

立法會
Legislative Council

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LC Paper No. CB(2)402/08-09
(These minutes have been seen
by the Administration)

Panel on Food Safety and Environmental Hygiene

**Minutes of special meeting
held on Wednesday, 22 October 2008, at 8:30 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon Fred LI Wah-ming, JP (Chairman)
Hon WONG Yung-kan, SBS, JP (Deputy Chairman)
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, MH
Dr Hon Joseph LEE Kok-long, JP
Hon Alan LEONG Kah-kit, SC
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Dr Hon LEUNG Ka-lau
Hon WONG Yuk-man
- Member attending** : Hon Albert CHAN Wai-yip
- Public Officers attending** : Prof Gabriel M LEUNG, JP
Under Secretary for Food and Health
- Mr Owin FUNG Ho-yin
Principal Assistant Secretary for Food and Health (Food)3
- Ms Alice LAU Yim, JP
Deputy Director of Food and Environmental
Hygiene (Environmental Hygiene)

Dr LIU Kwei-kin
Assistant Director (Agriculture)
Agriculture, Fisheries and Conservation Department

Attendance by invitation : Hong Kong Day-old Chicks Development Association

Mr TSE Wing-hum

Mr LAU Yuk-tong

Hong Kong Poultry Wholesalers Association

Mr TSUI Ming-tuen
Chairman

New Territories Chicken Breeders Association Limited

Mr WONG Yee-chuen
Chairman

Mr LEE Leung-kei
Vice Chairman

Hong Kong and Kowloon Poultry Dealers and Workers Association

Mr WONG Wing-nam
Chairman

Mr MA Ping-loon
Member

Clerk in attendance : Miss Mary SO
Chief Council Secretary (2) 5

Staff in attendance : Ms Alice LEUNG
Senior Council Secretary (2) 6

Ms Sandy HAU
Legislative Assistant (2) 5

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I. Poultry supply in Hong Kong
[LC Paper No. CB(2)97/08-09(01)]

The Chairman invited deputations to give their views on the supply of live chickens and day-old chicks in Hong Kong.

Views of deputations

Hong Kong Day-old Chicks Development Association
[LC Paper No. CB(2)97/08-09(02)]

2. Mr LAU Yuk-tong presented the views of Hong Kong Day-old Chicks Development Association (HKDCDA) as detailed in the submission. Specifically, HKDCDA pointed out that the day-old chick trade was hard hit by the drastic drop in the supply of Mainland day-old chicks from about 450 000 a month in the past to only about 30 000 a month recently. HKDCDA urged that importers and transporters of day-old chicks be provided with ex-gratia payments (EGP) to leave the trade, as had been done for the farmers, wholesalers, retailers and transporters of the live poultry trade under the buyout scheme in 2008.

Hong Kong Poultry Wholesalers Association
[LC Paper No. CB(2)112/08-09(01)]

3. Mr TSUI Ming-tuen presented the views of Hong Kong Poultry Wholesalers Association (HKPWA) as detailed in the submission. Specifically, HKPWA pointed out that the reduction in the daily supply of live chickens to around 10 000, after the expiry of the buyout scheme for the live poultry trade on 24 September 2008, could not meet the market demand for live chickens. Although the number of retail outlets had drastically reduced immediately after the Mid-autumn Festival on 15 September 2008 to a level similar to that upon the expiry of the buyout scheme, the daily number of live chickens sold at the wholesale level to retail outlets averaged around 23 000 between 15 and 24 September 2008. On the other hand, the average wholesale price of live chickens had surged from \$19.3 per catty on 24 September 2008 to \$30.5 per catty on 17 October 2008. As the local farms could only supply some 5 000 to 6 000 live chickens a day, HKPWA considered that the daily live chicken supply from the Mainland should increase to some 20 000 on Mondays to Fridays and to some 30 000 on Saturdays, Sundays and public holidays to better meet the market demand.

4. Mr TSUI further said that the fact that there was on average some 2 000 live chickens left overnight at the wholesale market did not mean that the supply of live chickens was adequate. Rather, it was an operational need of the retailers to ensure that they had live chickens to dispatch to their clients,

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due to the implementation of the "no overnight keeping of live poultry" requirement at retail outlets.

New Territories Chicken Breeders Association Limited

5. Mr LEE Leung-kei of the New Territories Chicken Breeders Association Limited urged the Administration to render more support to local live poultry farmers to enable local live chickens to become the major source of live chickens supply in Hong Kong. In the meantime, the Administration should liaise with the Mainland authorities concerned on expeditiously increasing the number of day-old chicks to Hong Kong from the present 1 000 a day to 5 000 a day to meet demand from local farms, with regard to the fact that there were at present some 570 000 local live chickens of varying marketable age in determining the number of daily live chicken supply from the Mainland.

6. As an average of some 2 000 live chickens were left overnight at the wholesale market, Mr WONG Yee-chuen urged the Administration to step up biosecurity at the wholesale market to avoid avian influenza outbreaks which would invariably impact adversely on the whole live poultry trade.

*Hong Kong and Kowloon Poultry Dealers and Workers Association
[LC Paper No. CB(2)112/08-09(02)]*

7. Mr WONG Wing-nam presented the views of Hong Kong and Kowloon Poultry Dealers and Workers Association (HK and Kln Poultry Dealers and Workers Association) as set out in the submission. Specifically, HK and Kln Poultry Dealers and Workers Association proposed the following -

- (a) the daily live chicken supply from the Mainland should increase to around 20 000 during weekdays and around 30 000 during weekends to meet public demand and drive the average wholesale price down to about \$20 per catty;
- (b) to meet the operational needs of the trade, live chickens should be allowed to stay overnight at retail outlets and the wholesale market alternatively on alternate days. To reduce the risk of avian influenza outbreaks at retail outlets, a rest day could be re-introduced in the retail markets on 25th of each month to conduct thorough cleaning and disinfection of stall and equipment and to require operators to slaughter all live poultry in the stalls before zero hour of the rest day;
- (c) live chickens should also be allowed to stay overnight at retail outlets when a black rainstorm warning or a gale warning was in force, as it was dangerous for workers to come to work during such inclement weather to slaughter chickens; and

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- (d) EGP should be provided to the 20-odd chicken cage cleaners who were made redundant by their employers, as a result of the implementation of the "no overnight keeping of live poultry" arrangement which had drastically reduced the number of chicken cages to be cleaned at the wholesale market.

The Administration's response

8. Under Secretary for Food and Health (USFH) responded as follows -
- (a) past experience and incidents had shown that the principal mode of transmission of the avian influenza virus from poultry to humans was through contact with infected live poultry or their faeces. Hence, the most effective way to minimise the health risk posed by avian influenza was to reduce as much as possible the contact between humans and live poultry. In this regard, the Administration would continue to pursue the ultimate goal of segregating humans from live poultry through the development of a poultry slaughtering plant;
 - (b) since over 70% of retailers had chosen to leave the trade under the buyout scheme in 2008, retail capacity had been reduced substantially and it was necessary to reduce the overall daily chicken supply from 36 000 (daily average before the avian influenza in June 2008) to an appropriate level to control the density of live chicken population at the retail outlets;
 - (c) the current market situation largely tallied with the Administration's forecast. There was no indication of shortage of live chicken supply at the retail level. From 25 September to 20 October 2008, the daily average total supply of imported and local live chickens amounted to around 11 700, with 9 100 available at the retail outlets and 2 600 left overnight in the wholesale market;
 - (d) on the other hand, the consumption trend of chickens demonstrated that the market demand for imported chilled chickens had gradually increased in the past years and had largely substituted that of live chickens. This was reflected in the acute increase in the combined market share of chilled and frozen chickens from 58% in 2003 to 85% in 2008 (as of 31 August, 2008). Given the increased supply and improved quality of imported chilled chickens, market demand for this type of chickens was expected to continue to rise;

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- (e) as regards supply of day-old chicks, some 6 000 Mainland day-old chicks had entered Hong Kong on 21 October 2008 and over 20 000 Mainland day-old chicks were due to be transported to Hong Kong within this week. Since 25 September 2008, the average number of day-old chicks produced by local hatcheries had reached around 5 000 per day, using up only about 20% of the total capacity of the local hatcheries. In other words, should there be further demand on local day-old chicks, the local hatcheries should have the potential to increase their supply to meet the market demand;
- (f) the Secretary for Food and Health had met with representatives of the live poultry trade on 20 October 2008 to listen to their concerns about the live chicken supply. The Administration fully understood the trade's requests and was exploring practicable ways to address their concerns about the supply of live chickens and day-old chicks while keeping the risk of avian influenza at a manageable level; and
- (g) consideration was being actively given by Agriculture, Fisheries and Conservation Department to providing one-off grants to chicken cage cleaners made redundant by their employers.

Discussion

Supply of live chickens

9. Mr Albert CHAN questioned the claim made by the Administration that there was no shortage of live chicken supply at the retail level. Mr CHAN urged the Administration not to control the supply of live chickens, but should let the market decide. Mr Vincent FANG concurred. He further said that the Administration should not reduce the daily supply of live chickens by 70% from around 36 000 to around 10 000 at present merely on the basis that the number of retailers had reduced by over 70% from 469 to 131 after the conclusion of the buyout scheme, not to mention that such calculation was flawed in that some 100 of the 469 stalls were no longer in business prior to the launching of the buyout scheme in July 2008.

10. USFH responded that after the close of the buyout scheme for retailers on 24 September 2008, two surveys were conducted by the Food and Environmental Hygiene Department (FEHD) on 29 September and 14 October 2008 to ascertain the market situation at the retail level. Deputy Director of Food and Environmental Hygiene (Environmental Hygiene) supplemented that both surveys were conducted on normal weekdays. The first survey on 29 September revealed that there were some 1 400 live chickens at some 80 retail outlets around 3 pm, whilst the second survey on 14 October revealed that

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some 90 live chickens had to be slaughtered shortly before 8 pm to comply with the law.

11. Mr TAM Yiu-chung said that while he appreciated the efforts of the Administration in reducing the risk of avian influenza outbreaks, there was a need to bring the average wholesale price of live chickens down to make live chickens more affordable to the general public.

12. USFH responded that the Administration fully understood the trade's requests for an increased supply of live chickens as well as public concern over rising retail prices of live chickens. Practical ways were being actively explored to address these concerns while keeping the risk of avian influenza at a manageable level.

13. Dr Joseph LEE said that in determining the right level of supply of live chickens in Hong Kong, a study on the market demand for live chickens should be carried out.

14. USFH referred members to paragraph 9 of the Administration's paper detailing the annual consumption figures of live, chilled and frozen chickens in Hong Kong from 2003 up to 31 August 2008, which reflected an acute increase in the combined market share of chilled and frozen chickens from 58% in 2003 to 85% by 31 August 2008. USFH further said that consumer preference for different types of chicken depended on a host of factors, such as taste, quality, price, and concern over the risk of being infected with avian influenza, etc.

15. Mr Tommy CHEUNG asked whether a ceiling was imposed on the number of live chickens that local farms could sell to wholesalers. USFH replied in the negative. USFH, however, pointed out that the number of chickens that each poultry farm could rear was bound by its licensed rearing capacity.

16. Mr Vincent FANG commented that the fact that the supply of live chickens was split equally between Mainland and local supply was a testament that the supply of live chickens was to a large extent controlled by the Administration through agreement or tacit understanding reached with the Mainland authorities concerned. In response, USFH said that the supply of Mainland live chickens in Hong Kong depended on the number of live chickens which local farms could supply and the market demand.

Supply of day-old chicks

17. Mr Albert CHAN urged the Administration to refrain from interfering in the supply of Mainland day-old chicks to Hong Kong. Mr TAM Yiu-chung also asked whether the reason for the Administration's controlling the supply of day-old chicks was to ensure that there was no over-supply of local chickens.

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18. USFH responded that the supply of Mainland day-old chicks depended on local demand and supply of local day-old-chicks. To this end, the Administration maintained a close liaison with the Mainland authorities concerned on making available more day-old chicks for export to Hong Kong to meet the needs of local farms. In so doing, due regard must be paid to the health risk posed by over-supply of live chickens and the production capacity of local hatcheries.

19. Mr Vincent FANG said that the Administration should formulate a policy to ensure that the operation of local farms would not be disrupted by shortage in the supply of day-old chicks.

20. Mr WONG Yuk-man enquired about the average price of day-old chicks. Mr WONG Yee-chuen of NTCBA advised that the average price of day-old chick from the Mainland was slightly lower than that of local day-old chick at around \$7 to \$8 each. Mr TSE Wing-hum of HKDCDA, however, pointed out that if the supply of Mainland day-old chicks could go back to 450 000 a month before the recent avian influenza incident in June 2008, the average price of Mainland day-old chicks could come down to around \$4 each.

Scientific evidence of banning live poultry overnight at retail outlets in reducing the risk of avian influenza outbreaks

21. Ms Cyd HO questioned the necessity of banning the keeping of live chickens overnight at retail outlets for preventing avian influenza outbreaks. Ms HO asked about the number of live chickens that could be kept overnight at retail outlets without posing any risk of avian influenza outbreaks.

22. USFH responded that there was no scientific literature on the number of live chickens which could be kept in one place without posing risk of avian influenza outbreaks. USFH further said that the implementation of the "no overnight keeping of live poultry" requirement was necessary to further reduce the health risk posed by avian influenza. The detection on 7 and 11 June 2008 of H5N1 avian influenza virus in environmental swabs taken from four retail markets in Hong Kong indicated that despite all the preventive and control measures that had been put in place, they were inadequate in containing the public health risks posed by avian influenza, especially at the retail level.

23. Dr LEUNG Ka-lau asked the Administration whether it had any tools to measure the effectiveness of various initiatives aimed at reducing the risk of avian influenza outbreaks, and if so, what they were.

24. USFH responded that there was as yet no scientific literature on the measurement of avian influenza risk. Nevertheless, various risk indicators, developed from past experience in handling avian influenza outbreaks, had

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been adopted by the Administration in formulating strategies and measures to tackle the problem.

Live poultry policy

25. Mr WONG Yung-kan pointed out that the Administration's wavering policy on live poultry had made it very difficult for the trade to stay in business. A case in point was that after the Administration had introduced the design of segregating live poultry storage/display area completely from customers with full height glass panel in the Tai Kok Tsui Market, the Administration announced its plan to develop a central poultry slaughtering plant. Another example was that despite the implementation of the "no overnight keeping of live poultry" requirement in July 2008, the Administration still forged ahead with the development of a central poultry slaughtering plant. Mr Vincent FANG expressed similar views.

26. USFH responded that the long-term policy objective had always been to achieve the segregation of humans and live poultry, so as to minimise the risk posed by avian influenza. To this end, it was the Administration's plan to develop a central poultry slaughtering plant. USFH further said that the buyout scheme for the live poultry trade was launched in response to a strong wish expressed by a majority of retailers who considered it very difficult to adapt to the "no overnight keeping of live poultry" requirement.

Providing financial assistance to affected chicken cage cleaners

27. Mr Tommy CHEUNG and Mr Albert CHAN urged the Administration to provide financial assistance to chicken cage cleaners affected by the implementation of the "no overnight keeping of live poultry" requirement. USFH assured members that the Administration was actively following-up the matter.

28. There being no other business, the meeting ended at 10:30 am.