## 立法會 Legislative Council

LC Paper No. CB(1)755/00-01 (These minutes have been seen by the Administration)

Ref: CB1/BC/2/00/2

# Bills Committee on Dangerous Goods (Amendment) Bill 2000

Meeting on Thursday, 18 January 2001, at 4:30 pm in Conference Room B of the Legislative Council Building

**Members present**: Hon James TO Kun-sun (Chairman)

Hon HUI Cheung-ching

Hon Mrs Miriam LAU Kin-yee, JP Hon Audrey EU Yuet-mee, SC, JP

**Members absent**: Hon Mrs Selina CHOW LIANG Shuk-yee, JP

Hon LAU Kong-wah

Public officers attending

Mr D WONG

Principal Assistant Secretary for Security

Mr J K KWOK Chief Fire Officer

Fire Services Department

Mr K M LEE

Assistant Director of Marine

Mr D J HOWELLS

Assistant Director of Civil Engineering

Mr Y C LEUNG

Senior Geotechnical Engineer/Mines

Mr W B MADDAFORD

Senior Assistant Law Draftsman

Action - 2 -

Miss S WONG Government Counsel

Miss LEE Choy-mei

Assistant Secretary for Security

**Clerk in attendance**: Mr Andy LAU

Chief Assistant Secretary (1)2

**Staff in attendance**: Mr Stephen LAM

Assistant Legal Adviser 4

Mrs Mary TANG

Senior Assistant Secretary (1)2

#### I Confirmation of minutes of meeting

(LC Paper No. CB(1)258/00-01 - Minutes of meeting held on 16 November 2000)

The minutes of meeting held on 16 November 2000 were confirmed.

### II Meeting with the Administration

(LC Paper Nos. CB(1)411/00-01 (01) and (02))

- 2. <u>The Chairman</u> informed members that the Saving International (Holdings) Limited had declined the Bills Committee's invitation to attend the meeting. <u>Members</u> noted the Administration's response to the submission from the company which was circulated vide CB(1) 411/00-01(01).
- 3. At the invitation of the Chairman, the Principal Assistant Secretary for Security (PAS/S) briefed members on the major proposals of the subsidiary legislation to be introduced and the implementation timetable of the related legislation, highlighting the salient points of the information paper at LC Paper No CB(1) 411/00-01(02).
- 4. Mr HUI Cheung-ching said that representatives of the trade associations had approached him regarding their concerns about the impact of the legislative proposals on the trade, in particular, the drivers of dangerous goods (DG) vehicles and the retailers of DG. The Chief Fire Officer, Fire Services Department (CFO) said that as the legislative proposals would have cost implications, they would not be welcomed by the trade. However, the regulatory impact assessment conducted earlier had concluded that the proposed improvements to the licensing regime would be beneficial

to the community and should not pose undue hardship to the trade in general. To facilitate the implementation of these proposals, grace periods of not more than two years would be provided for the more prominent control measures.

- 5. Regarding the mandatory training for drivers engaged in the conveyance of dangerous goods(DG), <u>CFO</u> advised that the first training course for these drivers had commenced since 27 November 2000 and it was expected that sufficient numbers of drivers would be gradually trained for the conveyance of DG within a period of two years. The Administration was prepared to accredit the in-house training courses currently conducted by major DG suppliers for their drivers where appropriate.
- 6. As regards the impact on the retailers of DG, <u>CFO</u> provided the following information-
  - (a) The Fire Services Department(FSD) met the affected trades on 29 December 2000 to discuss the concerns of the wholesale and retail trades over the proposed exempted quantities for DG. The meeting agreed that it would be necessary to first find out the composition of the product concerned in order to determine the application of the Dangerous Goods Ordinance or otherwise, and if so, the proper classification. The main difficulty rested with the fact that retailers did not know if the goods they were selling were categorized as DG. FSD was now working with the trades to identify the importers and suppliers of such products and to seek their assistance in providing relevant information:
  - (b) The difficulty faced by the Saving International (Holdings) Limited was the need to comply with the storage requirements for para-Dichlorobenzene(PDCB), a DG under Category 4 which was present in moth repellents. As the exempted quantities for PDCB was only 100kg in non-industrial premises, the wholesaler might have difficulty in complying with the requirements. FSD was prepared to revisit the appropriate levels of exempted quantities that should be provided for and would consult the Dangerous Goods Standing Committee again if necessary. The revised levels of exempted quantities would then be incorporated in the proposed amendments to the subsidiary legislation under the Dangerous Goods Ordinance; and
  - (c) In consultation with the Dangerous Goods Standing Committee, FSD would review the levels of exempted quantities in industrial and non-industrial premises. The purpose of the review was to extend suitable control over the storage of DG in industrial premises while ensuring that the non-industrial users of DG would not be unnecessarily caught under the law. In this connection, there might also be a need to consider introducing separate levels of exempted quantities for non-industrial premises used for domestic or non-domestic purposes. The levels of exempted quantities for DG which were commonly used in households would also be reviewed.

- 7. Responding to Mr HUI Cheung-ching's further enquiry on how the suppliers would be able to know whether goods they sold were classified as DG, <u>CFO</u> said that if the suppliers were able to show the Material Safety Data Sheet of their goods, the Government Chemist would be able to tell whether the goods were classified as DG. Otherwise, the goods would be subject to testing by the Government Chemist.
- 8. Ms Audrev EU enquired about the 1600 types of DG and whether their control would follow international practice. The Principal Secretary for Security (PAS/S) said in response that the coverage of controls of DG would be expanded from 400 types to 1600 types under nine broad "Classes" in accordance with the scheme of classification adopted by the International Maritime Dangerous Goods (IMDG) Code, subject to some minor variations to suit local circumstances. CFO added that although the types of DG would be kept in line with the classification under IMDG Code, the actual exempted quantities for each type of DG would be determined by FSD to suit the local situation. The levels of exempted quantities for DG would be determined in consultation with the trade and would also take into account the improvements in fire prevention installations in most buildings. The Director of Fire Services and the Director of Marine would be empowered to issue codes of practice to promulgate detailed guidelines and safety practices to be followed by the trade in handling DG. The control over DG in Hong Kong was a licensing scheme different from that in other overseas countries such as Japan, which relied on inspections by enforcement agencies after the enactment of legislation.
- 9. <u>Ms Audrey EU</u> expressed concern about the impact of the controls on domestic users and the trades. <u>CFO</u> said that the chemicals commonly used in domestic households might contain substances which were classified as DG. The degree of safety hazard posed would depend on the amount of DG stored. Normally, the amount stored for domestic use was within safety limits. As such, the proposed legislative changes would not affect domestic users. The Administration intended to relax the exempted quantities for domestic premises but it would have to be cautious about the aggregate quantities for DG being stored.
- 10. Sharing Ms EU's concern about the impact of DG control on the general public, the Chairman pointed out that there might be a need for the Administration to sort out the exempted quantities for DG and address the concerns of the trade before proceeding further. PAS/S said that the levels of exempted quantities would be set out in the subsidiary legislation, subject to the passage of the Dangerous Goods (Amendment) Bill 2000 and the approval from the Executive Council. In preparing the subsidiary legislation, the Administration would be working closely with the affected trades to draw up the storage requirements and the exempted quantities for DG. It would consult the trade on the practicability of the proposals. Where large quantities of DG need to be stored, the suppliers would be requested to apply for an appropriate licence. The whole process of regulation drafting and consultation with the trade would take quite some time to complete. In any case, grace periods would be provided for the licensing and control regarding the manufacture, storage and use of DG newly brought under control.

- Mrs Miriam LAU enquired whether the canola oil which had been used to replace diesel for use by vehicles was classified as DG. She also sought clarification on the exempted quantities for mixtures of fuel oil, e.g. kerosene mixed with canola cooking oil. CFO replied that the canola oil used for cooking was different from that used for vehicle fuel as the latter involved the addition of methanol or ethanol to increase its flammability. With a flash point above 66°C and being used as fuel, it was already classified as a DG under Category 5. The use of canola oil as solvents was not subject to control under the Dangerous Goods Ordinance. He further explained that the mixture of kerosene with canola oil could not be used as vehicle fuel as this would cause irreparable damage to vehicle engines. Some of the drivers would prefer to use canola oil as fuel when their vehicles were tested because this would reduce the level of emissions. Fuel stations supplying canola oil as vehicle fuel would also be subject to fire safety requirements.
- 12. Noting that liquefied petroleum gas (LPG) was commonly found in consumer items such as hairsprays and insecticides, Mrs Miriam LAU was concerned that the innocent public might be inadvertently caught by the legislation if they stocked up a large number of these items when these were on sale. In response, CFO advised that domestic users would unlikely be affected since it was quite impossible that the aggregate quantities for LPG used for household purposes could exceed the level of exempted quantities. Nevertheless, the Administration would conduct publicity programmes on the handling and storage of DG.
- Responding to Ms Audrey EU's enquiry on the commencement date of the grace periods set out in the paper, <u>PAS/S</u> advised that amendments in the principal Ordinance and subsidiary legislation which did not involve grace periods would come into effect together on the same date. Grace periods would be provided for implementation of other amendments. <u>The Chairman</u> said that it was necessary for the Security Panel to discuss the subsidiary legislation before they were introduced.

#### Clause-by-clause examination

#### Clause 2 Interpretation

14. <u>PAS/S</u> took members through the proposed amendments under clause 2. <u>Members</u> noted that the proposed amendments sought to bring the definitions in line with IMDG Code.

#### **Explosive**

15. Regarding the definition of explosive, the Assistant Director of Civil Engineering (ADCE) explained that the existing definition which included any substance used or manufactured with a view to producing a practical effect by explosion or a pyrotechnic effect would allow a wide interpretation. The definition might include substances which produced explosion effects by physical means such as bursting of cylinders containing LPG. Therefore, the definition had been refined to specifically state that the explosion effect had to be produced by chemical reaction. Responding to the Chairman's concern that some toys might have explosion effect

Action

similar to what was described in (a)(ii) of the definition, ADCE said that toys would unlikely contain explosives and if they did, they would not be regarded as toys. Members also noted that substances would be regarded as explosives if they had nondetonative self-sustaining exothermic chemical reactions and under this definition, items such as candles would not be regarded as explosives.

Vessel

As to the definition of vessel, the Assistant Director of Marine (ADM) said 16. that the definition was revised in accordance with the Shipping and Port Control Ordinance (Cap 313) and would include any other description of vessel in Hong Kong or in the waters of Hong Kong not used in navigation or not constructed or adapted for use in navigation. In response to the Chairman, ADM clarified that there were no exempted quantities for DG on board vessels and the types of DG would be classified strictly in accordance with the IMDG Code but existing controls regarding diesel oil, furnace oil and other fuel oil with a flashpoint over 66°C which were not classified as DG under the IMDG Code would be maintained. On local vessels, storage of DG was not allowed and the control of DG was primarily on its conveyance. Fuels and other substances required for use on board vessels would not be regarded as goods and would not therefore be classified as DG. As for the boathouses and small local vessels, a limited amount of two cylinders of LPG was allowed and this would be regarded as vessels' stores and equipment. Where there was a need to use inflammables on board vessels, (for example, the use of paints in shipyards), care would be taken to ensure that these would be kept in designated areas approved for the purpose by the Marine Department. The control of DG on board vessels would be set out in the Dangerous Goods Shipping Regulation made under the Dangerous Goods Ordinance. Separate codes of practice would be provided to local vessels.

> (Post-meeting note: ADM subsequently advised that there were exempted quantities for DG on board local vessels but not ocean-going vessels.)

- Addressing the Chairman's concern about the control of DG on board vessels, ADM explained that the control of DG at sea was different from that on land as there was no licensing system nor exempted quantities for DG on vessels. Marine Department exercised its control through installation requirements on vessels designed to carry DG. Apart from fire prevention installations, there were other specific requirements depending on the nature of the DG carried. Before granting the written permission for a local vessel to convey of DG, the Director of Marine had to be satisfied that the vessel was in all respects suitable and fit for the conveyance of DG and was adequately equipped with fire fighting appliances. The Chairman requested and the Administration agreed to provide the licensing requirements for controlling storage of DG on board different types of vessels, be they used in Admin. navigation or not, in the waters of Hong Kong.
  - 18. The Assistant Legal Advisor 4 (ALA4) informed members that he had earlier written to the Administration regarding the definition of "vessel" which was proposed to be revised to keep in line with the Shipping and Port Control Ordinance (SPCO). He pointed out that unlike SPCO which provided for definitions for "ship" and "junk"

Action - 7

referred to in the definition for "vessel", the proposed amendments to the Dangerous Goods Ordinance had not provided the said definitions for "ship" and "junk". He therefore enquired if the Administration was prepared to include these definitions in the Bill. <u>PAS/S</u> said that the Administration would provide a suitable definition for the two terms.

19. <u>ALA4</u> also pointed out that in the Chinese text of the proposed definition of "vessel", the rendition of the term "junk" was "中國式帆船". However, the rendition of the same term was "中式帆船" in the definition of vessel in the SPCO. The <u>Government Counsel</u> said that both renditions had been used in the legislation and this was a matter on the choice of terms to be used. The Administration would have no objection to the use of "中式帆船" in the Bill.

#### IMDG Code

20. On the Chairman's enquiry on whether the IMDG Code would be a statutory instrument, <u>PAS/S</u> said that the Code would be given legal effect by the Dangerous Goods Ordinance to govern the conveyance of DG in Hong Kong. As to the Chairman's concern about possible changes in the IMDG Code after the vessel had set sail, <u>ADM</u> said that as the Code provided for the classification of DG according to their nature, any changes in the Code would unlikely affect the vessel as long as it was suitably equipped to carry DG.

#### Clause 3 Application

21. <u>PAS/S</u> explained that the proposed amendment provided for the substances which the Ordinance would apply.

#### Clause 4 Regulations

- 22. <u>PAS/S</u> explained the need for the amendments to be made under the clause. <u>Members</u> noted that the placards to be attached to vehicles used in the conveyance of DG could be changed to indicate the type of DG conveyed and that the consignors of DG would be required to provide information and declaration on the DG carried or to be loaded on any vessel, aircraft, or vehicle.
- Mrs Miriam LAU was concerned that motor cycles which were transported by containers might contain petrol, the aggregate level of which might pose safety concerns. CFO agreed that that there were safety concerns in the conveyance of motor cycles, and in particular their spare parts contaminated with fuel. There had been three incidents where the residual petroleum of motor spare parts evaporated inside an enclosed container, leading to fire and explosions. The fire hazard associated with the transport of the entire vehicle was less as the petrol was stored in tanks and not exposed. Moreover, the vehicles were required to be placed in a secured position within the container in line with transport regulations. In any case, the more appropriate control over the conveyance of these goods would be by way of the Fire Services Ordinance, and not by the Dangerous Goods Ordinance. PAS/S added that following a review of the Fire Services Ordinance, the Administration

Action - 8 -

would propose amending the law by requiring the use of open top containers for the conveyance of motor vehicles and spare parts, as this would avoid the accumulation of vapours from petroleum. Mrs LAU suggested that consideration should also be given to requiring petrol tanks to be emptied before loading the motor vehicles onto the containers.

24. Members agreed to meet again at 8:30 am on 6 February 2001.

#### III. Any other business

25. There being no other business, the meeting ended at 6:30 pm.

Legislative Council Secretariat 6 March 2001