	Singapore Institute of Architects	President
10	Mr Chua Seow Ann	SA Chua & Associates	Principal Architect
11	Mr John Ting	A.I.M. & Associates	Principal Architect
12	Dr Wong Chiang Yin	Thomson International	President
13	Mr Sunny Koh	Chinatown Food Corporation Pte Ltd	Managing Director
14	Mr Pang Lim	Koufu Pte Ltd	Managing Director
15	Mr Stephanie Cheo	Flametree Communications Pte Ltd	Managing Director
16	Ms Eva Tay	Econ Healthcare Group	General Manager (Business Development)
17	Mr Tan Wah Yeow	KPMG LLP	Deputy Managing Partner
18	Dr William Wan	Singapore Kindness Movement	General Secretary