

立法會
Legislative Council

LC Paper No. CB(2)2057/14-15

(These minutes have been seen
by the Administration)

Ref : CB2/PL/FE

Panel on Food Safety and Environmental Hygiene

Minutes of meeting
held on Tuesday, 10 March 2015, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

- Members present** : Hon Tommy CHEUNG Yu-yan, SBS, JP (Chairman)
Hon Steven HO Chun-yin (Deputy Chairman)
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon Cyd HO Sau-lan, JP
Hon Starry LEE Wai-king, JP
Hon CHAN Hak-kan, JP
Dr Hon LEUNG Ka-lau
Hon CHEUNG Kwok-che
Hon Alan LEONG Kah-kit, SC
Hon WONG Yuk-man
Hon Claudia MO
Hon CHAN Chi-chuen
Dr Hon Kenneth CHAN Ka-lok
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Dr Hon Helena WONG Pik-wan
Dr Hon CHIANG Lai-wan, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
- Members absent** : Hon WONG Kwok-kin, SBS
Hon Michael TIEN Puk-sun, BBS, JP
Hon CHAN Han-pan, JP
Hon CHUNG Kwok-pan

**Public Officers : Item IV
attending**

Professor Sophia CHAN Siu-chee, JP
Under Secretary for Food and Health

Mr Jeff LEUNG Wing-yan
Principal Assistant Secretary for Food and Health (Food) 1

Dr LEE Siu-yuen, JP
Assistant Director (Food Surveillance and Control),
Centre for Food Safety
Food and Environmental Hygiene Department

Dr Raymond HO Lei-ming
Principal Medical Officer (Risk Management),
Centre for Food Safety
Food and Environmental Hygiene Department

Item V

Professor Sophia CHAN Siu-chee, JP
Under Secretary for Food and Health

Miss Diane WONG
Principal Assistant Secretary for Food and Health (Food) 2

Mr YEUNG Chun-hoi
Senior Superintendent (Cemeteries and Crematoria) Special Duty
Food and Environmental Hygiene Department

Item VI

Mr Christopher WONG Kwok-bun, JP
Deputy Secretary for Food and Health (Food) 1

Miss Jeanne CHENG
Assistant Secretary for Food and Health (Food) 1

Mr Mickey LAI Kin-ming
Assistant Director (Fisheries)
Agriculture, Fisheries and Conservation Department

Dr Mary CHOW Ka-wai
Senior Veterinary Officer (Animal Management Development)
Agriculture, Fisheries and Conservation Department

Mr Alex CHEUNG Chi-kin
Senior Treasury Accountant
Agriculture, Fisheries and Conservation Department

Clerk in attendance : Ms Alice LEUNG
Chief Council Secretary (2) 2

Staff in attendance : Miss Carrie WONG
Assistant Legal Adviser 4

Ms Wendy LO
Senior Council Secretary (2) 2 (Acting)

Mr Richard WONG
Council Secretary (2) 2

Miss Emma CHEUNG
Legislative Assistant (2) 2

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I. Confirmation of minutes

(LC Paper No. CB(2)945/14-15)

The minutes of the meeting held on 13 January 2015 were confirmed.

II. Information paper(s) issued since the last meeting

(LC Paper Nos. CB(2)873/14-15(01), CB(2)922/14-15(01) and CB(2)951/14-15(01))

2. Members noted that the following papers had been issued since the last meeting -

- (a) Referral from the Public Accounts Committee on food labelling and nutrition labelling of infant and special dietary foods;
- (b) Letter dated 23 February 2015 from Mr WONG Kwok-hing concerning the smuggling of vegetables with excessive pesticide residues from the Mainland to Hong Kong;
- (c) Letter dated 27 February 2015 from Miss Alice MAK Mei-kuen concerning the presence of ethanol in a prepacked Ribena

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blackcurrant drink and the follow-up actions of the Centre of Food Safety ("CFS") and the Hospital Authority on the incident; and

- (d) Administration's response to the letter dated 23 February 2015 from Mr WONG Kwok-hing regarding the smuggling of vegetables with excessive pesticide residues from the Mainland to Hong Kong.

3. Members also noted that the letter dated 9 March 2015 from Dr Helena WONG concerning that an importer was found illegally importing 10 boxes of carrots from Chiba, Japan, for sale in Hong Kong had been referred to the Administration for its response.

III. Date of next meeting and items for discussion

(LC Paper Nos. CB(2)952/14-15(01) and (02))

4. Members agreed to discuss the following items at the next regular meeting scheduled for Tuesday, 14 April 2015 at 2:30 pm -

- (a) Provision of columbarium and garden of remembrance at Tsang Tsui, Tuen Mun;
- (b) Proposed legislation for the election of members from the veterinary profession to the Veterinary Surgeons Board of Hong Kong; and
- (c) Reduction of sugar and salt content in food.

IV. Report on the Food Surveillance Programme for 2014

(LC Paper Nos. CB(2)952/14-15(05) and (06))

5. With the aid of power-point presentation, Under Secretary for Food and Health ("USFH") and Principal Medical Officer (Risk Management), CFS brief members on the food surveillance programme of CFS in 2014, as detailed in the Administration's paper (LC Paper No. CB(2)952/14-15(05)).

(Post-meeting note: The softcopy of the power-point presentation materials was issued to members vide LC Paper No. CB(2)1018/14-15(01) on 10 March 2015)

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6. Members also noted the updated background brief prepared by the Legislative Council ("LegCo") Secretariat on the subject.

Food surveillance work of CFS

7. Referring to paragraphs 2 and 3 of the Administration's paper, Mr WONG Yuk-man pointed out that health certificates were required only for certain food animals and food products. He questioned the comprehensiveness of the food surveillance programme of CFS, and also cast doubt on how CFS would determine the types of food samples to be tested at the import, wholesale and retail levels, given that most of the imported food came from the Mainland where food incidents often occurred. In his view, the scope of the sampling programme of CFS was too narrow and failed to identify the health risks posed to the public by problem food, as evidenced by the fact that most food incidents were uncovered by the relevant authorities of overseas jurisdictions, not CFS. Mr WONG also queried the effectiveness for CFS to adopt a risk-based principle in conducting food inspections. He pointed out that some major catering groups and fast food chains (e.g. Maxim's Group and McDonald's) were also found breaching the relevant food safety requirements repeatedly or selling problem food products.

8. Dr Helena WONG expressed concern that while the overall result of testing of food samples by CFS in 2014 stood satisfactorily at 99.8%, a string of food incidents (e.g. the presence of ethanol in a prepacked Ribena blackcurrant drink and the illegal import of 10 boxes of carrots from Chiba, Japan into Hong Kong) occurred one after another, posing threat to public health. She questioned the representativeness of the food surveillance projects carried out by CFS and queried whether the sampling programme only focused on certain types of food products. In her view, CFS should play a more active role in identifying potential food risk and take prompt actions to follow up on food incidents to safeguard public health. She also expressed concern that the relevant legislation on food safety in Hong Kong was outdated and far laxer than those in overseas jurisdictions.

9. Referring to the Husi food incident, Dr KWOK Ka-ki shared the view that CFS should act proactively in following up food incidents as a large number of pre-packed food products sold in Hong Kong were imported from the Mainland. He considered that CFS should particularly step up the inspection on food products that were commonly consumed in Hong Kong.

10. Dr Kenneth CHAN enquired about the cooperation between CFS and the Customs and Excise Department ("C&ED") in handling food incidents, such as the illegal import of Japanese carrots from Chiba, one of five prefectures from which imports of fresh vegetables and fruits had been

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banned since the Fukushima nuclear power plant incident in 2011. He asked whether CFS and C&ED solely relied on the intelligence/complaints received in tracing the cases and whether review would be conducted to strengthen the enforcement actions.

11. USFH explained that CFS had adopted a risk-based principle in determining the types of samples to be collected, the frequency and number of samples taken for testing. It would take proactive actions or follow up on food incidents based on the intelligence collected. The sampling programme was under regular review by CFS and would be adjusted taking into account factors such as local and overseas food incidents and relevant risk analysis. CFS would consult the Expert Committee on Food Safety and obtain its endorsement before food surveillance projects under the food surveillance programme were implemented. USFH further said that as a lot of food products were imported into Hong Kong from places outside Hong Kong, CFS would need to work with C&ED to conduct food inspections. While CFS had its own established mechanism to ensure food safety (e.g. the implementation of the import ban on certain Japanese food products from five prefectures in Japan), joint operations would be carried out with C&ED where necessary. The relevant departments would also hold meetings to follow up on each food incident and review the enforcement actions required. CFS would adjust the testing of certain food samples by analyzing the intelligence, alerts and media reports on food incidents.

12. Dr CHIANG Lai-wan said that the Administration should attach great importance in ensuring food safety to safeguard public health. While appreciating the difficulties of CFS in monitoring the food safety of local and imported food products, Dr CHIANG considered that the Administration should impose heavier penalties for non-compliance of the relevant food safety requirements and step up public education on food safety. She also suggested that the Administration should consider implementing an incentive scheme to encourage food premises to comply with the food safety requirements.

13. Noting that about 65 000 food samples were taken by CFS for testing each year, the Deputy Chairman suggested that the Administration should include those types of food items that were of public concern in its sampling programme to enhance its representativeness. He opined that the Administration should also conduct studies on food safety issues that concerned public health. USFH advised that Hong Kong had a relatively higher number of samples tested per 1 000 population when compared to other overseas places. To ensure safety of imported food, CFS took food samples at the import, wholesale and retail levels for testing. The sampling programme would be adjusted taking into account factors such as local and overseas food incidents and new requirements under legislation.

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14. The Chairman said that in his view, CFS had served as a good gate-keeper for ensuring food safety in Hong Kong. He appreciated its prompt follow-up actions taken in response to the Fukushima nuclear power plant incident in Japan in 2011 to restore the public confidence in imported Japanese food.

Smuggling of vegetables from the Mainland

15. Referring to his letter dated 23 February 2015 concerning a media report on the smuggling of vegetables with excessive pesticide residues from the Mainland to Hong Kong (LC Paper No. CB(2)922/14-15(01)) and the Administration's response to his letter (LC Paper No. CB(2)979/14-15(01)), Mr WONG Kwok-hing enquired about the level of pesticide residues detected in the vegetables involved in the nine cases where large amounts of vegetables were found being smuggled into Hong Kong via the Lo Wu control point and the follow-up actions taken by CFS. He was concerned that no prosecution had been instituted against the persons involved after they had voluntarily surrendered the vegetables for disposal. He considered that the Administration was condoning the smuggling activities if no enforcement actions had been taken.

16. USFH advised that vegetables imported from Mainland would have undergone the required inspection quarantine procedures. While CFS and C&ED would not take particular action against individuals who brought a small amount of vegetables to Hong Kong for self-consumption, the departments would investigate suspicious cases where large amounts of vegetables were involved. As regards the case reported by the media as referred to in Mr WONG Kwok-king's letter dated 23 February 2015, USFH advised that CFS and C&ED would conduct joint operations against smuggling of vegetables via control points based on the intelligence collected and would conduct tests for pesticide residues in the vegetables concerned.

17. Mr WONG Yuk-man expressed concern that the Administration did not take any measure to stop the smuggling of vegetables which had not undergone quarantine procedures even when such incidents were uncovered and reported by the media time and again. Dr Helena WONG considered that the most effective measure was to tackle the problem at source, and the Administration should liaise with the relevant Mainland authorities to implement measures against excessive use of pesticides in vegetables. DrKWOK Ka-ki enquired about the method for inspecting pesticide residues in the vegetables imported from the Mainland. Noting from the trade that only a small portion of vegetables inside the inbound vegetable vehicles would be taken for testing of pesticide residues by CFS at the Man Kam To control point, Dr KWOK considered the existing control measure ineffective in detecting problematic vegetables.

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18. Assistant Director (Food Surveillance and Control), CFS advised that vegetables imported from the Mainland must come from the vegetable farms and production and processing establishments registered with the Mainland inspection and quarantine authorities. The Mainland authorities would regulate and monitor the farm size, environment, irrigation, soil, application of fertilizers and pesticides, as well as conduct food tests on the vegetables before exporting them to Hong Kong. CFS officers would inspect each vegetable vehicle when it arrived at the Man Kam To Food Control Office. They would check whether the seal on the vehicle remained intact and whether the consignment tallied with the accompanying documents, inspect the vegetables and take samples for quick tests for pesticide residues and comprehensive chemical analysis. CFS would also conduct joint operations with C&ED from time to time to inspect vehicles carrying vegetables from the Mainland. On average, about seven to nine vegetable vehicles would be identified daily for full inspection.

19. The Deputy Chairman said that the Government should consider promoting the sustainable development of the local agriculture and fisheries industry to reduce reliance on imported food and the associated risks. He cautioned that the Administration should consider carefully in reviewing penalties concerning use of excessive pesticides. He was concerned that some local farmers might breach the requirements inadvertently in some circumstances and a substantial increase in penalty would cause undue burden to them.

V. Update on the latest development on the supply of public niches and regulation of private columbaria
(LC Paper Nos. CB(2)952/14-15(07) and (08))

20. At the invitation of the Chairman, USFH briefed members on the latest development of the supply of public niches and regulation of private columbaria, as set out in the Administration's paper [LC Paper No. CB(2)952/14-15(07)].

21. Members also noted the background brief entitled "Issues relating to columbarium facilities" prepared by the LegCo Secretariat [LC Paper No. CB(2)952/14-15(08)]

Promotion of green burial

22. Dr CHIANG Lai-wan and Ms Starry LEE noted that the Food and Environmental Hygiene Department ("FEHD") had been providing the services of scattering of cremated human ashes ("ashes") in Gardens of

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Remembrance ("GoRs") since 2001 and the scattering of ashes at sea since 2007. However, up to December 2014, only 11 275 bereaved families had scattered the ashes of their ancestors in GoRs and 4 564 applications for scattering ashes at sea had been received. Dr CHIANG expressed disappointment that the Administration's promotion efforts had only attracted a relatively small percentage of Hong Kong people to choose green burial. Dr CHIANG and Ms LEE shared similar view that the Administration should contemplate measures to fortify the mindset changes for turning green burial into the mainstream mode for handling ashes and to step up publicity to promote green burial. Ms LEE suggested that the Administration should consider targeting its promotion efforts at those elderly who were currently relatively healthy, and establishing a registration scheme for the elderly to indicate their willingness to adopt green burial, similar to the existing registration scheme for organ donation.

23. Mr WONG Yuk-man also expressed disappointment at the Administration's work in promoting green burial. Noting that information on green burial had been hyperlinked with the youth portals, he questioned the justification for the Administration to promote green burial in websites designed for the youth. He also doubted the effectiveness of promoting green memorial in alleviating the shortage of niches.

24. The Deputy Chairman said that it took time to change people's mindset and the adoption of green burial required a change in mindset and culture. As young people were more receptive to new ideas, he suggested that the Administration should consider promoting other alternatives of handling ashes, for example, turning ashes into synthetic diamond.

25. USFH and Principal Assistant Secretary for Food and Health (Food) 2 ("PASFH(F)2") advised that as the work in promoting green burial involved changing the mindset of members of the public, it would take time for green burial to take root in society. To further promote green burial, relevant information compiled by FEHD had been hyperlinked with the websites of other related government departments, non-governmental organizations providing after-death services, the elderly and also the youth portals. The Administration would continue to improve its green burial facilities and services while stepping up its promotion efforts. New GoRs would feature memorial walls for mounting plaques in memory of the deceased, and a new television Announcement of Public Interest on green burial was currently in production for broadcasting later in 2015.

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Supply of public niches

26. Dr Helena WONG and Miss Alice MAK expressed similar concern about the slow progress of the district-based columbarium development scheme. Noting that the Administration had provided the actual/projected year of completion for four of the 24 sites (i.e. the Diamond Hill columbarium extension, Cheung Chau Cemetery extension, Part of the Tsang Tsui ash lagoon next to Black Point Power Station ("the Tsang Tsui site") and a site on Tsing Tsuen Road near the Tsuen Wan Chinese Permanent Cemetery ("the Tsing Tsuen Road site")), Dr WONG enquired about the progress made in the remaining 20 sites. She was concerned whether the progress of the scheme would be affected as the current term of District Councils ("DC") would end later in 2015. Miss MAK considered that it was not practical for the Administration to implement the district-based columbarium development scheme. In her view, the Administration should consider the potential sites proposed by individual DCs, which had already secured district support, as less time would be required for the Administration to consult DCs on the potential sites for columbarium development.

27. Mr CHAN Chi-chuen asked the Administration whether the main reason for residents' resistance against columbarium development in their district was their concerns about the traffic and environmental impact, or their subjective feeling against living in the vicinity of a columbarium. He considered that while the Administration should strengthen its promotion efforts in changing people's mindset about columbaria, it should also consider alternative models for operating columbaria which could relieve the traffic impact that would be brought by the columbarium facilities during the peak seasons in grave sweeping. For example, the Administration could develop columbaria that provided niches for storing ashes but restricted the opportunities for bereaved families to pay tribute to the deceased (e.g. with some doing so during the Ching Ming Festival and others during the Chung Yeung Festival).

28. Dr CHIANG Lai-wan suggested that the Administration should consider developing columbarium facilities on the Mainland for allocating niches to Hong Kong residents, given the difficulty in identifying suitable sites for columbarium development in Hong Kong and the long process required for consulting the DCs concerned.

29. In response, USFH and PASFH(F)2 made the following points -

- (a) the Administration was committed to taking forward the district-based columbarium development scheme for all districts to share the responsibility of constructing columbaria collectively.

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It currently had no plans to develop columbarium facilities on the Mainland for allocating niches to Hong Kong residents;

- (b) the district-based columbarium development scheme started to bear fruit. Apart from the two projects (i.e. the Diamond Hill columbarium extension and Cheung Chau Cemetery extension) that had already completed, the Administration had consulted DCs on another five projects involving a total of 449 000 new niches (i.e. the Tsang Tsui site, Tsing Tsuen Road site, surplus coffin burial grounds and other land within the Wo Hop Shek Cemetery (Phase 1), a site on Cape Collinson Road opposite the Chai Wan Chinese Permanent Cemetery Columbarium and next to Wan Tsui Estate Park, and undeveloped areas within the Sandy Ridge Cemetery). The progress of these projects would not be affected by the end of the current term of DCs, and the Administration would submit the funding proposals of these projects to the Public Works Subcommittee and Finance Committee for approval in due course; and
- (c) with the necessary engineering feasibility studies and traffic impact assessments largely completed, the Administration was in full steam on following up the projects in the remaining 17 sites.

30. Miss Alice MAK noted that with effect from January 2014, FEHD had relaxed the restriction on placing additional sets of ashes into the niches of public columbaria including relaxing the definition of "close relatives" and allowing the public to place more than two sets of ashes in a standard niche and more than four sets in a large niche. She questioned whether the Administration had evaluated the public's acceptance of these measures.

31. Mr Christopher CHUNG said that the new supply of niches could hardly meet the demand in the next two or three years. He requested the Administration to further enhance its measures for optimizing the use of existing niches, for example, further relaxing the restriction on placing additional sets of ashes into the niches in public columbaria.

32. USFH advised that to make better use of public niches, with effect from January 2014, FEHD had relaxed the restriction on placing additional sets of ashes into the niches in public columbaria. The application process for placing additional sets of ashes in FEHD's public niches was user friendly and this option would also make worshipping the deceased more convenient. In addition, the Home Affairs Bureau aimed to introduce amendments to the Chinese Permanent Cemeteries Ordinance (Cap. 1112) and its Rules (Cap. 1112A) to LegCo in 2015-2016 with a view to relaxing the restrictions

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on placing additional sets of ashes in niches managed by the Board of Management of the Chinese Permanent Cemeteries.

Regulation of private columbaria

33. Dr Kenneth CHAN expressed worries that while the Private Columbaria Bill ("the Bill") was being scrutinized by the Bills Committee, consumers might make rash decisions in purchasing niches from non-compliant columbaria. FEHD should work in collaboration with the relevant departments including C&ED to enhance its work in consumer protection. C&ED should take enforcement actions, on the basis of the Trade Descriptions Ordinance (Cap. 362), against those private columbaria that applied false or misleading trade descriptions in the course of conducting business with consumers.

34. Mr CHAN Chi-chuen urged the Administration to ensure that consumers' interests were protected prior to the enactment of the Bill. He wondered whether the Administration had gathered information on the service contracts/agreements relating to the transaction of niches in private columbaria currently in use by the trade. He was gravely concerned whether the Administration had taken actions to ensure that in the event that the private columbaria ceased operation due to unsuccessful applications for regularization or licence when the new licensing regime came into force, the operators concerned would dispose of the interred ashes properly and arrange for a refund or compensation for the affected consumers.

35. Mr WONG Yuk-man said that it was incumbent upon the Administration to enhance public education before the commencement of the Bill so that consumers would be less prone to sustain loss as a result of their rash decision in purchasing niches from non-compliant columbaria. Ms Starry LEE expressed similar view and enquired about the work taken by the Administration in this respect.

36. USFH and PASFH(F)2 advised that the Administration put forward a Bill to introduce a new licensing regime for regulating private columbaria into LegCo in June 2014. The Administration was committed to taking forward the licensing regime, with a view to ensuring compliance with statutory and government requirements, enhancing protection of consumer interests and enabling the sustainable development of the trade. The Administration had been advising consumers through various means to refrain from making rash decision in purchasing niches. In addition, the Bill, if enacted, would provide for mechanisms designed to ensure that interred ashes would be disposed of properly and prescribed contract terms which would help protect consumers' interests.

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37. Citing the application by Kerry Logistics Network Limited ("Kerry Logistics") to the Town Planning Board ("TPB") for redeveloping its 15-storey warehouses in Chai Wan into a columbarium with 120 000 private niches ("the redevelopment application") as an example, Mr WONG Kwok-hing expressed concern that there might be many such development proposal submissions to TPB before the enactment of the Bill. Mr WONG urged the departments concerned to express their reservation about the redevelopment application to TPB. Sharing similar concern of Mr WONG Kwok-hing, the Deputy Chairman, Miss Alice MAK and Mr Christopher CHUNG pointed out that in the event that the redevelopment application was approved by TPB, the columbarium would cause considerable traffic and environmental nuisances for residents in the vicinity. The Deputy Chairman also raised concern about the communication mechanism between the Administration and TPB regarding applications similar to the redevelopment application submitted by Kerry Logistics. Miss MAK urged the Administration to ensure that the decision to be made by TPB on the redevelopment application and other similar cases would be consistent with the statutory requirements proposed by the Bill.

38. Dr Kenneth CHAN said that he was also concerned about the redevelopment application by Kerry Logistics. To his understanding, TPB had established procedures for processing applications for change of the use of industrial buildings for other land use purpose and any amendment to the approved plan would be exhibited for public inspection. The parties concerned including residents in the district could make representations to TPB during the public inspection period.

39. USFH and PASFH(F)2 made the following points -

- (a) the redevelopment application submitted to TPB would go through a public inspection period, during which members of the public could make comments on the application. When considering the project, TPB would take into account relevant factors including the impacts of the proposed development on traffic and residents nearby, and make reference to the comments of relevant departments including the Home Affairs Department;
- (b) upon enactment of the Bill, all private columbaria which were established after the Bill announcement time (i.e. 8:00 am on 18 June 2014) must obtain a licence for operating their columbaria and private columbaria seeking a licence must comply with all statutory and government requirements, including compliance with the Town Planning Ordinance; and

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- (c) in considering a licence application, the Private Columbaria Licensing Board would have to be satisfied, among other things, that granting the licence would not be contrary to public interest. The views expressed by residents or district bodies would be pertinent in this respect.

Allocation arrangement of public niches

40. Mr WONG Kwok-hing and Miss Alice MAK expressed disappointment at the existing allocation arrangement of public niches. They noted that the investigation report released by the Office of The Ombudsman in October 2014 ("the Ombudsman report") had pointed out that while the Diamond Hill Columbarium and Wo Hop Shek Kiu Tau Road Columbarium Phase V (which were completed in 2012) provided a total of some 45 000 columbarium niches, FEHD had been allocating these niches by three phases over a period of three years, of which more than 24 000 niches were reserved for allocation at the last phase. They shared the Ombudsman report's comments that it was unreasonable for FEHD to allocate the niches in phases over three years and leave niches vacant for too long. They urged the Administration to review the existing method of allocation by ballot and to consider establishing a waiting list mechanism or allocating public niches on a first-come, first-served basis, so as to shorten the waiting time for public niches. Mr WONG Yuk-man also expressed a similar view.

41. On members' views, USFH and Senior Superintendent (Cemeteries and Crematoria) Special Duty, FEHD advised that -

- (a) FEHD had been upholding the principles of fairness, openness and impartiality in the use of public resources when allocating new niches to eligible persons in need. In 2012, the new public columbarium at Kiu Tau Road Wo Hop Shek and the Diamond Hill Columbarium extension were completed. Having had the benefits of advice from the Independent Commission Against Corruption and taking into account the merits and demerits of various arrangements, FEHD decided to keep using the allocation arrangements adopted in 2009, i.e. assigning, on a random basis, a computer-generated priority number to eligible applications for new niches, and then inviting applicants to select niches according to their priority numbers; and
- (b) FEHD had noted the recommendations made in the Ombudsman report as well as the views received during the allocation exercise. FEHD would review the situation in details after the completion of the current allocation exercise with a view to improving the future allocation arrangement.

VI. Review on fees and charges for certain services provided by the Agriculture, Fisheries and Conservation Department
(LC Paper Nos. CB(2)952/14-15(03) and (04))

42. At the invitation of the Chairman, the Deputy Secretary for Food and Health (Food) 1 ("DSFH(F)1") briefed members on the Administration's proposals to revise 140 statutory fee items for services provided by the Agriculture, Fisheries and Conservation Department ("AFCD") as set out in the Administration's paper [LC Paper No. CB(2)952/14-15(03)].

43. Members also noted the background brief entitled "Review on fees and charges for services provided by the Agriculture, Fisheries and Conservation Department" prepared by the LegCo Secretariat [LC Paper No. CB(2)952/14-15(04)].

The fee revision proposal

44. Mr WONG Kwok-hing considered it important for the Administration to avoid a steep fee increase by following the fee revision guidelines as set out in paragraph 7 of the Administration's paper (i.e. an increase of about 20% for items with an existing cost recovery rate ("CRR") of less than 40%; an increase of about 15% for items with an existing CRR of 40% to 70%; and an increase of about 10% or less for items with an existing CRR of over 70%). He said that he had no objection to the Administration's proposal for increasing the fees of 129 items with increases ranging from about 6% to 20% and decreasing the fees of 10 items with decreases ranging from about 5% to 60%. Nevertheless, Mr WONG expressed reservation about the Administration's proposal to increase the fee item prescribed in the Veterinary Surgeons Registration (Fees) Regulation (Cap. 529A) (i.e. the veterinary surgeons registration fee) by 429% (i.e. from \$775 to \$4,100). He questioned why the Administration did not apply the fee revision guidelines in that particular item.

45. DSFH(F)1 explained that the veterinary surgeons registration fee was \$775 at the time of the meeting, which had only been increased once in 2001 from the fee level of \$725 set in 1997 when the Veterinary Surgeons Registration Ordinance (Cap. 529) was enacted. If the Administration followed the guidelines for the fee revision as set out in the Administration's paper and proposed an annual increase of 20%, it would take over nine years to achieve full-cost recovery, assuming that the cost remained constant at the existing level. Given that it was a one-off fee and the proposed fee level should still be affordable for a professional like veterinary surgeon, the Administration considered it appropriate to increase the fee level to achieve full-cost recovery in this fee adjustment exercise.

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46. The Deputy Chairman expressed reservation about the Administration's proposals to adjust AFCD's fees solely on the basis of the "user pays" principle for those services that the number of users was dwindling such as fees charged for fish farms, pig farms and poultry farms. In his view, it was not a fair arrangement that a decreasing number of users had to bear the operating cost of AFCD in providing certain public services. The Deputy Chairman questioned whether it was appropriate for the Administration to adjust fees solely on the basis of the principle of cost-recovery. Referring to the proposed decrease of the fee level for the detention fee for a dangerous dog (per day or part of a day) from \$90 to \$70 so that the costing recovery rate would decrease from 128.6% to 100%, he was concerned that the lowering of certain fee items would reduce the deterrent effect on non-compliant behaviours concerned.

47. Mr CHAN Chi-chuen indicated that he would not support AFCD's fee adjustment proposal as the Government had large fiscal reserves. Noting that AFCD's fee adjustment proposal would result in an increase of revenue of about \$1.5 million in each financial year, he queried whether it would be cost-effective for the Administration and the LegCo to put in a large amount of time and resources for reviewing and scrutinizing the fee adjustment proposal under discussion.

48. Dr Kenneth CHAN indicated that the Civic Party would not support any of the Administration's proposals to increase fees and charges as the Government had a huge fiscal surplus. Dr CHAN also considered it necessary for the Administration to make available information on the cost components of the fee items before putting forward its fee adjustment proposal on the basis of the principle of cost-recovery.

49. The Chairman said that he had for years remained unconvinced of the Administration's application of the principle of cost-recovery in setting fees and charges for public services. He urged the Administration to refrain from increasing fees and charges as the Government had accumulated a large amount of fiscal reserves. He indicated that the Liberal Party was against the Administration's proposal to increase AFCD's fees and charges.

Conclusion

50. In concluding, the Chairman said that Members generally had reservation about the Administration's current proposal to increase AFCD's fees and charges.

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VII. Any other business

(LC Paper Nos. CB(2)952/14-15(09) and CB(4)598/14-15)

Proposed extension of period of work of the Subcommittee on Issues Relating to Public Markets and the Subcommittee on Hawker Policy

51. The Chairman sought members' views on the proposals of the Subcommittee on Issues Relating to Public Markets and the Subcommittee on Hawker Policy to extend the period of their work up to 30 September 2015 and 14 October 2015 respectively, details of which were set out in the papers prepared by the LegCo Secretariat (LC Papers No. CB(2)952/14-15(09) and CB(4)598/14-15). Members endorsed the proposals.

52. Members also noted that reports would be made to the House Committee for seeking its permission for extension of period of work of the above two Subcommittees.

53. There being no other business, the meeting ended at 4:30 pm.

Council Business Division 2
Legislative Council Secretariat
31 August 2015