

LETTERHEAD OF HONG KONG RETAIL MANAGEMENT ASSOCIATION

19 January 2001

The Honourable James To
Chairman
Bills Committee on Dangerous Goods (Amendment) Bill
c/o Legislative Council Bldg
8 Jackson Road
Central
Hong Kong

Dear Mr To

DANGEROUS GOODS (AMENDMENT) BILL

I am writing on behalf of the Hong Kong Retail Management Association to express our concerns regarding the captioned subject.

Our Association has held a preliminary meeting with representatives of our trade and the Fire Services Department last month to understand the provisions of the amendment bill. During the meeting, a number of issues proposed in the amendment bill were raised which will have tremendous impact to the retail and wholesale industry if they were not carefully thought through and reviewed.

We have consolidated our broad areas of concern as follows:

1. Definition, Classification and Scope of Dangerous Goods

It is unclear within the trade which types of consumer products are being classified as dangerous goods. However, it was felt that the scope of the products being affected under the bill is immense.

Of chief concern is the fact that legislation designed for the handling of dangerous goods in bulk (i.e. on an industrial scale) is potentially being imposed on retail products on sale to the general public. This would make a consumer pack of household bleach or mothballs subject to a legislative framework designed for bulk chemicals. Moreover, the bill appears to make no distinction between the handling of pure chemicals and consumer packs containing them as ingredients in small quantities. Hence, a household bleach containing 5% chlorine would potentially be treated with the same rigor of the law as an industrial quantity of

chlorine. This would make it prohibitively expensive to supply such products to the retail trade.

2. List of Consumer Goods or Household Chemicals that fall within the provision of dangerous goods

The Association and the trade were being invited by the Fire Services Department to help identify a list of consumer goods/household chemicals that were being considered as dangerous goods under the bill. The trade was being requested to submit Material Safety Data Sheets (MSDS) of their products. However, the trade has expressed that as a majority of consumer products on sale in Hong Kong were imported from other countries, in most cases such MSDS are only available from the suppliers or even manufacturers. Moreover, MSDS are only available for bulk chemicals, not for consumer products such as mothballs or bleach which only contain them as a constituent or ingredient. Under such circumstances, efforts to compile such a list of products or control them in the same way as industrial chemicals would be difficult and would require a considerable amount of time and effort.

3. Storage and Transportation of Dangerous Goods

The current proposed exempted quantities of chemical products containing dangerous goods for both storage and transportation on a retail and wholesale level were considered as too low. For example, the current limits on Naphthalene Balls or Parazol would limit normal distribution of consumer products to 2-4 cases making the normal distribution of such products to the retail trade impossible or prohibitively expensive. The Fire Services Department has offered to hold meetings with the trade to discuss and agree on acceptable levels to relax some of the restrictions to balance safety with the needs of the trade. However, this would require a considerable amount of time to review and examine the various aspects to agree on acceptable levels.

4. Increase in Costs to Businesses

In reviewing the various exemptions on quantities for retail/wholesale storage and transportation, it is important to note that such should be made on an acceptable level so as to cause the least disruption to businesses and one which will not increase extra costs to the trade. For example, requests to set up a dangerous goods store within or adjacent to retail shops for storage of such goods is both impractical and one involving huge costs. Equally, requesting the trade to utilize a licensed dangerous goods vehicle for transportation of such goods will again be impractical. Consumers will ultimately be the ones being affected with higher

retail prices of such goods as a result or a reduction in consumers' choice as most retailers or wholesalers will find it easier to simply not import that product into Hong Kong at all.

5. Grace Period for the Dangerous Goods Ordinance

In view of the time required to review the details of the amendment bill and taking note that the current Ordinance in place might be outdated, we hope that the Fire Services Department will not carry out prosecutions within the trade until the case has been resolved.

In the meantime, with the above concerns in question, we sincerely invite members of the Bills Committee to allow a sufficient time frame for the trade to work out relevant details of the amendment bill with the government.

We would appreciate the opportunity to meet with the Bills Committee to further present our position on the subject and to answer any queries members may have.

Yours sincerely,

Anita Bagaman (Miss)
Executive Director

c.c. Mrs Selina Chow, Legislative Councillor, Wholesale & Retail.
Mr Tam Chi-chung, Deputy Chief Fire Officer, Fire Services Department.