

立法會
Legislative Council

LC Paper No. CB(1)523/00-01
(These minutes have been
seen by the Administration)

Ref: CB1/BC/2/00/2

**Bills Committee on
Dangerous Goods (Amendment) Bill 2000**

**Meeting on
Wednesday, 6 December 2000, at 8:30 am
in Conference Room B of the Legislative Council Building**

Members present : Hon James TO Kun-sun (Chairman)
Hon Mrs Selina CHOW LIANG Shuk-ye, JP
Hon HUI Cheung-ching
Hon LAU Kong-wah
Hon Mrs Miriam LAU Kin-ye, JP

Public officers attending : Mr D WONG
Principal Assistant Secretary for Security

Mr J K KWOK
Chief Fire Officer
Fire Services Department

Mr K M LEE
Assistant Director of Marine

Mr D J HOWELLS
Assistant Director of Civil Engineering

Mr Y C LEUNG
Senior Geotechnical Engineer/Mines

Mr W B MADDAFORD
Senior Assistant Law Draftsman

Miss S WONG
Government Counsel

Miss LEE Choy-mei
Assistant Secretary for Security

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Mr Stephen LAM
Assistant Legal Adviser 4

Mrs Mary TANG
Senior Assistant Secretary (1)2

I Meeting with the Administration

The Chairman drew members' attention to the submission from Saving International (Holdings) Ltd. (LC Paper No. CB(1)249/00-01) regarding its concerns about the exempted quantities for storage and conveyance of moth repellents. Members agreed to invite representatives of the company to express their views at the next meeting. Members also requested the Administration to provide a written response to the submission received.

Admin.

2. At the invitation of the Chairman, the Principal Assistant Secretary for Security (PAS/S) briefed members on the comparison of staff training requirements for liquefied petroleum gas (LPG) and dangerous goods (DG) vehicles at LC Paper No. CB(1)259/00-01(01) and the comparison of licensing requirements for vehicles conveying LPG and DG at LC Paper No. CB(1)259/00-01(02)).

3. On Mr HUI Cheung-ching's enquiry about the need for refresher training for drivers of DG vehicles, the Chief Fire Officer, Fire Services Department (CFO) said that refresher training was considered necessary for updating drivers' knowledge having regard to the on-going development of DG.

4. Comparing the duration of the training courses for drivers of LPG and DG vehicles and the safety installations and equipment required for these two classes of vehicles, Mr LAU Kong-wah queried why the standards for LPG vehicles were much higher than those of DG vehicles. He was concerned that of the 1,600 types of DG, some could be flammable substances and would also impose a high degree of risk. As such, the conveyance of DG should also be subject to the same degree of safety requirements as that of LPG.

5. CFO replied that the safety hazard posed by the conveyance of LPG was much higher than DG. This was because LPG was flammable and its exposure to high temperature would result in bursting, and hence, explosion. This explained why extra precautionary measures such as the use of flame resistant material and installation of

emergency engine stop to cut off the supply of fuel to the engine were necessary in LPG road tankers.

6. Regarding the duration of the training courses for drivers of LPG vehicles, CFO advised that as drivers of LPG road tankers had to operate different valves and fittings in the LPG road tankers, it required a longer training period of five days to enable the drivers to learn all the essential details. The duration of the training courses for drivers of LPG cylinder wagons was shortened to half a day, taking into account the staff training requirements for this type of vehicle. Regarding the conveyance of other flammable gases which were classified as DG, CFO advised that road tankers would not normally be used in the course of transportation as the quantities involved were small. As such, the training duration could be shortened to tie in with the actual training needs of drivers.

7. Mr LAU Kong-wah did not accept the Administration's reply. He pointed out that given the diversity of DG, it was of paramount importance that drivers of DG vehicles should have adequate knowledge in handling different kinds of DG. In this regard, he enquired whether consideration would be given to imposing a higher safety standards for DG drivers and vehicles, for example, the enhancement of staff training programme and additional provision of safety installations and equipment in DG vehicles.

8. CFO explained that in order to suit the need of individual drivers who would be required to convey different Classes of DG, different certificates would be issued to them for the conveyance of different Classes of DG. The training programme would also be designed in such a way so as to include a two-day core module and optional modules lasting for one day to meet drivers' needs. Upon completion of the training course, the drivers would be required to sit for a mock examination. There would be cost implications for extending the duration of the training course, as this would lead to further loss of working-day. He said that the proposed arrangement would provide adequate training for drivers and would meet with the requirements of the legislation. As regards the upgrading of safety installation for DG vehicles, CFO said that the Administration would have to examine further taking into account the operational requirements of the trade and the safety needs. Since the licensing requirements for DG vehicles were not specified in the subsidiary legislation, the Chairman requested and the Administration agreed to provide the Panel on Security with the updated information on the revised licensing requirements for DG vehicles in due course.

Admin.

9. Mrs Selina CHOW opined that in setting safety standards, the Administration should strike a balance between safety considerations and cost implications. She objected to the imposition of unnecessary high safety standards which might stifle the operation of the trade. She pointed out that the upgrading of safety installations and equipment and the extension of the training duration as well as enforcement actions against non-compliance would all incur increases in operating costs. She enquired if the Administration had conducted a Regulatory Impact Assessment (RIA) on the proposed licensing arrangements, in particular, on the cost impacts on the trade. She also expressed concern about the practicability of the proposed licensing system which would require the annual renewal of licences for large numbers of DG vehicles.

10. In response, CFO said that the consultants engaged by the Administration had conducted two RIAs on the proposed licensing regime, one was on the conveyance of DG and another on the storage requirements. The consultants concluded that the proposed licensing regime would be beneficial to the community and would not cause undue hardship to the trade in general, and that the benefits brought by the regime would outweigh its cost implications. The consultants had also requested the Fire Services Department to review the licensing requirements for dangerous goods stores to take account of improvements in fire prevention installations. This would help alleviate the regulatory impact on the affected trades.

11. On Mrs Selina CHOW's further enquiry on whether the RIA had reviewed the cost implications of all the proposed changes in connection with the conveyance of DG on land, CFO said that the consultants had provided a detailed report on the cost implications of the proposed licensing regime, which covered the costs of vehicle licensing and retrofitting, drivers' training, emergency equipment installed, and drivers' licences etc. The fees for initial issue of licences for DG vehicles for Categories 2 and 5 was \$725 based on a cost recovery basis. He would be pleased to provide the report for members' reference.

12. Mrs Selina CHOW expressed concern about the existing arrangement whereby two separate Government departments were each responsible for carrying out annual vehicle inspection for LPG and DG vehicles. To achieve economy of scale and taking into account the user-pays principle adopted by the Administration, she opined that the Administration should explore whether the related services could be contracted out or grouped under the purview of a single entity. This would not only improve cost effectiveness, but would also alleviate the pressure for fee increases and relieve the financial burden of the related trades. She suggested that the matter should be further followed up with the Administration.

(Post-meeting note - A letter setting out Mrs CHOW's concerns was sent to the Secretary for the Treasury on 9 December 2000.)

13. Responding to Mrs CHOW's enquiry about the safety requirements for DG vehicles, CFO said that the safety requirements for vehicles conveying Categories 2 and 5 DG were based on standards adopted in the United Kingdom and the United States. Given the lower safety hazard posed by vehicles conveying Classes 4 to 9 DG under the Bill, a lower safety requirement was proposed.

14. Mr LAU Kong-wah stressed the importance of public safety. He opined that public safety should be of greater concern than the cost impacts on the trade. Referring to pages 5 and 8 of the comparison table at LC Paper No. CB(1)259/00-01(02), he pointed out that similar to LPG vehicles, the requirements for using flame resistance material, the installation of means to cut off the supply of fuel to the engine and stop the engine, and the provision of safety device to guard against the risk of short circuit and the outbreak of fire for all electrical apparatus in LPG road tankers should also be specified in DG vehicles. He did not consider that these safety requirements would incur high costs.

15. CFO said in response that the safety requirements for LPG road tankers were much higher than DG vehicles. As such, any material used in the construction of LPG road tankers should be flame resistant as bursting and explosion might be resulted due to increase of pressure caused by temperature rise. With the use of flame resistant material in LPG road tankers, there would be a corresponding decrease on the need for fire service installations at LPG filling stations. By international standards, the safety installation required for LPG road tankers were not entirely applicable to vehicles conveying Classes 4 to 9 DG under the Bill. However, the Administration was prepared to further discuss the safety requirements with the trade.

16. While recognizing the need for public safety, Mrs Selina CHOW reiterated that a balance should be struck between safety and costs. She was not convinced of the need for Hong Kong to adopt a particularly higher safety standard than other developed cities. She noted that it was common practice for the Administration to adopt the highest safety standard possible, after reference was made to standards adopted overseas. She queried if such a practice was justified, given that there were cost implications in complying with standards which were overly stringent.

17. CFO said that the Administration considered that there was a need to adopt a higher safety standard because of the high population density and the narrowness of roads in Hong Kong. The licensing requirements for vehicles conveying Categories 2 and 5 DG had been adopted for quite some time and were found to be effective. The proposed requirements for licensing vehicles conveying classes 4 to 9 DG under the Bill were subject to a RIA, including a cost-benefit analysis.

18. Responding to Mrs CHOW's query on whether licensing requirements were considered the most cost-effective measure, PAS/S said that the licensing requirements had been regularly reviewed to keep in line with international standards and that the existing licensing requirements would ensure that DG vehicles were in compliance with necessary safety requirements. He concurred with members on the need for a balanced consideration between safety and costs. In setting safety standards for Hong Kong, the Administration would make reference to the standards adopted by other developed countries, taking into account local variations which might not be applicable elsewhere. It would also conduct consultation particularly with the trade. CFO added that the licensing requirements were found to be more effective than inspection by enforcement agencies as vehicles were subject to annual inspection upon renewal of licence.

19. Mrs Miriam LAU expressed concern about high fees for the drivers' training course. CFO said that the consultants had originally estimated the course fees to be around \$ 4 000. After a series of negotiation, the Vocational Training Council was prepared to lower the course fees to \$1 440. Experienced drivers would be exempted from some of the optional modules.

20. As regards Mrs Miriam LAU's further enquiry about the Code of Practice (COP), CFO said that this had yet to be drawn up. The COP would not be a part of the principal Ordinance but would be dealt with in conjunction with the subsidiary

legislation. The dangerous substances to be controlled as well as the guidelines and safety practices to be followed by the trade would be included in the COP.

21. Mrs Miriam LAU considered that there was a need to consult the trade on the COP, as she was concerned about the practicability of the safety requirements. She also sought clarification on the details of implementation on the controlling measures. CFO said that some of the measures which were beneficial to the operation of the trade, such as the acceptance of international labelling for goods transshipped to Hong Kong as part of its international journey, would be implemented first. Meanwhile, a grace period of not more than two years would be provided for most controlling measures on land to take account of the time required for training drivers and the provision for storage space. PAS/S added that the details of implementation had to be worked out in consultation with relevant parties. In response to the Chairman, the Administration agreed to provide the implementation timetable of the relevant provisions in the Bill, including the subsidiary legislation to be introduced.

Admin.

22. Since the main substance of the proposed amendments would be included in the subsidiary legislation, the Chairman requested and the Administration agreed to provide a summary of the proposals to be contained in the subsidiary legislation for members' reference.

Admin.

23. Members agreed to meet again in January 2001 on a date to be decided in consultation with Administration and the Saving International (Holdings) Ltd.

(Post-meeting note: In consultation with the Chairman and the Administration, the third meeting was arranged to be held on 18 January 2001 at 4:30 pm but the Saving International (Holdings) Ltd had subsequently declined to attend.)

II. Any other business

24. There being no other business, the meeting ended at 9:45 am.

Legislative Council Secretariat
31 January 2001