

(Translation)

**Motion on  
“Alleviating the impact of food price inflation on the public”  
moved by Hon WONG Yung-kan  
at the Legislative Council meeting  
of Wednesday, 18 May 2011**

**Motion as amended by Hon WONG Kwok-hing, Dr Hon PAN Pey-chyou,  
Hon Vincent FANG Kang and Hon Ronny TONG Ka-wah**

That inflation is fiercer than a tiger; given that the majority of foods in Hong Kong rely on import, and due to the impact of factors such as global fluctuations in food prices and Renminbi appreciation, etc., the local food prices have remained persistently high; besides, given Mainland residents’ trust in foods which are sold in Hong Kong, particularly after the occurrence of melamine-tainted formula incidents involving Mainland milk products, their demand for infant and follow-up formulas which are sold in Hong Kong has soared, leading to an upsurge in the prices and shortage of stocks; in this connection, this Council urges the Government to adopt effective measures to alleviate the impact of food price inflation on the public; the relevant measures should include:

- (a) to conduct studies on bringing infant and follow-up formulas within the regulatory ambit of the Reserved Commodities Ordinance to ensure their stable supply and enable the Government to effectively monitor their stocks, and to formulate jointly with suppliers a code of sales for the industry as soon as possible, so as to ensure the supply of milk formulas to local users;
- (b) to rebuild the local agriculture and fisheries industry, so as to supplement food supply in Hong Kong;
- (c) to assist local food importers and food establishments, etc., in identifying a wider variety of food materials and expanding the sources of supply, so as to diversify the risks of unstable food supply from individual places;
- (d) to enhance the tests on Mainland and Japanese foods, and to actively seek to establish closer co-operation with the Mainland Government and the Japanese Government on food safety matters, so as to restore public confidence and increase the quantity of safe foods available on the market;

- (e) to make timely use of the rare 18-month period when the rental of all public markets in Hong Kong continues to be frozen, and set up a government-led working group comprising representatives of market tenants and groups, council representatives and academic representatives for conducting a comprehensive review of the policy on public markets as well as formulating long-term policies and measures which are conducive to the development of public markets; to abolish the unrealistic practice of charging market-level rental and rates, and on the basis of fully consulting the industries, formulate afresh a reasonable and feasible charging policy for rental, air-conditioning fees and electricity tariffs; to allocate additional resources for installing air-conditioning facilities in all public markets to further improve the business environment of public markets, thereby fundamentally enhancing the competitiveness of existing public markets as well as further increasing occupancy rates and reducing vacancy rates, so as to fulfill their function of providing the general public with fresh, inexpensive and quality foods and non-staple foods; on the other hand, the Government must construct public markets in new towns (for example, Yat Tung Estate in Tung Chung and Tin Shui Wai New Town, etc.), so as to assist new town residents in combating market monopolization and alleviate the heavy burden of goods prices on the grassroots in new towns; and under the programme for planning new development areas (for example, Hung Shui Kiu and Kwu Tung, etc.), reserve land for constructing public markets in advance, so as to enable new town residents to improve their basic living;
- (f) to further increase the transparency of essential food supply and price information, with a view to facilitating the dissemination of market information and preventing stockpiling and hoarding by unscrupulous traders;
- (g) to relax the eligibility requirements for short-term food assistance service projects and the period of receiving assistance, consider providing Comprehensive Social Security Assistance households, low-income persons and poor elderly persons, etc., with additional food subsidies or food vouchers, and to conduct studies on providing support to the grassroots through the Community Care Fund, etc., in coping with the food price inflation problem;
- (h) through various media such as the radio, television and the Internet, etc., as well as through professionals such as dieticians, etc., to promote inexpensive but nutritious foods to the public, and to encourage the public to buy foods within their means, so as to avoid any public misconception that expensive foods will be exceptionally beneficial to their health;

- (i) to provide poor students with inexpensive lunch in school, so as to ensure students' intake of sufficient nutrients during their development and growth; and
- (j) to encourage and facilitate mutual co-operation among community groups, non-government organizations, merchants' associations and food suppliers for organizing short-term anti-inflation bargain bazaars for the public in the 18 districts in turn, with the Government providing venues and necessary support, so as to put together some non-staple foods, such as rice, cooking oil and canned food, etc., for sale at cost, with a view to assisting the public in combating inflation;
- (k) to step up negotiations with the Mainland authorities on how to ensure stable supply of foods to Hong Kong, especially for the stable supply of live and fresh foods such as live pigs and cattle, and to make efforts to enhance competition so as to avoid drastic fluctuations in food prices; and, on the premise of declining avian influenza risks, to appropriately increase the Mainland's supply of live chickens to Hong Kong according to market demand during major traditional Chinese festivals, so as to reduce the negative impact of food price inflation on the public;
- (l) to lower the various registration fees and application fees imposed on food industries by the Government, including the registration fees for applying for small volume exemption under the food nutrition labelling scheme and the registration fees for food importers and food distributors under the Food Safety Ordinance, etc., so as to reduce the extra administrative fees borne by these industries; and
- (m) to establish a mechanism for providing food industries with immediate assistance, such as providing certification for unpolluted foods, whenever there are any major food pollution emergencies such as those involving malachite green, melamine as well as nuclear radiation pollution in Japan, etc., so as to ensure that it will not affect the market supply; and
- (n) in respect of the supply of staple foods, to introduce more suppliers to increase competition, so as to prevent individual major merchants' associations from monopolizing the food market.