

立法會
Legislative Council

LC Paper No. CB(1)809/11-12
(These minutes have been seen
by the Administration)

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Panel on Economic Development

Minutes of meeting
held on Monday, 28 November 2011, at 10:45 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Jeffrey LAM Kin-fung, GBS, JP (Chairman)
Hon Paul TSE Wai-chun, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Dr Hon David LI Kwok-po, GBM, GBS, JP
Hon CHAN Kam-lam, SBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon Emily LAU Wai-hing, JP
Hon Andrew CHENG Kar-foo
Hon Vincent FANG Kang, SBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, BBS, JP
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon Starry LEE Wai-king, JP
Hon Paul CHAN Mo-po, MH, JP
Hon IP Wai-ming, MH
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Albert CHAN Wai-yip

Members absent : Hon Fred LI Wah-ming, SBS, JP
Hon Miriam LAU Kin-ye, GBS, JP
Dr Hon LEUNG Ka-lau
Dr Hon Samson TAM Wai-ho, JP
Hon Tanya CHAN

**Public officers
attending**

: Agenda Item IV

Ms Julina CHAN
Deputy Secretary for Transport and Housing
(Transport)

Ms Jenny CHAN
Principal Assistant Secretary for Transport and
Housing (Transport)

Mr CHUNG Siu-man
Assistant Director of Marine/Port Control
Marine Department

Mr FUNG Kwok-ming
General Manager/Vessel Traffic Services
Marine Department

Agenda Item V

Mr Andrew H Y WONG
Permanent Secretary for Commerce and Economic
Development
(Commerce, Industry and Tourism)

Ms Wendy CHEUNG
Principal Assistant Secretary for Commerce and
Economic Development (Commerce and Industry)

Mr SHUN Chi-ming
Director of the Hong Kong Observatory

Miss Sharon LAU
Assistant Director of the Hong Kong Observatory
(Aviation Weather Services)

Mrs Priscilla TAM DAI Wai-ming
Project Director
Architectural Services Department

Mr CHENG Kit-man
Senior Physicist
Department of Health

Clerk in attendance : Mr Derek LO
Chief Council Secretary (1)6

Staff in attendance : Mr Timothy TSO
Assistant Legal Adviser 2

Ms Sarah YUEN
Senior Council Secretary (1)6

Ms Michelle NIEN
Legislative Assistant (1)6

Action

I Confirmation of minutes of meeting

(LC Paper No. CB(1)200/11-12 —Minutes of meeting held on 13
October 2011)

The minutes of the meeting held on 13 October 2011 were confirmed.

**II Information papers issued since the last regular meeting on 19 July
2011**

(LC Paper No. CB(1)2841/10-11(01) —Administration's paper on tables
and graphs showing the import
and retail prices of major oil
products from July 2009 to June
2011

LC Paper No. CB(1)2969/10-11(01) —Administration's paper on tables
and graphs showing the import
and retail prices of major oil
products from August 2009 to
July 2011

LC Paper No. CB(1)3048/10-11(01) —Submission on the proposed
development of a piazza in Tsim
Sha Tsui from a member of the
public

LC Paper No. CB(1)3058/10-11(01) —Administration's paper on tables
and graphs showing the import
and retail prices of major oil
products from September 2009
to August 2011

LC Paper No. CB(1)230/11-12(01) —Administration's paper on tables

and graphs showing the import and retail prices of major oil products from October 2009 to September 2011

LC Paper No. CB(1)288/11-12(01) —Administration's paper on Port Control (Public Cargo Working Area) Order 2011)

2. Members noted the above papers issued since the last regular meeting.

III Items for discussion at the next meeting

(LC Paper No. CB(1)408/11-12(01) —List of outstanding items for discussion

LC Paper No. CB(1)408/11-12(02) —List of follow-up actions)

3. Members agreed to discuss "Annual tariff reviews with the two power companies" at the Panel's December regular meeting.

4. Members noted the letter from Mr Ronny TONG tabled at the meeting expressing concerns about the widely reported incident in which large supermarket chains allegedly forced suppliers of beverage products to withhold their supplies to small retailers which sold these products to consumers at low prices. Members opined that there should be policies and measures for dealing with similar incidents and for ensuring a level playing field for large and small firms to conduct their business in Hong Kong. Members considered it necessary to invite the Administration as well as deputations from suppliers, retailers and the Consumer Council to a Panel meeting to give views in this regard.

IV Pilotage (Dues) (Amendment) Order 2011

(LC Paper No. CB(1)408/11-12(03) —Administration's paper on Pilotage (Dues) (Amendment) Order 2011

LC Paper No. CB(1)408/11-12(04) —Paper on pilotage dues prepared by the Legislative Council Secretariat (Updated background brief))

5. The Deputy Secretary for Transport and Housing (Transport) (DS(T)) briefed members on the proposed Pilotage (Dues) (Amendment) Order 2011

("the Order"), which sought to increase specified items of pilotage dues as agreed between the providers and users of pilotage services.

Basis for determining the dues

6. Mrs Regina IP questioned why the percentage of increase of the additional pilotage due for boarding or disembarking from a ship west of a straight line drawn from Pearl Island to East Brother Island would be significantly higher than that of the due for cancellation of engagement for service at Tolo Harbour or at the west of East Brother Island and for service elsewhere.

7. DS(T) responded that the former had not been increased since 2005 whilst the latter was recently increased in 2008, and that in monetary terms, the increase in both dues were the same, i.e. \$300.

8. In response to Mrs Regina IP on how the increase rates of the pilotage dues were determined, DS(T) explained that the rates were agreed between the providers and users of pilotage services taking into consideration various factors including changes in the prices of goods and services, and in other general expenses.

9. Noting the above response, Mrs Regina IP enquired whether the said practice in determining the pilotage dues would constitute price-fixing. DS(T) responded that the current practice had long been established. According to the Competition Bill presently under scrutiny, statutory fees such as the pilotage dues would be exempt from application of the Bill. However, close liaison would be maintained with the relevant bureau on whether pilotage dues would still be exempt when the Competition Ordinance was enacted in the future.

10. Noting that the Hong Kong Liner Shipping Association and the Hong Kong Pilots Association representing the service users and service providers respectively were involved in reviewing the levels of the pilotage dues, the Chairman asked what other factors these two associations had taken into account when endorsing the increases. The Assistant Director of Marine/Port Control, Marine Department responded that one of the other factors which had been taken into account was the length of the trip. The higher percentage of increase in the additional pilotage due for boarding or disembarking from a ship west of a straight line drawn from Pearl Island to East Brother Island was due to a longer trip and hence longer hours of the pilot service as well as a higher cost of fuel for the trip. DS(T) added that the two associations had agreed that the increases were not too significant in recognition that the increased amount would constitute some 0.05% of the total port related fees which merchant ships visiting Hong Kong had to pay.

Supply of pilots

11. Mrs Regina IP enquired whether there was any shortage of pilots as some parties had earlier claimed. DS(T) responded that manpower supply in this regard had been stable during recent years with the number staying at some 100. In recognition of the need for special training to qualify as pilots, the Administration had since 2004 been launching the Sea-going Training Incentive Scheme to encourage Hong Kong youngsters to take on and complete sea-going training with a view to developing their future careers in the port and maritime industries. As at mid-November 2011, over 180 cadets had already participated in this Scheme, with half of them having successfully completed the Scheme. 52 of the graduates had passed the Class 3 Deck Officer Examination, and 40 had passed the Class 3 Engineer Officer Examination. After gaining further experience and passing relevant examinations for obtaining the Class 1 Deck Officer Certificate, these young people would possess the prerequisites for qualification as pilots.

12. Summing up, the Chairman concluded that the Panel supported in principle the making of the Order.

V Funding proposal for the construction of a station for the new weather radar of Hong Kong Observatory

(LC Paper No. CB(1)408/11-12(05) —Administration's paper on proposal for the construction of a station for a new windshear detection radar of the Hong Kong Observatory

LC Paper No. CB(1)408/11-12(06) —Paper on the replacement of the weather radar of the Hong Kong Observatory prepared by the Legislative Council Secretariat (Background brief)

LC Paper No. CB(1)470/11-12 (01) —PowerPoint presentation materials provided by the Administration)

13. The Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism) (PSCIT) briefed members on the funding proposal to construct a station for housing the new Terminal Doppler Weather Radar (TDWR). The radar was needed to detect windshear. The Assistant Director of the Hong Kong Observatory (Aviation Weather Services) then briefed members with the aid of PowerPoint on the project details, in particular the site selection process.

14. Mrs Regina IP indicated support for the proposed radar station but asked about the measures taken or planned to address nearby villagers' concerns about the project. PSCIT responded that the Administration had maintained close liaison with the Tuen Mun District Council (TMDC) and the villagers to address their concerns. The Administration had written to TMDC and the village representative concerned on the measures taken, and had deposited plans of the detailed design of the radar station at the TMDC Secretariat for information of parties concerned before consulting the Panel. PSCIT further explained the various efforts made in the past few years to address villagers' concern, including modifying the station design. The Administration had also pledged to take radiation measurements upon installation of the new TDWR.

Radiation safety

15. Citing overseas studies and local examples, Mr Albert CHAN commented that despite assurances that the radiation emitted by the proposed radar station would be kept at a safe level, radiation within international safety limits might one day be found to have fatal health hazards. He said that local villagers had expressed strong opposition to locating the proposed radar station near their village and TMDC did not support the selected site. He therefore requested the Administration to provide information on whether in overseas countries such as the United Kingdom, the United States of America, Canada, Australia and New Zealand, similar radar stations, in particular those newly constructed, were situated as close to residential areas as the proposed radar station. If so, the Administration should also provide the relevant details such as the respective distances. If not, the Administration should state the shortest distances of radar stations from the nearest residential area(s).

16. PSCIT responded that in a small and densely populated place like Hong Kong, there was difficulty in locating radar stations away from residential areas. The Administration would strive to ensure that the stations would be kept at a safe distance, and that the radiation emitted would be kept at a safe level according to world recognized standards. He however undertook to provide the requested information as soon as practicable. The Director of Hong Kong Observatory (D/HKO) assured members that windshear detection radar stations worldwide, such as those in Japan, were very close to the airports with many buildings in the vicinity. They all had to comply with the relevant guidelines, codes of practice and standards on radiation safety. The reason for their proximity to residential and commercial buildings was to ensure that the radar would be at a distance of 10 kilometres (km) to 15 km from the airport as required under the relevant technical criterion. Similar radar stations worldwide were situated near the airport where there were inevitably developments.

Admin.

17. Ms Emily LAU opined that the above requested information as well as additional information on international standards and practices for ascertaining radiation safety and determining the safe distances of radar stations from residential areas should be provided to allay members' concern that the location of the proposed radar station in the selected site would not pose health hazards to nearby residents. While agreeing to provide the information, PSCIT also explained that, acceding to the villagers' request, HKO had already engaged in early 2011 an expert from the Chinese University of Hong Kong (CUHK) to carry out independent radiation measurements. The expert re-affirmed that the radiation level of the existing TDWR, the technical specifications of which were similar to those of the new TDWR, was well within the international safety limit. The Administration would regularly take radiation measurements on site upon installation of the new TDWR.

18. Ms Emily LAU requested the Administration to provide the above requested information in the paper for the Public Works Subcommittee (PWSC). In response, D/HKO emphasized that the measurements carried out by HKO, Office of the Telecommunications Authority (OFTA) and CUHK all revealed that the radiation level of the existing TDWR was well within the international safety limit. The radiation level was found to be so low that there was little difference whether the radar was in operation or not.

19. Stressing the importance of timely and accurate windshear detection to aviation safety, Mr Andrew LEUNG indicated support for the proposed radar station despite nearby villagers' concerns about its-health impact, which might be minimal as shown by his own experience of living in the vicinity of the Digital Terrestrial Television station near Kowloon Tsai for some twenty years. He therefore urged the Administration to more clearly explain the relevant safety facts to the villagers, and to persuade them to support the proposed radar station for the sake of public interests. PSCIT responded that the Administration would continue to liaise with the villagers and TMDC, to assure them that the radiation emitted from the proposed radar would be kept within international safety limits, and that the safety of individuals would not be compromised.

20. Highlighting widespread public concern about radiation since the Fukushima nuclear incident, the Chairman urged the Administration to provide more information to assure nearby villagers of the safety of the proposed radar station. Senior Physicist, Department of Health (SP/DH) explained that unlike the harmful ionizing radiation emitted by nuclear plants, the radiation emitted by the proposed radar was radiofrequency (RF) electromagnetic wave. It was similar to radio or television wave, whose health effects were not established at low level of exposure. Moreover, the angle of emission of radiation from the proposed radar would be constrained in such a way that it would not point towards residents and passers-by.

According to the measurements by HKO, OFTA and CUHK, the environmental electromagnetic radiation diffracted from the existing TDWR into the environment through the air was less than 1% of the relevant level in, and thus fully complied with, the guidelines for public protection as endorsed by the World Health Organization (WHO). This was in keeping with WHO's findings that environmental RF levels from radars, in areas normally accessible to the general public, were at least 1 000 times below the limits for continuous public exposure allowed by the relevant international level, and 25 000 times below the level at which RF exposure had been established to cause the earliest known health effects. As such, according to current scientific understanding, operation of the proposed radar station would be safe.

21. Citing aspirin and mobile phones as examples, Mr Albert CHAN cast doubt on the above response by SP/DH and commented that prevailing expert views on the safety of products were often overturned some day, and such views should be taken with great caution. He therefore called upon academics to conduct more research in radiation safety as in Norway and Sweden, in recognition that many overhead electricity supply systems in Hong Kong were constructed in the vicinity of residential areas. In particular, he enquired whether any study had been conducted to trace the health impacts of the Digital Terrestrial Television station near Kowloon Tsai on the community concerned, and asked the Administration to provide any such relevant details. PSCIT responded that in deciding whether to take forward any infrastructure facilities, the Government could only rely on the latest scientific understanding. According to current safety standards, the proposed radar station would not pose health hazards to nearby villagers.

Admin.

"Tun fu" ex-gratia allowance

22. In response to Dr Philip WONG, PSCIT explained that the design of the proposed radar station had been modified to minimize its visual impacts to address nearby villagers' concerns in this regard. It was also an established policy that "tun fu" ex-gratia allowance would be paid as justified when the project entered the construction stage, so as to address nearby villagers' concerns about the works' impacts on "fung shui".

23. Mr WONG Ting-kwong enquired about the factors that would be considered for granting payment of the "tun fu" ex-gratia allowance, how the amount was determined, and the responsible department(s). The Principal Assistant Secretary for Commerce and Economic Development (Commerce and Industry) (PAS(C&I)) responded that the Financial Services and the Treasury Bureau and the Lands Department were both responsible for vetting claims for the allowance. All villages affected by Government projects could apply for the allowance but all claims had to be fully justified, and a list of itemized costs in respect of "tun fu" ceremonies had to be submitted for

consideration. Typical itemized costs included "fung shui" master's fee, "tun fu" master's fee, purchase of joss-papers and sticks, and food to be offered in the ceremony, etc. In determining the final amount of "tun fu" payment, the reasonableness of the claim with reference to similar claims in the past, the distance between the locations of the public works and the villages or sites which "fung shui" was alleged to be affected, and village size and population would be taken into account. The relevant District Officer would also be consulted.

Admin. 24. Mr WONG Ting-kwong and the Chairman enquired whether there had been disputes regarding the amount of "tun fu" ex-gratia allowance in the past and how such disputes were handled, particularly on whether there was an appeal mechanism. While agreeing to provide information on "tun fu" ex-gratia allowance in the PWSC paper, PAS(C&I) advised that the present arrangement was that payment for a claim under \$20,000 should be approved by the relevant District Lands Officer. Payment between \$20,001 and \$30,000 should be approved by the Director of Lands. A claim above \$30,000 should be approved by the Secretary for Financial Services and the Treasury.

25. In reply to Mr IP Wai-ming, PAS(C&I) further confirmed that the "tun fu" ex-gratia allowance would be paid to the village concerned and not to individual villagers, that only indigenous villages affected by the public works concerned could lodge claims for the allowance, and that each village might only submit one single claim in respect of each public works project. At Mr IP's request, the Administration agreed to provide more information on the "tun fu" allowance.

Admin. 26. Mr Albert CHAN pointed out that to his understanding, contractors of Government projects might pay "tun fu" allowance amounting to tens of thousands of dollars in some cases to individual influential villagers. He considered the above practice undesirable, and urged the Administration to forbid the contractors to pay "tun fu" allowance on their own, lest the cost so incurred might affect the tender price concerned. PSCIT responded that Government had an established policy regarding the payment of the "tun fu" ex-gratia allowance but this did not cover the payment of "tun fu" allowance by private companies. Notwithstanding, in considering tenders for the proposed radar station, the Government would carefully vet all cost items to ensure they could meet the relevant Government requirements. He further agreed to ascertain the feasibility of imposing the above proposed restriction in the relevant tender document and report to PWSC.

Effectiveness of windshear detection service

Admin. 27. While recognizing the need to ensure public safety, Mr WONG Ting-kwong expressed concern that the performance of the new TDWR

would be affected by the planned modification of the proposed radar station, namely, to reduce its height by seven metres by compressing the station building from two storeys to one storey and using a smaller radome. D/HKO responded that HKO would by no means agree to any design modification that would affect the performance of the radar. He further explained that the above modification would merely reduce the working space of HKO staff and make it less convenient for them to carry out maintenance works on the radar.

28. Indicating support for the proposed radar station in recognition of its importance to aviation safety, Mr IP Wai-ming expressed concern that the annual unserviceable time of the existing TDWR had been increasing during recent years, from 33 hours for the period from 2002 to 2004, to 42 hours for the period from 2005 to 2007, and further to 44 hours for the period from 2008 to 2010. He was concerned that pending completion of the proposed radar station in 2014, the annual unserviceable time of the existing TDWR might further increase to the detriment of aviation safety. In response, D/HKO explained that the above quoted unserviceable hours were the average figures and undertook to provide further figures in this regard. No instances of the existing TDWR being unserviceable had been recorded during typhoons or adverse weather. Nor had it been unserviceable for any extended period of time. He further assured members that to lengthen its functional life, the existing TDWR would be shut down when the weather was good. Active preventive maintenance works were also carried out for it, including weekly checks, and two comprehensive maintenance exercises every year.

Admin.

29. Mr IP Wai-ming enquired whether, with the commissioning of the new TDWR to increase the number of TDWRs to two, TDWR service could be maintained round the clock to ensure aviation safety. The Chairman also asked whether there were windshear detection equipment other than the two TDWRs. D/HKO responded that the TDWRs would be mainly used for detecting windshear in rainy conditions. Under rain-free conditions, other windshear detection systems would be used to complement the TDWRs. For example, the Light Detection and Ranging (LIDAR) system at the Hong Kong International Airport (HKIA), which operated best in rain-free conditions. Upon commissioning of the new TDWR, the existing TDWR would be kept in the standby mode most of the time to extend its functional life, so as to preserve it as back-up when the new TDWR required maintenance or repairs. PSCIT made similar points, and added that HKO in fact saw a case for having two TDWRs in the longer term, so that at times when one of the radars was not serviceable or stood down for maintenance, aviation safety could be ensured if HKO could rely on the other radar to upkeep the service. Under the scenario where a pair of TDWRs operated in tandem, the site for the existing TDWR would be used to house the other radar.

30. The Chairman recalled that when the funding proposal on the new TDWR was discussed, focus had been placed on the prevention of windshear-related aircraft accidents to ensure aviation safety. He was therefore keen to ensure that the new TDWR would be effective in detecting windshears, and that improvements to it could be easily introduced in future to maintain and enhance its effectiveness. D/HKO assured that the new TDWR would, as the existing TDWR, be able to function at the highest international standard of detecting up to 90% of windshears. To ensure windshear alerts could be issued in good time, other types of equipment had also been made available at HKIA, including the LIDAR system, ground-based anemometers and weather buoys, etc. Even if the above equipment all failed, HKO staff on duty could still issue windshear warnings using their expert judgement. As to the feasibility of introducing improvements in future, HKO had in fact all along been closely liaising with the trade, the Civil Aviation Department, airline companies, pilots, etc. in a relevant working group to ensure that where feasible, improvements would be introduced in keeping with technological developments to ensure the effectiveness of HKO's windshear detection and warning service. He was confident that with the commissioning of the new TDWR, aviation safety could be better maintained.

31. Summing up, the Chairman urged the Administration to provide as soon as practicable the information requested by members, and gear up communication with nearby villagers. To address the villagers' concern about "fung shui", he also reminded the Administration to ensure the relevant construction works would commence on an auspicious day. He further concluded that the Panel supported in principle the funding proposal and submission of it to PWSC for consideration.

VI Any other business

32. The Chairman reminded members that the December regular meeting of the Panel had been advanced to 13 December 2011.

33. There being no other business, the meeting ended at 12:10 pm.