

立法會

Legislative Council

LC Paper No. CB(1)1992 /07-08

Ref : CB1/PL/EDEV

Report of the Panel on Economic Development for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Economic Development (the Panel) during the 2007-2008 legislative session. It will be tabled at the meeting of the Legislative Council on 2 July 2008 in accordance with Rule 77(14) of the Rules of Procedure of the Council.

The Panel

2. The Panel was formed by a resolution passed by the Council on 8 July 1998 and as amended on 20 December 2000, 9 October 2002, and 11 July 2007 for the purpose of monitoring and examining Government policies and issues of public concern relating to economic infrastructure and services, including air and sea transport facilities and services, postal and weather information services, energy supply and safety, consumer protection, competition policy and tourism. The terms of reference of the Panel are in **Appendix I**.

3. The Panel comprises 20 members, with Hon Jeffrey LAM Kin-fung and Hon Abraham SHEK Lai-him elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix II**.

Major Work

Tourism

4. Tourism remains a pillar industry of Hong Kong's economy. Hong Kong received over 28 million visitors in 2007, representing an increase of 11.6% over 2006. The Panel has continued to monitor closely the development of tourism in Hong Kong, including the operation of the Hong Kong Disneyland (HKD) and the Ngong Ping cable car, the development of the

new cruise terminal facilities and hotels in Ocean Park, as well as other tourism initiatives.

Hong Kong Disneyland

5. HKD represents one of the Government's strategic initiatives for invigorating tourism and positioning Hong Kong as a premier destination for family travel. The Panel is keen to ensure HKD will continue to be a world-class theme park attracting increasing number of visitors.

6. The Panel has noted with concern the decline in number of visitors to HKD. Members are disappointed that the visitor figures have fallen short of the original projected annual attendance of 5.6 million and have urged the park management to implement measures to boost the number of visitors. In this regard, the Government has expressed dissatisfaction about the park's performance and urged it to continue to improve its operation. The Walt Disney Corporation (TWDC) has agreed to waive the management fees and defer royalties for two years until the management company improved its financial condition. While measures, such as enhancing HKD's calendar of special events to tie in with the seasonal visitation pattern of Hong Kong families and the launch of the Annual Pass programme, are welcomed by visitors, members have urged the park management to consider forming alliance with the Ocean Park (OP) and devising city passes for multiple tourist attractions in boosting the park's attendance. In this regard, members note that HKD will consider offering package tickets to multiple locations, including Ngong Ping cable car, and the Peak.

7. The Panel has noted the wide public concern about the expansion plans of HKD and possible injection of funds by the Government. Some members consider that TWDC should show its long-term commitment to HKD by injecting more funds than the Government for the future development of HKD. Some other members have expressed reservation on the expansion plans, and urged the Administration to increase transparency on related matters to facilitate consideration of relevant proposals by the Council. The Panel has stressed that the Administration should exercise prudence in considering options for the future development of HKD. The Administration has assured members that in studying the long-term financial arrangement of HKD, the Government would consider various factors, such as the economic benefit for Hong Kong, the appeal of new attractions in the park to visitors, and the ways to improve the management, transparency and viability of the park. The Administration will report to the Panel at an appropriate time the outcome of the study and the negotiations with TWDC.

Ngong Ping cable car

8. In the wake of the incident of the falling of a cabin of Ngong Ping cable car in June 2007, the Mass Transit Railway Corporation (MTRC) set up a subsidiary, Ngong Ping 360 Limited (NP360), to take over the management and operation of the cable car system from Skyrail-ITM (Hong Kong) Limited (Skyrail).

9. Members have expressed concern about the acquisition of Skyrail by MTRC. MTRC has advised that the acquisition is a means to achieve the goal of changing the management of the cable car system at the earliest time so as to facilitate early re-opening of the cable car service. The acquisition does not involve issues relating to termination of contract and compensations. On the question of liability of parties for possible claims arising from the incident, MTRC has advised that it has given due consideration to the relevant factors including previous incidents involving Skyrail and the anticipated benefits for MTRC. NP360 recognizes and will honour the terms of contracts signed between Skyrail and third parties in connection with the operation of the cable car system and Ngong Ping Village.

10. Members have expressed concern about the capability of NP360 in following up cable car incidents. NP360 assures that the new management team has stressed the importance of strengthening staff training, implementing a quality management system, and enhancing internal communication, to ensure that prompt and appropriate actions will be taken to rectify any problem. In this regard, Members have noted that NP360 has enhanced the management regime and maintained close liaison with Electrical and Mechanical Services Department. It has implemented most of the recommended improvements in the report of the Government Expert Panel. In order to re-establish public confidence on the cable car system, and to assist Ngong Ping Village tenants to tide over the difficult period, NP360 has launched a series of promotional programmes, including offering ticket concessions to attract visitors, and providing rent waivers to tenants.

Ocean Park

11. The Panel has been briefed on the proposal to develop three hotels in OP to be opened in phases from 2011-2012 onwards. Members are supportive of the proposal in consideration of the economic benefits for OP and Hong Kong in terms of enhancing the park's appeal to visitors, increasing tourist spending, and creation of new jobs for local people. Coupled with the Redevelopment Plans of OP, the hotel project will bring about spillover benefits and induce further development of neighbouring districts, such as the development of the Aberdeen harbour into a Fisherman's Wharf, other hotel development projects in the area, and rejuvenation of Wong Chuk Hang area. Some members however, have expressed concern about negative traffic impacts on the vicinity.

The Ocean Park Corporation (OPC) has explained that according to a Traffic Impact Assessment conducted earlier, existing public transport facilities and services in the areas are adequate to cater for the guests of the three hotels even without the South Island Line (SIL) (East). The commissioning of SIL (East) will further help reduce the road traffic demand in the Southern District. Hence, the hotel development will not induce significant traffic impacts or affect the adjacent road network and major road links in the areas.

12. Regarding the mode of development of the hotels, the Panel has noted that the project will be taken forward through an open tender, under which developers will be invited to design, build and operate the hotels. After the tendering procedures, OPC will enter into a sub-lease with the selected developer(s). The premium for lease modification will be charged at market value in accordance with the prevailing policy.

The new cruise terminal at Kai Tak

13. The Panel supported the Administration's decision to construct a new cruise terminal at Kai Tak and welcomed the issue of the open tender for the project in November 2007. Members have noted that the successful tenderer is required to design, build, operate, manage and maintain the new cruise terminal under a 50-year land lease and begin operating the first berth in February 2012. Members have highlighted the importance to maintain a level-playing field in the tender exercise and to conduct the exercise in a fair and impartial manner.

14. The Panel has stressed the importance to put in place a mechanism for monitoring the performance of the operator of the new cruise terminal, imposing sanctions on non-compliance with performance requirements, and ensuring the operator's commitment to work with the cruise industry and the Administration in developing Hong Kong as a regional cruise hub. The Administration has explained that in assessing the tender bids, the Tender Assessment Panel will place emphasis on the tenderers' experience in operating and managing cruise terminal facilities, and their capability to engage the cruise market and the tourism sector. The successful tenderer will be required to work with the Tourism Commission and Hong Kong Tourism Board (HKTB) in liaising closely with the neighbouring coastal provinces in the Mainland as well as the China National Tourism Administration to develop the cruise market in the region. To facilitate monitoring, the successful bidder will be required to enter into a Service Agreement with the Government which will include the bidder's performance pledges. Regarding non-compliance with the provisions in the Service Agreement, the Administration has assured members that depending on the seriousness of the matter, the Government may issue Default Notices, request information from the operator relating to compliance with the Service Agreement and land lease, or enforce the provisions of the Service Agreement by way of taking legal proceedings. In

case of serious breach of the Service Agreement by the operator, the Government can terminate the Service Agreement.

Hong Kong Tourism Board Work Plan for 2008-2009

15. The Panel was briefed on HKTB's work plan for 2008-2009. Members have expressed support for HKTB to seek Government's funding of about \$550 million for its operation in 2008-2009. Notwithstanding HKTB's optimistic outlook for the tourism industry in 2008, some members have expressed concern about the projected increase in flight capacity, as the movement slots in the Hong Kong International Airport (HKIA) is approaching saturation and arrivals by air may be affected by the direct links between the Mainland and Taiwan. The Panel has noted that HKTB is studying measures to minimize the possible impacts of increasing air connectivity between the Mainland and Taiwan on Hong Kong's tourism.

16. Regarding members' concern about the low level of marketing input for the Mainland market, HKTB has pointed out that the level will constitute 26% of the total marketing expenses for the Mainland and overseas markets for 2008-2009, and is the highest among the 19 source markets. HKTB has also stressed the need to maintain a balanced portfolio of visitors from all key markets and earmark adequate resources to each market. To tie in with HKTB's marketing strategies, members have called on the Administration to facilitate the entry of visitors from new and emerging markets. In this regard, the Panel was pleased to note that the Government had simplified the immigration procedures for Russian visitors, and that HKTB would continue to maintain close liaison with the Government in stepping up work in this area.

17. The Panel was particularly concerned about HKTB's internal control and monitoring mechanisms. HKTB has advised that it has taken on board Members' view expressed at the meetings of Public Accounts Committee, and would endeavour to make continuous improvement on its performance. HKTB has re-delineated the power and responsibilities of its Chairman, Board members and Executive Director. The issuance of performance-based bonus for senior managers will be decided by the Board at the recommendation of the Executive Director instead of solely by the Executive Director as in the past. Prior approval is required for staff to undertake overseas duty trips. The Board has also provided detailed guidelines on the use of entertainment allowance. Regarding cost control, HKTB has stressed that it will continue to contain staff establishment. Some members have called on HKTB to explore room for further downsizing and streamlining its staff establishment and staff structure. The Panel has urged the Administration to exercise effective monitoring over the work of HKTB. Members has noted that the Administration will continue to work closely with HKTB and monitor the development of new Key Performance Indicators for measuring HKTB's performance.

Tourism development on outlying islands

18. The Panel received a briefing on the development and promotion of tourism on outlying islands. Members have urged the Administration to increase the appeal of outlying islands with a view to promoting local community economy and sustaining the operation of ferry lines to these islands. To enhance the effectiveness of HKTB's publicity work in promoting the outlying islands to overseas visitors, members have suggested the Administration to conduct relevant research and collect statistical information. Moreover, the promotion and publicity on activities held on outlying islands should also target at local visitors. The Administration has advised that it has been developing green tourism on outlying islands in line with the principles of nature conservation and sustainable development to enrich visitors' travelling experience. The Administration has assured members that it will continue to upgrade the supporting facilities to increase the appeal of outlying islands.

Electricity market

19. The Panel was briefed on the annual tariff adjustment for 2008 by the two power companies. Members are gravely concerned that despite the two power companies are making huge profits, they will increase tariffs at rates higher than the prevailing rate of inflation. Members have questioned the justifications for the increase and called on the power companies to lower the rates of the increase. The power companies have explained that the increase in tariffs is to meet increasing operating costs, in particular, the upsurge in fuel prices. In this regard, members have urged the Administration to tighten its financial monitoring of the two power companies. The Administration has stressed that in reviewing the tariff adjustment proposals, it has carefully examined the financial information and justifications provided by the power companies. It has also successfully convinced the power companies to reduce the rates of increase for 2008.

20. The Administration entered into new Scheme of Control Agreements (SCAs) with the two power companies on 7 January 2008. The Panel discussed with the Administration and the two power companies at a special meeting on 8 January 2008 issues relating to the new SCAs and the future development of the electricity market. While some members expressed disappointment at the new permitted rate of return of 9.99%, some other members considered the rate reasonable. Notwithstanding that the reduction in the permitted rate of return in the new SCAs is expected to lower tariffs, members are concerned that the expected reduction will be quickly eroded due to rising international fuel prices and the onset of inflation in Hong Kong. The Administration has stressed that it has been mindful of the interests and aspiration of the public during the negotiation with the power companies. The power companies have already undertaken to bring down the basic tariffs in the

first year of the new SCAs, which may bring about a total reduction of \$5 billion in electricity payments annually based on the available 2006 figures. The Administration has also pointed out that there are incentive and penalty arrangements under the new SCAs to encourage the power companies to improve their operating and environmental performance. Moreover, the threshold requiring Government's approval for tariff adjustment in excess of the projected basic tariff level previously approved by the Executive Council in the context of Development Plan has been reduced from the current 7% to 5%. Members have called on the Administration to exercise effective control over the capital investments made by the two power companies. The Administration has assured members that it will continue to monitor and critically examine the five-year Development Plans of the power companies to assess whether the need and cost for additional assets are justified.

21. While the duration of the new SCAs has been shortened to ten years in preparation for the opening of the electricity market, members are disappointed that the community has to wait until 2016 when the Administration will make a firm decision on making changes to the electricity regulatory framework. They have stressed the need for the Administration to draw up a clear road map for opening the electricity market and take swift action within the next ten years. The Administration has pointed out that while there is wide public support for further liberalization of the electricity market, there are concerns about the availability of new supply sources in the region, issues relating to grid access, and whether the issues of high tariff and rates of return to the power companies could be resolved by introducing more competition in the market. The Administration has taken note of members' views and will discuss with the power companies before 1 January 2016 about the market readiness, potential changes to the electricity regulatory framework and transition issues. In this regard, the Administration has been requested to update the Panel on the progress at regular intervals.

Competition policy

22. Based on the findings and recommendations of the Report by the Competition Policy Review Committee released in July 2006, the Administration published a public discussion document in November 2006 to seek public views on the way forward for competition policy in Hong Kong. While feedback from the public has indicated that most people support the introduction of a cross-sector competition law in Hong Kong, the business sector, especially the small and medium-sized enterprises (SMEs), has expressed concern that the competition law may create an additional compliance burden for companies.

23. To address the business sector's concerns, the Administration published a consultation paper in May 2008 outlining the major provisions in the competition law to gauge the public's views on the proposed scope of the law

and enforcement mechanisms for a period of three months. The Panel in general supported the introduction of a competition law to prohibit anti-competitive conduct engaged by firms to help ensure a level-playing field for all enterprises and the free play of market forces. Members have however stressed the need to prevent the law from increasing the cost of doing business in Hong Kong, and the need to address SMEs' concerns that they may unwittingly fall foul of the law and that they may be vulnerable to aggressive litigation from large firms. Members have noted that while SMEs would be unlikely to have sufficient market power for their conduct to have the effect of substantially lessening competition, SMEs could be subject to sanction if they engage in "hard-core" conduct (such as price-fixing, bid-rigging or market sharing) with the purpose of substantially lessening competition. Hence, members consider it necessary to define clearly the meaning of "hard core" conduct. The Panel also supported providing the Competition Commission or the Competition Tribunal with power to strike out vexatious or frivolous complaints or legal actions. Members have called on the Administration to carefully consider exemptions and exclusions to ensure the effectiveness of the competition law. With a view to enhancing credibility of the Competition Commission, members consider that there should be provisions in the new law to protect the confidentiality of information provided by complainants or persons under investigation. There is also suggestion to impose daily fines on companies convicted of anti-competitive conduct in order to increase deterrent effect of the new regulatory regime. The Administration has undertaken to consider the views expressed during the consultation period in preparing the new competition law, and to introduce the relevant bill into the Council in the 2008-2009 session.

Airport and aviation services

24. The Hong Kong's aviation sector continues to thrive as evidenced by significant growth in air passenger and cargo throughput in recent years. The Panel has continued to monitor issues relating to the development of aviation infrastructure and support services.

25. The Panel supported the proposal to develop a new Civil Aviation Department (CAD) headquarters building on the Airport Island to accommodate the new air traffic control (ATC) system and all CAD functional divisions with a view to catering the rapid growth in air traffic and enhancing efficiency and improving the services to the aviation industry. In implementing the project, members have stressed the importance of ensuring a smooth interface between system replacement and no disruption in ATC service. They have further urged the Administration to ensure that the capacity of the existing ATC system could meet air traffic growth in the interim, and the new CAD headquarters building would cater for subsequent expansion or replacement of the new ATC system. The Administration has advised that the existing ATC facilities will be upgraded to increase the

number of air traffic control positions from 22 to 27 for meeting forecast growth in aircraft movements up to 2012. The capacity of the new ATC system would meet the demand from air traffic growth for HKIA up to 2025. The need for further enhancement of ATC system will be examined around 2020. On the concern about the impact of the project costs of replacing ATC system and constructing the new CAD headquarters on HKIA's competitiveness, the Administration has explained that there would only be mild increase in ATC service charges, and the cost per flight would be lowered after 2013 with increase in the number of flights using HKIA. The Administration obtained the funding approval of \$1,997 million from the Finance Committee in early 2008. Construction for the project is expected to commence in September 2008 and the new ATC Centre is scheduled for completion in April 2011 for equipment installation and testing. The entire new CAD headquarters building is expected to be commissioned by end 2012.

26. In response to increasing calls for enhancing HKIA's runway capacity to cope with the rapid growth in air traffic volume in recent years, CAD and Airport Authority (AA) commissioned a consultancy study on Hong Kong airspace and runway capacity in July 2007, which recommended a total of 46 measures for enhancing the capacity of the existing two runways. The Panel has noted that with the successful implementation of the measures, the maximum runway capacity of HKIA could gradually reach 68 movements/hour by 2015. Members are keen to ensure that improvement in flight operation procedures and enhancement of ATC staff strength would meet the robust growth in air traffic. While the Administration is urged to strengthen efforts in enhancing the runway capacity, members consider the construction of a third runway at HKIA essential for its future development and competitiveness. In this regard, members have noted that AA will start within 2008 studies on the engineering and environmental feasibility of building a third runway. The Panel has called on the Administration and AA to critically examine the need of a third runway and work out forward-looking plans for the development of HKIA. The Panel has also stressed the importance for the Administration to step up cooperation with neighbouring aviation authorities over the use of airspace in the Pearl River Delta (PRD) region to improve the air traffic management, with a view to increasing airspace capacity and further enhancing HKIA's runway capacity. The Panel welcomes the proposal agreed by the tripartite working group established among the civil aviation authorities on the Mainland, Macao, and Hong Kong to optimise planning, standards and procedures of air traffic management for gradual improvement in the use of airspace and maximizing aircraft movements in PRD region in three stages starting in 2008.

27. The development of low-cost carriers will help promote consumer choice and competition in the aviation market. The Panel has discussed with the Administration issues relating to the development and operation of low-carriers in Hong Kong. Members have noted the Government's aviation

policy in pursuing liberalization of air services arrangements between Hong Kong and aviation partners and providing a level-playing field for all carriers to operate services to and from Hong Kong, so as to enable service expansion by airline and facilitate new airlines to enter into the market. Members have urged the Administration to enhance efforts in liberalizing bilateral air services arrangements to promote competition among airlines in the market, which will bring benefits to consumers in terms of lower airfares and better services. The incident of cessation of services by Oasis Hong Kong Airlines has aroused public concern about the arrangements and handling of situations upon cessation of services by airlines. While members are aware that the Administration has put in place contingency arrangements in conjunction with the relevant parties to help the affected travellers, they consider that there is room for improvement in the arrangements, including the dissemination of information on flight schedules and alternative travel arrangements for affected passengers, protection for consumers who have purchased tickets from the airline, and assistance for airline staff. Members have called on the Administration to review the existing procedures for approving operation of airlines in Hong Kong, and enhance monitoring on the financial position of airlines to prevent recurrence of the incident.

28. The Panel has been briefed on the proposal to develop a permanent Government helipad at the north-eastern corner of the Hong Kong Convention and Exhibition Centre for re-provisioning of the Central Helipad at Lung Wui Road. The proposed helipad will accommodate both Government and commercial uses with absolute priority given to the Government for providing emergency and other essential flying services. While the Panel supports expediting the provision of a permanent domestic commercial helipad in the Central Business District, members have expressed concerns about the proposal. Members are concerned that the proposed shared-use arrangement would restrict commercial uses of the helipad, and suggest that the Administration should clearly define the respective scope of "emergency flying services" and "essential flying services". They have stressed the importance of working out the detailed arrangements with the helicopter services industry in an open and transparent manner. Members are also aware of other concerns, including the layout and future expansion of the helipad, and have urged the Administration to conduct extensive consultation with the stakeholders before taking forward the proposal. The Administration has undertaken to consider members' views and consult the relevant Panels.

29. Given the robust growth in the demand for both domestic and cross-boundary commercial heliport services in recent years, members have called on the Administration to formulate policies and strategies for the long-term development of domestic and cross-boundary heliport facilities. In this regard, the Panel has noted that the Government has announced the plan to develop a second cross-boundary heliport at the Kai Tak Development Area. The proposed heliport and the new cruise terminal at Kai Tak would provide a

synergy effect in stimulating development of the area and cruise and helicopter passengers could share-use the custom, immigration and quarantine services to be provided at the new cruise terminal building. Members have urged the Administration to advance the development of the heliport to tie-in with the commissioning of the new cruise terminal in 2012.

Port development

30. The Panel was consulted on the proposal to facilitate ship finance in Hong Kong by using export credit insurance service provided by the Hong Kong Export Credit Insurance Corporation (ECIC). While members noted the support of the maritime industry for the proposal, they were concerned about the economic benefits of the proposal for Hong Kong, and the liability of and risk exposed to ECIC which is owned by the Government. The Administration has explained that the proposal is to help share the risk of non-payment by charterers, so as to facilitate shipowners in obtaining loans with more favourable terms from banks. The proposal will stimulate the demand for other maritime services and attract new fleet to register in Hong Kong in the long run, leading to great opportunities for Hong Kong's maritime services clusters and enhancing Hong Kong's position as an international maritime centre. The Panel has noted that the shipping industry has brought about 20 000 employment opportunities in legal, banking and other associated sectors. The port and maritime sectors contribute to over 2% of Hong Kong's Gross Domestic Product at present.

31. The Administration has assured members that ECIC will apply prudent criteria in vetting applications for insurance protection from the shipping industry. Moreover, the relevant working group under the Hong Kong Maritime Industry Council, ECIC, and the Administration will work closely with the industry to work out the details, including the risk that could be covered by export credit insurance and the cover limit by ECIC for each individual case. The Panel has stressed the need for the Administration to closely monitor implementation of the proposal to control the possible risk to be exposed to ECIC. The Administration has been requested to report further details and concrete proposals to the Panel in due course.

32. The Panel was briefed on the progress of the consultation with the industry on the re-allocation of Public Cargo Working Areas (PCWA) berths. Members have noted the Administration's proposal to allocate PCWA berths through open tender upon the expiry of the current Berth Licence Agreement (BLA) in July 2008. While members support the proposal to ensure fair competition in the process, they share the grave concerns expressed by existing PCWA operators about increased competition brought about by open tender, which would increase the costs of operation, and could lead to loss of low-skill jobs provided at PCWAs. Members have urged the Administration to address these concerns, and suggested that consideration be given to continuing the

present arrangement of allocating PCWA berths through a restricted tender to existing operators first, to be followed by open tenders for unallocated berths. To allow more time for discussion with the industry, some members have called on the Administration to consider extending the existing BLAs for six months or a year. To relieve the industry's anxiety about uncertainties of the future arrangements for PCWAs, members consider that the Administration should work out the long term arrangement for the allocation of berths at PCWAs, including identifying suitable land for PCWA operations. The Administration has explained that it has revised the original proposal to scale back the phased implementation of open tender for three PCWAs instead of five, with a view to posing lesser impact on existing operators. The Panel has noted that after taking into consideration members' views, concerns of operators and the industry, as well as the possible social and employment impacts, the Administration has decided to further reduce the number of PCWAs for open tender from three to two.

33. With a view to preventing potential damage to the Stonecutters Bridge (the Bridge), which is scheduled for commission in mid-2009, and ensuring safe navigation of vessels in the nearby area, the Administration has proposed to establish a vessel height restricted area in the vicinity of the Bridge, where except with the permission of the Director of Marine, no vessel with a height exceeding 68.5 metres (m) shall enter the proposed vessel height restricted area. The Administration has explained that the vessel height restriction of 68.5 m, which represents the maximum air-draft allowance for the Bridge, has been set having regard to the current sizes of container vessels and the sizes of the next generation of mega vessels to be constructed. The maximum air-draft allowance for the Bridge has been worked out based on a 100-year tidal level and taking account of wave motion and safety margin allowances. To prevent marine accidents and damages to bridges in Hong Kong waters, members are keen to ensure that the Administration has put in place an effective monitoring mechanism to prevent vessels exceeding the prescribed height limits from entering restricted areas. The Administration has assured members that the Marine Department has implemented effective measures in this regard, including requiring all vessels over 3 000 gross registered tons to have a pilot on board when navigating in the port, requiring vessels arriving at the port to provide a Pre-Arrival Notification not less than 24 hours prior to entering into Hong Kong waters, and monitoring the marine traffic situations through shore-based radars and a computerized radar surveillance system. With a view to enhancing protection for bridges in Hong Kong waters, some members have suggested that the Administration should explore with local universities or technical institutions to develop notification system to be installed on major bridges to alert approaching vessels from colliding on the bridges.

Others

34. The Panel was also briefed on the proposed amendments to the Trade

Descriptions Ordinance and its subsidiary legislation to strengthen consumer protection, the proposal to enhance two existing footbridges in Tsim Sha Tsui East to make the area more appealing to visitors and facilitate pedestrian flow in the vicinity, the proposed development parameters for developing a piazza in Tsim Sha Tsui, the proposal to increase pilotage dues charged by licensed pilots for providing pilotage services for vessels, and the proposal to exempt the duty for Euro V diesel.

35. During the period from October 2006 to June 2007, the Panel held a total of 12 meetings. The Panel paid a visit to the Ngong Ping cable car in December 2007.

Council Business Division 1
Legislative Council Secretariat
26 June 2008

**Legislative Council
Panel on Economic Development**

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to economic infrastructure and services, including air and sea transport facilities and services, postal and weather information services, energy supply and safety, consumer protection, competition policy and tourism.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Legislative Council
Panel on Economic Development

Membership list for 2007 - 2008 session

Chairman	Hon Jeffrey LAM Kin-fung, SBS, JP
Deputy Chairman	Hon Abraham SHEK Lai-him, SBS, JP
Members	Hon James TIEN Pei-chun, GBS, JP Irb Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP Dr Hon David LI Kwok-po, GBM, GBS, JP Hon Fred LI Wah-ming, JP Dr Hon LUI Ming-wah, SBS, JP Hon CHAN Kam-lam, SBS, JP Hon SIN Chung-kai, SBS, JP Hon Howard YOUNG, SBS, JP Hon LAU Chin-shek, JP Hon Miriam LAU Kin-ye, GBS, JP Hon Albert CHAN Wai-yip Hon Vincent FANG Kang, JP Hon Andrew LEUNG Kwan-yuen, SBS, JP Hon WONG Ting-kwong, BBS Hon Ronny TONG Ka-wah, SC Hon CHIM Pui-chung Hon KWONG Chi-kin Hon TAM Heung-man (Total: 20 members)
Clerk	Ms Connie SZETO
Legal Adviser	Mr Timothy TSO
Date	11 October 2007