

立法會
Legislative Council

LC Paper No. ESC128/16-17

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Establishment Subcommittee of the Finance Committee

**Minutes of the 11th meeting
held in Conference Room 1 of Legislative Council Complex
on Monday, 24 April 2017, at 2:30 pm**

Members present:

Hon Mrs Regina IP LAU Suk-yee, GBS, JP (Chairman)

Hon Alvin YEUNG (Deputy Chairman)

Hon Abraham SHEK Lai-him, GBS, JP

Hon WONG Ting-kwong, SBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon WONG Kwok-kin, SBS, JP

Hon Paul TSE Wai-chun, JP

Hon LEUNG Kwok-hung

Hon Steven HO Chun-yin, BBS

Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS

Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan

Hon IP Kin-yuen

Hon Martin LIAO Cheung-kong, SBS, JP

Hon POON Siu-ping, BBS, MH

Dr Hon CHIANG Lai-wan, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHU Hoi-dick

Hon Jimmy NG Wing-ka, JP

Hon LAM Cheuk-ting

Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon LUK Chung-hung
Hon LAU Kwok-fan, MH
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim

Members absent:

Hon James TO Kun-sun
Hon MA Fung-kwok, SBS, JP
Hon CHUNG Kwok-pan
Hon HO Kai-ming
Hon Holden CHOW Ho-ding
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan

Public Officers attending:

Ms Carol YUEN Siu-wai, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Eddie MAK Tak-wai, JP	Deputy Secretary for the Civil Service 1
Mr Eugene FUNG, JP	Deputy Secretary for Food and Health (Food) 2
Mr Kenneth CHAN	Principal Assistant Secretary for Food and Health (Food) 1
Ms Winnie LAU	Senior Principal Executive Officer, Food and Environmental Hygiene Department
Dr Christine WONG	Acting Assistant Director (Food Surveillance and Control), Food and Environmental Hygiene Department

Clerk in attendance:

Ms Connie SZETO Chief Council Secretary (1)4

Staff in attendance:

Mr Keith WONG
Ms Alice CHEUNG
Miss Yannes HO
Ms Haley CHEUNG

Council Secretary (1)4
Senior Legislative Assistant (1)1
Legislative Assistant (1)6
Legislative Assistant (1)9

Action

The Chairman drew members' attention to the information paper ECI(2016-17)13, which set out the latest changes in the directorate establishment approved since 2002 and the changes to the directorate establishment in relation to the five items on the agenda. She then reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP"), they should disclose the nature of any direct or indirect pecuniary interest relating to the funding proposal under discussion at the meeting before they spoke on the item. She also drew members' attention to RoP 84 on voting in case of direct pecuniary interest.

EC(2016-17)25 Proposed creation of two supernumerary posts of one Senior Principal Executive Officer (D2) in the Food and Health Bureau (Food Branch) to strengthen the directorate support to carry out various new policy and legislative initiatives on food safety for two and a half years; and one Senior Principal Executive Officer (D2) in the Food and Environmental Hygiene Department to head a new Corporate and System Management Division for about seven years up to 31 March 2024 with immediate effect upon approval of the Finance Committee

2. The Chairman remarked that the staffing proposal was to create one Senior Principal Executive Officer ("SPEO") (D2) in the Food and Health Bureau (Food Branch) ("Food Branch of FHB ") (to be designated as Principal Assistant Secretary (Food) Special Duties ("PAS(F)SD")) to strengthen the directorate support to carry out various new policy and legislative initiatives on food safety for two and a half years; and one SPEO (D2) in the Food and Environmental Hygiene Department ("FEHD") (to be designated as SPEO (Corporate and System Management) ("SPEO(CSM)")) to head a new Corporate and System Management ("CSM") Division for about seven years up to 31 March 2024. She

Action

pointed out that discussion of the item was carried over from the meeting on 10 April 2017.

The proposed post of Principal Assistant Secretary (Food) Special Duties

3. Noting from Enclosure 4 of the Government's paper that after the creation of the proposed post, the responsibilities of Principal Assistant Secretary for Food and Health (Food) 1 ("PASFH1") would be revised to include overseeing policy matters relating to the reduction of salt and sugar in foods, Mr CHU Hoi-dick enquired about the latest work progress in this area and whether the Administration would consider enhancing the regulation of beverages with high sugar content.

4. Deputy Secretary for Food and Health (Food) 2 ("DSFH") advised that the Committee on the Reduction of Salt and Sugar Contents in Food had all along been committed to giving advice on the formulation and implementation of initiatives and measures to reduce salt and sugar contents in food since its establishment in 2015. The Committee was of the view that education efforts should be strengthened at this stage to promote public awareness of the drawbacks of excessive intake of salt and sugar, thereby encouraging the public to change their eating habits. The Committee would, through the "StartSmart@school.hk" Campaign, continue to promote low-sugar and low-salt diets at schools and would organize the "Low-Salt and Low-Sugar Front-of-pack Label Design Competition" for prepackaged food to tie in with the voluntary low-salt and low-sugar food labelling scheme to be launched later. Besides, Food Branch of FHB would also formulate strategies and directions for the calorie indication pilot scheme so as to facilitate public access of information on calorie content of food.

5. Mr YIU Si-wing expressed support for the creation of the proposed post to enhance the regulation of online trading of foods. He enquired about the work plans of the proposed post in this respect for preventing safety incidents in relation to online trading of foods.

6. DSFH said that the current responsibilities of PASFH1 included handling a number of policy studies in relation to food safety. Given the heavy workload of the post, the Government suggested creating the proposed post to share the relevant tasks. The responsibilities of the proposed post would include reviewing the regulation of edible fats and oils, mycotoxins, genetically modified food and online trading of foods. As for the regulatory work on online trading of foods, the proposed post would study the latest development in the regulation of online trading of foods in overseas markets, and review whether there was a need for Hong

Action

Kong to further enhance the regulation in this respect. He added that the Centre for Food Safety ("CFS") of FEHD had a risk management procedure in place for tracing the source and movement of food in order to monitor and manage food safety incidents, and protected the safety of imported food through documents such as health certificates.

7. Pointing out that the abusive use of antibiotics in food animals and fishery products was serious at present, Mr Nathan LAW enquired how the proposed post would promote the regulation of veterinary drug residues in food animals. He also requested CFS to provide the testing results of the salmon sashimi samples collected under the "food surveillance programme" in recent years, and enquired how the Government would combat the problem of vegetable smuggling.

8. DSFH advised that the Secretary for Food and Health was leading a high-level steering committee to examine the issue of antimicrobial resistance. The expert groups under the committee would make recommendations on the guiding principles for dealing with antimicrobial resistance in Hong Kong. The proposed post would also conduct a comprehensive review on the regulation of veterinary drug residues in food and food animals, including studies on relevant regulation overseas. PASFH1 supplemented that the amounts of veterinary drug residues in local or imported food animals and food were currently regulated under the Public Health (Animals and Birds) (Chemical Residues) Regulation (Cap. 139N) and the Harmful Substances in Food Regulations (Cap. 132AF) respectively. As for the work of combating vegetable smuggling, Acting Assistant Director (Food Surveillance and Control), Food and Environmental Hygiene Department said that the Government was aware of the reports on the suspected sale of smuggled vegetables in the market, and CFS and the Customs and Excise Department ("C&ED") had conducted joint operations to follow up the incidents. CFS would provide the testing results of the salmon sashimi samples after the meeting.

[Post-meeting note: The Administration had submitted the relevant supplementary information to members vide LC Paper No. ESC105/16-17(01) on 23 May 2017.]

9. Mr CHU Hoi-dick noted from Enclosure 3 of the Government's paper that the responsibilities of the proposed post included reviewing and formulating policies on organic food and genetically modified food. Pointing out that the organic food produced in Hong Kong was mainly authenticated by universities at present, he enquired whether the Government would take charge of organic food authentication on its own

Action

after the creation of the proposed post and whether it would examine introducing legislation to regulate the work of organic food authentication.

10. DSFH advised that in reviewing the directions for organic food regulation in Hong Kong, the proposed post would make reference to the latest development in organic food regulatory regimes overseas. As regards the authentication of organic food, he pointed out that if a self-claimed organic food sold in Hong Kong was proved to be false, the producer concerned would contravene the Trade Descriptions Ordinance (Cap. 362), and C&ED would be responsible for law enforcement. Between 2011 and 2016, C&ED received over 70 reports in relation to organic food, which mainly involved cases of selling fake organic food or labelling of certification marks on unauthenticated food. There were cases of successful prosecution in this respect, showing that the Trade Descriptions Ordinance could deal with the problem of fake organic food effectively.

11. Dr Fernando CHEUNG supported the Administration's work in promoting food safety, but was concerned whether it could effectively enhance food safety in Hong Kong by creating a supernumerary directorate post alone without strengthening frontline manpower. In addition, as the proposed post would be tasked with a number of policy studies relating to food safety, he was worried that two and a half years would not be sufficient for completing all the tasks.

12. DSFH replied that the purpose of creating the proposed post was mainly to share PASFH1's work in handling food safety work. After the creation of the proposed post, PASFH1 would commence the work of updating the Food Adulteration (Metallic Contamination) Regulations (Cap. 132V) with respect to the regulatory limits of various metallic contaminants within this year. It was estimated that upon completion of relevant work, there would be room for PAS1 to handle other policies relating to food safety; therefore, it was appropriate to set the duration of the proposed post at two and a half years.

13. Mr SHIU Ka-fai expressed support for the creation of the proposed post. He urged the Government that before changing the regulatory mode, it had to maintain communication with those affected in the food industry and give full regard to their views, thereby striking a balance between enhancing food safety and maintaining a favourable business environment for the industry.

14. DSFH replied that in addition to making reference to overseas practices, the Government would also fully consult the local food industry

Action

when formulating the regulatory measures on food safety so as to strike a balance among the concerns of various sectors.

15. Dr Helena WONG requested the Administration to provide supplementary information on the list of work targets for the proposed post as well as the time frame for completion of work, including details of the relevant legislative amendment exercise to be handled.

[*Post-meeting note:* The Administration had submitted the relevant supplementary information to members vide LC Paper No. ESC105/16-17(01) on 23 May 2017.]

The proposed post of Senior Principal Executive Officer (Corporate and System Management)

Justifications for setting the duration of the proposed post at seven years

16. Dr KWOK Ka-ki expressed support for allocating resources to enhance the regulatory work on food safety. However, he pointed out that setting the duration of the proposed post at seven years had departed from the Government's usual practice in creating supernumerary posts. Mr CHAN Chi-chuen and Mr Jeremy TAM also considered it unreasonable to set the duration of the proposed post at seven years. They enquired about the precedents of creating supernumerary posts of long duration, and requested the Administration to explain how CFS's IT system update project would be affected if the duration of the proposed post was shortened. Mr CHAN further opined that the Government should consider shortening the duration of the post to three or four years, and give a detailed account on the annual work targets and timetable of the proposed post. The Administration should also regularly report to relevant committees of the Legislative Council ("LegCo") on the work progress of the proposed post after its creation.

17. DSFH replied that after the creation of the proposed post, the newly established CSM Division would first conduct a workflow review for around nine months to one year, in order to re-engineer CFS's current workflow and design new IT systems correspondingly. With reference to the IT system upgrade projects of other government departments, it was estimated that it would take five years to comprehensively replace the relevant systems of CFS, so there was a need to set the duration of the proposed post at seven years to provide leadership for various tasks. He pointed out that the Buildings Department and the Highways Department had also created supernumerary posts of long duration at nine years plus 11 months and six years respectively in the past. The Government

Action

undertook to regularly report to the Panel on Food Safety and Environmental Hygiene on the work progress of the proposed post in the coming seven years.

18. Senior Principal Executive Officer, Food and Environmental Hygiene Department ("SPEO/FEHD") supplemented that the development of the entire system involved a wide range of areas and took a long period of time, so there was an actual operational need to set the duration of the supernumerary post at seven years. She understood Members' concern about the progress of the project, and the Government would make a report in due course. The Government did not hope to see the progress of IT system replacement being affected by a shortened duration of the post. Upon completion of the workflow review and formulating the entire work procedures for system update, the Government would be able to map out the details of the project, and would report to the Panel on Food Safety and Environmental Hygiene on the work progress of the proposed post.

Updating of information technology systems

19. Dr KWOK Ka-ki opined that the project of updating CFS's IT systems involved IT professional work. He was concerned whether it was appropriate for a general grade Executive Officer to lead the entire project.

20. SPEO/FEHD replied that as the existing 17 systems involved the operation of different sections within CFS, there had to be a leader responsible for coordinating and acting as a bridge of communication when designing the new systems. The leader had to understand the operational needs of various sections in order to work out details of the relevant project. Executive Officer grade staff normally had experience in coordinating departments to develop IT systems and re-engineer business processes; therefore, it was appropriate for a SPEO to take up the proposed post.

21. Given CFS's plan to spend as long as seven years on upgrading its IT systems, Mr Martin LIAO was worried whether the time spent on the re-engineering project was so long that the new systems would fail to catch up with the rapid advances in technology. Dr KWOK Ka-ki also commented that taking seven years to re-engineer IT systems was too long, and was worried that CFS's regulatory work on food safety would be affected.

22. Dr Helena WONG requested the Administration to provide supplementary information comprising details of CFS's existing 17 IT systems, explanation on how the existing outdated systems would affect

Action

CFS's work on food safety control, as well as the list of work targets for the proposed post coupled with the time frame for completion of work.

[Post-meeting note: The Administration had submitted the relevant supplementary information to members vide LC Paper No. ESC105/16-17(01) on 23 May 2017.]

23. DSFH replied that updating CFS's IT systems was a large-scale project. To ensure that the work of CFS would not be affected, it was necessary for FEHD to duly assess the contents of updating for different systems so as to determine the priorities of system update. Upon completion of the entire system updating, sufficient time had to be allowed for CFS staff to conduct tests and trial runs on the systems. There was also a need to ensure a seamless transition from the old systems to new ones which increased the complexity. At such, it was estimated to take seven years to complete the entire project. He stressed that while the existing systems were limited, they still generally managed to deal with CFS's regulatory work on food safety, including handling risk profiling and food tracking. SPEO/FEHD supplemented that during the updating of the systems, FEHD would keep reviewing and monitoring the development of new technology to ensure that the new systems could fully meet the various operational needs of CFS, and that the technology of the systems would not become out-dated.

24. Mr LEUNG Kwok-hung pointed out that one of the functions of the Innovation and Technology Bureau ("ITB") was to assist government departments in reforming their IT systems to facilitate data sharing among various departments, with a view to enhancing the overall efficiency of the Government. He enquired whether ITB had provided any assistance or professional advice on CFS's IT system update. Mr WU Chi-wai was also of the view that ITB should coordinate government departments in updating IT systems, as it would be a waste of resources for individual departments to create posts and seek funding for system development themselves. He requested the Administration to explain whether it was cost effective for FEHD to be responsible for updating CFS's IT systems on its own.

25. DSFH advised that as the existing 17 systems of CFS had their own separate design, which posed limitations on data analysis, it was proposed that FEHD would design and update the IT systems of CFS having regard to the needs of various sections. CFS had not sought the advice of ITB on IT system updating. He added that ITB had earmarked \$500 million for government departments to take forward technology projects, with a view to enhancing work efficiency and improving service quality through the use

Action

of technology. FEHD planned to apply for the fund from ITB to study how to introduce new technology to support departmental work.

26. Mr WU Chi-wai pointed out that FEHD had information relating to food safety such as restaurant licences and licences for selling frozen meat, and enquired whether CFS's new systems would connect with the systems within FEHD in order to improve the efficiency of the regulatory work on food safety. He also enquired about the estimated development costs of the new systems.

27. SPEO/FEHD replied that when handling and following up food safety incidents, colleagues had to operate CFS's systems and other systems within FEHD respectively. When handling the registration of food importers and food distributors, CFS also needed to extract relevant information from other systems of FEHD monthly. To improve work efficiency, CFS's new systems would be connected with other systems of FEHD. It was estimated that FEHD could provide the initial cost estimate for developing the new systems upon completion of the workflow review.

Tying in with trade declaration arrangements under "Trade Single Window"

28. Mr WU Chi-wai and Dr Helena WONG advised that the Administration was prepared to launch a "Trade Single Window" ("SW") electronic platform for the trading community to lodge all trade documents to the Government in a one-stop manner so as to facilitate the community's compliance with all import/export regulatory requirements as well as trade declaration and customs clearance. They enquired how the new systems of CFS would connect with the SW electronic platform, and how the systems would assist CFS in managing the trade declaration and customs clearance for food import/export with a view to improving food tracking.

29. DSFH explained that CFS's IT system update project would tie in with the Government's timetable for implementing the SW trade declaration system. The new systems of CFS could connect with the new SW electronic platform to collect further information relating to food import/export, which would facilitate the regulatory work on food safety. He stressed that as there was also a pressing need for CFS to update its systems even if SW trade declaration arrangements were not in place.

Other discussions

30. Mr SHIU Ka-chun said that even though he was concerned about the work on food safety, he would vote against this staffing proposal to

Action

express his dissatisfaction towards FEHD. He pointed out that while the Panel on Welfare Services had discussed the policies on supporting street sleepers at its meeting on 13 February and held a public hearing on 27 March to gauge public views on the policies on street sleepers, FEHD officials had refused to attend the two meetings. He opined that the incident showed that FEHD had made light of LegCo's role of monitoring the Government.

31. Pointing out that this Establishment Subcommittee meeting had clashed with two other LegCo committee meetings, Mr CHAN Chi-chuen considered the arrangement unsatisfactory. He said that the work of the Subcommittee was to consider the Government's funding proposals; Members would find it difficult to monitor how the Government used public money if they needed to attend various meetings concurrently.

32. At 4:24 pm, the Chairman advised that she had received two proposed motions under paragraph 31A of the Establishment Subcommittee Procedure to be moved by Mr CHU Hoi-dick. She said that she would examine whether these two motions were directly related to the agenda item under discussion after the meeting.

[Post-meeting note: After discussing the contents of the motions with the Chairman, Mr CHU Hoi-dick agreed to withdraw the two proposed motions and raise relevant questions to officials during the question and answer session instead.]

33. The Chairman said that the Subcommittee would continue to discuss this item at the meeting on 25 April 2017.

34. The meeting ended at 4:27 pm.