

Rental policy for stalls in hawker centres and wet markets

There are subsidised and non-subsidised stalls in government-owned markets/hawker centres managed by NEA:

(a) Subsidised stalls

- Subsidised stallholders are the original stallholders who were relocated from the streets in the early 1970s or allocated stalls under the Government's hardship scheme (discontinued since 1989).
- These stallholders pay subsidised rent for their stalls. The monthly rent for subsidised stallholders are summarised in the table below.

Table: Current subsidised rent in upgraded and non-upgraded centres

Type of Stall	Trade type	Subsidised Rent per month (inclusive GST)		
		Without upgrading	Standard Upgrading	Reconfiguration / Rebuilding
Cooked Food	Cooked Food	\$160	\$192	\$320
Market	Piece & Sundry	\$92	\$110.40	\$184
	Market Produce I	\$80	\$96	\$160
	Market Produce II	\$56	\$67.20	\$112

- These stallholders can continue to enjoy subsidised rentals so long as they attend to their stalls personally, are not in other occupations and do not sublet their stalls.

(b) Non-subsidised stalls

i) Tendered rent stalls

- The Government tenders out vacant stalls on a monthly basis. These are on 3-year fixed term tenancy.

- From 1 April 2012, the successful tenderer is not allowed to sublet or assign. The successful tenderer is required to personally operate the stall.

ii) Market rent stalls

- A subsidised stallholder is allowed to assign his stall to another person under the Enhanced Stall Assignment Scheme. The assignee's rent will be progressively raised every year from subsidised rent to assessed market rent over the three-year term tenancy. The assignee is to operate the stall personally and is subject to the new policies of no subletting and no assignment.
- For market rent paying stallholders, stallholders paying market rent may renew the tenancy at a newly assessed market rent. This is assessed by professional valuers, who take into account factors such as stall size, location and the prevailing market conditions. Hence, the newly assessed rent changes according to market conditions, and may be higher or lower than the previous rent.
- If a market rent paying stallholder has difficulty maintaining the stall rent, an alternative is to consider tendering for other stalls at a rent that he is prepared to offer under the Tender Scheme, subject to availability.

(c) Sold stalls

- These stalls were sold to the incumbent stallholders on 20-year leases under the Stall Ownership Scheme. About 2,000 stalls in 15 centres were sold in four phases between 1994 and 1997, and their leases will expiry between 2014 and 2017.

Food prices in hawker centres

- Our current hawker centres continue to provide many Singaporeans with a wide variety of affordable meals.
- Nearly half of the 6,258 cooked food stalls that NEA manages are paying subsidised rentals. The subsidised rent ranges between \$160 and \$320.
- For the non-subsidised stalls, the appraisal of hawker stall rentals is based on a valuation by a professional valuer. The market rental for such stalls is generally lower than those in private food courts.
- This, together with subsidised stalls, which still make up about half of the number of cooked food stalls in the hawker centres, helps keep cooked food prices affordable.
- Service and conservancy charges at hawker centres are also subsidised to help hawkers maintain costs despite more frequent cleaning at our hawker centres in recent years to achieve higher standards of cleanliness.
- Over the years, the Government has provided different forms of assistance to the hawkers. For instance, NEA provides rental remissions when the centres are closed for upgrading or major renovation works. Rental rebates were given during the economic crisis in 2009.