Legislative Council

Panel on Economic Services

Minutes of meeting held on
Monday, 23 April 2001, at 10:45 am
in the Chamber of the Legislative Council Building

Members present: Hon James TIEN Pei-chun, JP (Chairman)
Dr Hon LUI Ming-wah, JP (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Dr Hon David LI Kwok-po, JP
Hon Fred LI Wah-ming, JP
Hon Mrs Selina CHOW LIANG Shuk-yee, JP
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching
Hon CHAN Kam-lam
Hon SIN Chung-kai
Dr Hon Philip WONG Yu-hong
Hon Howard YOUNG, JP
Hon LAU Chin-shek, JP
Hon Mrs Miriam LAU Kin-yeo, JP
Hon CHOY So-yuk
Hon Abraham SHEK Lai-him, JP
Hon Audrey EU Yuet-mee, SC, JP

Non-Panel member attending: Hon CHAN Yuen-han

Members absent: Hon Eric LI Ka-cheung, JP
Hon Henry WU King-cheong, BBS
Public officers attending:

**Agenda Item IV**

**Economic Services Bureau**

Ms Sandra LEE  
Secretary for Economic Services

Mrs Rebecca LAI  
Commissioner for Tourism

Mr Richard LUK  
Principal Assistant Secretary for Economic Services (A)

**Consumer Council**

Mrs Pamela CHAN WONG Shui  
Chief Executive, Consumer Council

Mr LI Kai-ming  
Deputy Chief Executive, Consumer Council

**Agenda Item V**

**Economic Services Bureau**

Ms Sandra LEE  
Secretary for Economic Services

Mrs Rebecca LAI  
Commissioner for Tourism

Mr WU Kam-yin  
Assistant Commissioner for Tourism (1)

Mrs Erika HUI  
Assistant Commissioner for Tourism (2)

**Agenda Item VI**

**Economic Services Bureau**

Mrs Rebecca LAI  
Commissioner for Tourism

Miss Winnie HO  
Assistant Commissioner for Tourism (3)
Civil Engineering Department

Mr TAM Wing-kwong
Deputy Director of Civil Engineering (Special Duties)

Mr CHAN Kin-kwong
Chief Engineer/Special Duties (Co-ordination)

Ms Kathy NG Tze-kwun
Senior Landscape Architect

Agenda Item VII

Economic Services Bureau

Ms Sandra LEE
Secretary for Economic Services

Miss Mary CHOW
Deputy Secretary for Economic Services (2)

Mr Richard LUK
Principal Assistant Secretary for Economic Services (A)

Civil Aviation Department

Mr Albert LAM
Director-General of Civil Aviation

Mr Norman LO
Assistant Director-General of Civil Aviation
(Air Traffic Management)

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Ms Alice AU
Senior Assistant Secretary (1)5

Action

I Confirmation of minutes and matters arising
(LC Paper No. CB(1)946/00-01 – Minutes of meeting held on 26 February 2001)
The minutes of meeting held on 26 February 2001 were confirmed.

II Information papers issued since last meeting
(LC Paper No. CB(1)960/00-01 – Tables and graphs showing the import and retail prices of major oil products from March 1999 to February 2001)

2. Members noted the information paper issued since the last meeting.

III Items for discussion at the next meeting scheduled for 28 May 2001
(LC Paper No. CB(1)1015/00-01(01) – List of outstanding items for discussion; and
LC Paper No. CB(1)1015/00-01(02) – List of follow up actions)

3. Members agreed to discuss the following items at the forthcoming meeting to be held on 28 May 2001:

(a) Hong Kong Post;

(b) Subsidiary legislation under the Merchant Shipping (Local Vessels) Ordinance; and

(c) Retail price of ultra low sulphur diesel (ULSD) and tax concession for ULSD.

4. Mr HUI Cheung-ching said that the item he raised on “Promoting competitiveness of Hong Kong as a logistic centre in the region” had been outstanding since October 2000. He suggested that this be considered for discussion at the next meeting. Mr CHAN Kam-lam opined that as the item was closely related to the issue of terminal handling charges and mid-stream fees discussed at a number of Panel meetings recently, the Administration should be requested to provide further information on the issue even if the item could not be included for discussion at the next meeting. The Chairman shared his view and asked the Clerk to Panel to liaise with the Administration on the item.

(Post meeting note: The Administration had advised that they were conducting two studies: the Port Development Strategy Review (which covered the issues of public cargo working areas, provision of typhoon shelters and the role of freight rail development in supporting the future development of the port) and a study on how Hong Kong’s role as the preferred international and regional transportation and logistics hub could be strengthened. Both studies were scheduled for completion in the second half of 2001. By then, the Administration would brief members on the findings of the studies.)
5. Ms Audrey EU proposed that the Panel should discuss means to provide assistance to Hong Kong citizens encountering difficulties when travelling in the Mainland. Members agreed that this item be included in the list of outstanding items for discussion.

IV Review of the Consumer Council Ordinance

(LC Paper No. CB(1)1015/00-01(03) – Information paper provided by the Administration; and
LC Paper No. CB(1)1046/00-01(01) – Submission provided by the Consumer Council)

6. The Commissioner for Tourism (C for Tourism) said that the information paper provided by the Administration outlined the Government’s policy on consumer protection, with particular reference to the functions and powers of the Consumer Council (CC), the legal framework for the general protection of consumers, the effectiveness of CC’s work and the possible means to enhance its work. She invited members’ views on the information paper.

Proposed power for CC to take legal actions on behalf of consumers

7. Mr Fred LI commented that as shown in the Annex of the Administration’s information paper, consumer protection in Hong Kong was inadequate compared with other developed countries such as the USA, UK and Australia. In these countries, government bodies were involved in various functions for protection of consumer rights. However, in Hong Kong, most of these important functions were taken up by CC, which was a non-government organization. Government involvement in consumer protection mainly limited to the formulation of relevant policy and enforcement of related laws. He sought clarification from the Administration on his observation and the Administration’s comments on the effectiveness of the existing arrangements for CC to handle complaints and conduct mediation without any legal power of investigation and access to information. Noting that CC had recently made a proposal of amending the Consumer Council Ordinance (CCO) to confer on it the right to sue, in its own name, on behalf of consumers, he also enquired about the additional legal powers CC considered necessary in this connection.

8. C for Tourism responded that the Government and CC shared responsibilities on the work of consumer protection. The Government was involved in formulating policy and enforcing laws related to consumer protection while CC was responsible for handling complaints, conducting product tests and educating the public. There was no plan for any change in this responsibility division at the present stage. She advised members that CC had recently studied the means to enhance the effectiveness of its work and had come to the conclusion that it should have the power to take legal action on its own initiative to protect consumer interests. CC had provided an outline proposal to the Administration
Action

in this regard and further discussions would be made between the two parties to work out the details. CC would complete its review on its functions and powers within the current financial year and put forward a detailed report with its proposal for consideration by the Government. The Administration would revert to the Panel for members’ comments when the detailed proposals were ready. On the effectiveness of CC’s work in handling complaints and conducting mediation in the absence of legal power to investigate or request for information, she said that as a matter of fact, a high percentage of complaint cases handled by CC were successfully followed up. This demonstrated that CC’s work in complaints handling had not been affected even though it was not given the legal power to investigate.

9. Mrs Pamela CHAN, Chief Executive of CC, said that CC had carried out regular reviews on its functions since its establishment in 1974, which had resulted in extensions in its scope of work in the past years. CC had recently made a proposal of amending CCO to confer on it the right to apply, on behalf of consumers, to the court to declare certain terms of a contract ineffective and/or to issue an injunction to stop unfair business practices. It was now working on the details of the proposal. On the effectiveness of CC’s work in the absence of legal power to investigate, Mrs CHAN said that CC mediated between traders and consumers when dealing with complaints and thus the power of persuasion was often used instead of ‘investigation’. However, as CC had no power to ‘demand’ information, in dealing with complaints relating to competition, it often needed to rely on the co-operation of the parties concerned to supply the necessary information for conducting study into the subject of complaint. She pointed out that for enhancement of the work of consumer protection, comprehensive review on the relevant legislation governing protection of consumer interests would be required instead of simply conferring additional legal powers to CC.

10. Mr HUI Cheung-ching expressed concern about the proposed conferring of power to CC to sue on behalf of consumers and enquired whether CC would seek any increase in manpower in this regard. Mrs Pamela CHAN responded that as the proposal was only at its initial stage with detail plans yet to be worked out, there was no plan at this stage for any substantial increase in manpower for CC.

11. Mr CHEUNG Man-kwong said that the Democratic Party was in support of CC’s proposal of acquiring the power to take legal action on behalf of consumers to protect their interests. Ms Audrey EU shared his views and opined that in some cases of widespread consumer interest, for example the malpractice of putting up misleading advertisements, this proposed power would enable CC to apply to court on behalf of the consumers to issue an injunction to stop such malpractice. Moreover, she opined that it would be more appropriate for non-government bodies to conduct investigation of certain cases, such as those relating to fair competition within a particular trade, as some commercial entities would be reluctant to provide detailed information on their business to the Government.
Mrs Selina CHOW cautioned that the implications of conferring on CC the power to take legal actions on behalf of consumers should be explored in depth before introducing any change to the status quo. She opined that though improvements might be needed on the existing consumer protection legislation, the propriety of granting legal power to take cases to the court, or to conduct investigation into dispute cases, to a non-government body should be further considered. As gathered from the information paper provided by CC, its present lack of legal power to investigate had not hindered its work in dealing with complaints and obtaining necessary information from parties concerned.

Other measures for improving consumer protection in Hong Kong

Mr CHAN Kam-lam urged the Administration to consider increasing government involvement in the work of consumer protection so that the standard of consumer protection in Hong Kong could be comparable with those in the developed countries. He sought CC’s views on the adequacy of manpower of the Customs and Excise Department (C&ED) in carrying out enforcement actions in relation to consumer protection laws. He also enquired about the reason behind CC’s development of a benchmark code of practice.

Mrs Pamela CHAN responded that C&ED had been very efficient in its enforcement actions yet in cases where unsatisfactory services were involved, the Sale of Goods Ordinance could not be applied as the Ordinance covered only the sale of goods but not provision of services. On the development of a benchmark code of practice, she advised that this was developed for the purpose of enhancing consumer protection through the adoption of good trade practices such as proper complaint mechanism within individual trade. However, without necessary legislation in place to make the code of practice a legal requirement, this could not provide adequate protection to consumers.

Mr CHEUNG Man-kwong doubted the effectiveness of the Consumer Legal Action Fund (CLAF) set up in 1994, as he noted that there were only two cases taken to court under CLAF in 2000. He drew members’ attention to the presence of some unscrupulous traders operating tutorial centre in Hong Kong. These traders had collected advance payment of annual tutorial fees from students but failed to provide any tutorial lessons in the end. He expressed dissatisfaction towards the handling of this complaint case and pointed out that this should be an appropriate case for utilizing CLAF to assist the affected students to obtain compensation from the person-in-charge of the tutorial centre.

Mrs Pamela CHAN replied that more than 40 cases had been considered for CLAF since its establishment in 1994 and among that, about 50% of the cases were considered suitable for providing legal assistance through CLAF. She advised that some of the cases were settled through mutual agreements between the consumers and the companies concerned before taken to court while some other cases were still in progress. She pointed out that legal actions could be very costly taken into consideration the charges required for taking cases to the
Action

High Court. To ensure proper and best use of fund, the CLAF Committee under CC, comprising independent persons appointed by the Government, would consider the eligibility of individual cases. As to the case of the tutorial centre in question, she said that upon receipt of complaints, CC would initially explore possible means to settle the complaints before considering these for legal actions under CLAF. She undertook to follow up with Mr CHEUNG Man-kwong on this particular case after the meeting.

17. Mr LUI Ming-wah pointed out that for basic consumer protection, it was important to ensure the safety of products sold in the Hong Kong market. He urged the Administration to establish a product testing mechanism so that all products had to meet the standard safety requirements before putting up for sale in the Hong Kong market.

18. The Secretary for Economic Services (SES) assured members that under the existing legal framework, there were laws to ensure that goods supplied for local consumption satisfied safety standards, for example, the Consumer Goods Safety Ordinance. The Economic Services Bureau was working closely with the Electrical and Mechanical Services Department (EMSD) to ensure the safety of electrical appliances sold in local market. She pointed out that EMSD had been implementing measures to ensure the safety standards of gas and electrical appliances. She undertook to provide further information to Mr LUI Ming-wah after the meeting.

19. Mrs Pamela CHAN added that all electrical appliances sold in Hong Kong had to provide a certificate on product safety. Moreover, CC would carry out tests on product safety for a wide range of consumer goods. Electrical appliances failing to meet safety standards would be referred to EMSD for follow up.

20. On the work of CC, Mr Phillip WONG pointed out CC should review the effect of the deregulation of interest rates agreement on small depositors, who turned out to be the victims of the keen competition among banks after the deregulation. He doubted whether CC had made a correct analysis on the impact of the deregulation when it advocated the proposal years ago and what measures it could take to assist those small depositors being affected today.

21. Mrs Pamela CHAN replied that CC supported the deregulation of interest rates agreement on the basis of enhancing open and free competition in the banking sector. She disagreed that the levying of additional bank charges on small depositors was a necessary consequence of the deregulation. Taking the example of the telecommunication trade, the introduction of more competition had brought about substantial cut in long distance calls charges in recent years. CC believed that the deregulation of interest rates agreement allowed more flexibility and open competition in the banking sector and should be beneficial to the traders as well as consumers in the long run, just like in the case of the telecommunication services. To ensure that the vulnerable groups of the community could get the
necessary banking services, the Administration should work out measures to assist them in this regard.

22. The Chairman thanked representatives of CC to attend the meeting.

V Re-organization of the Tourism Commission  
(LC Paper No. CB(1)1015/00-01(04) – Information paper provided by the Administration)

23. SES drew members’ attention to the information paper provided by the Administration, which sought members’ support to the proposed creation of the following posts in the Tourism Commission –

(a) One Administrative Officer Staff Grade A (AOSGA) (D6) post to be offset by the deletion of one permanent rank and post of C for Tourism at D5 level;

(b) One Administrative Officer Staff Grade B (AOSGB) (D3) post to deputize the C for Tourism; and

(c) One additional post of Senior Principal Executive Officer (SPEO) (D2) to be offset by the deletion of a permanent post of Principal Executive Officer to head a new Division.

24. C for Tourism briefly introduced the background for the re-organization of the Tourism Commission with a set of information notes tabled for members’ reference. She pointed out that since the establishment of the Tourism Commission in May 1999, the Government had confirmed the need for a dedicated office in the Government to be responsible for setting tourism development strategy and co-ordinating relevant planning and projects, and implementing such plans together with industry and investors. Therefore, it had seen a clear need to reinforce the resources of the Commission. The proposed creation of the Deputy Commissioner post aimed at providing assistance to C for Tourism in formulating tourism development strategy, co-ordinating and steering tourism planning and projects. Thus C for Tourism could have adequate time, to take care of other important aspect of work such as representing the tourism authority in international conferences. The purpose of creating a SPEO post was to head a new division which would be responsible for implementing tourism enhancement projects in districts.

25. The Chairman enquired about the justification for upgrading the post of C for Tourism from D5 to D6. C for Tourism replied that in view of the nature and importance of the work, and the expertise and experience required of the post holder, the Administration considered that the post should be filled by a senior and experienced AO in order to perform the functions of inter-departmental co-ordination, policy setting and resource management so that he/she could provide the necessary strategic guidance on the future development of tourism and new
initiatives to be explored. While there was no D5 rank in the AO grade, it was considered more appropriate to re-rank the post to AOSGA (D6), which was one rank higher than AOSGB1 (D4) rank of a typical deputy secretary level.

26. **Mr HUI Cheung-ching** sought clarification on the working relationship and division of responsibilities between the Tourism Commission (TC) and the Hong Kong Tourism Board (HKTB). He noted from the information paper provided by the Administration (Enclosure 2 to EC (2000-01)) that TC would work closely with HKTB to ensure its best use of resources and attend to its needs for Government support. He asked the Administration how this could be achieved, with TC working in cooperation with HKTB while at the same time monitoring the use of its resources. Moreover, he opined that as TC and HKTB shared the same objective of promoting tourism in Hong Kong and there might be overlaps in their responsibilities and scope of work, consideration could be made for combination of the two in the long run.

27. **C for Tourism** responded that the comparison chart provided in the information notes tabled clearly demonstrated the division of responsibilities between TC and HKTB. She advised members that SES and C for Tourism were alternate member of the HKTB and they would participate in the drafting of annual business plan as well as estimates on expenditure at meetings of the HKTB. The Administration would give views on the work of HKTB to ensure that public resources granted to HKTB would be used properly while at the same time, it would provide the necessary support from relevant government departments to facilitate the work of HKTB. Bearing in mind the different functions of TC and HKTB, there was no plan to combine the two at the present stage. As gathered from the past experience in the work relating to the promotion and development of tourism, it was impossible for a non-government organization to take care of policy setting and inter-departmental co-ordination. At the same time, it would be less flexible and appropriate for a government body to take up the publicity and liaison work presently undertaken by HKTB.

28. **Mr Howard YOUNG** expressed support for the proposed creation of an AOSGA (D6) post to replace the existing D5 post of C for Tourism. He agreed with the Administration that the post should be filled by a senior and experienced AO for the performance of functions like inter-departmental co-ordination, policy setting and resource management. He opined that C for Tourism should concentrate on the work of tourism, and the existing arrangement for other unrelated duties, such as consumer protection issue to be taken up by C for Tourism would be undesirable in the long run. In addition, he enquired about the reason behind the creation of a new division in TC for implementation of tourism enhancement projects in districts.

29. **C for Tourism** explained that implementation of tourism infrastructure and district-based projects often required the coordination of a large number of government departments and organizations, and the workload had increased significantly over the past 2 years. Past experience had shown that it would be
ineffective for non-government organization, such as HKTB, to take on the implementation of tourism projects. The proposed creation of a new division to take charge of the implementation of district projects would ensure proper coordination with various organizations, including the District Councils, to ensure the smooth progress of individual projects.

30. Mrs Selina CHOW declared interest as the Chairman of HKTB. She supported the proposed re-organization of TC and urged the Administration to speed up the process in the planning and provision of new tourism infrastructure facilities, such as a new cruise terminal, so that the tourist industry in Hong Kong could maintain its competitiveness.

31. In response to the Chairman’s enquiry on the Chinese title of C for Tourism as “旅遊事務專員” but not “旅遊事務處長”, SES explained that the English title of “Commissioner” was preferred to “Director” as the former had a higher status in the overseas context. Nevertheless, she undertook to review the Chinese title for consideration of standardizing the titles of the same rank in different departments.

32. Mr CHAN Kam-lam, Mr CHEUNG Man-kwong and Mrs Selina CHOW expressed support to the proposal in the information paper on behalf of the Democratic Alliance for Betterment of Hong Kong, the Democratic Party and the Liberal Party respectively.

VI Infrastructure of Penny’s Bay Development, Package 2

33. The Chairman proposed and members agreed that as the proposal of Penny’s Bay Development, Package 2 would be considered by the Public Works Subcommittee (PWSC), the Panel would consider the principle of the proposal only without going into the details so as to leave these for discussion at the relevant PWSC meeting.

34. C for Tourism said that all related works for infrastructure of Penny’s Bay Development were in good progress. As this was a tourism development project under SES’ purview, the Administration would seek the views of the Economic Services Panel first before submitting the funding request to PWSC.

35. The Deputy Director of Civil Engineering (Special Duties) (DD of CE) advised that the progress of related works for the Penny’s Bay project had been smooth and had met the set schedules. The design for majority of the infrastructure had been completed except for the part falling within the area of Cheoy Lee Shipyards. The infrastructure works in this area would have to be carried out in the second infrastructure contract under a separate works package to commence in mid 2002, after the completion of the Environmental Impact
Action

Assessment (EIA) study on the decommissioning of Cheoy Lee Shipyard in early 2002. The Administration intended to start the proposed works in November 2001 for completion in phases by October 2005.

36. The Chairman enquired about the possibility of delay in the completion of the proposed theme park works if the EIA study on the decommissioning of Cheoy Lee Shipyard found that there would be adverse impact on the environment. DD of CE responded that in the preliminary investigations of the Shipyard, no particular problems had been detected. Although the Administration had to wait for the EIA study report before including the area of Choey Lee Shipyard in the second infrastructure contract, this only constituted a small portion of all the proposed theme park works and it was anticipated that all works could be completed by the target date in late 2005.

37. The Chairman congratulated the Administration for the smooth progress of the infrastructure works at Penny’s Bay and concluded that, as agreed, the Panel would not indicate its position on the proposed works and would leave the details for consideration at the relevant PWSC meeting.

VII Review of air traffic control operations by the United Kingdom Civil Aviation Authority

(LC Paper No. CB(1)1015/00-01(06) – Information paper provided by the Administration)

38. SES said that the information paper outlined the findings of the review of air traffic control (ATC) operation conducted by the United Kingdom Civil Aviation Authority (UKCAA). The Review concluded that ATC operation in Hong Kong was safe and of a high standard. However, to ensure that the same level of standards was maintained for the rapidly increasing traffic, the Review Team had made a total of 34 specific recommendations to enhance the management and administration, controller standards, competence and training for ATC.

39. The Director-General of Civil Aviation (DG of CA) introduced to members the major areas of the recommendations put forward in the Review Report by UKCAA, as follows:

(a) The management structure should be strengthened by the introduction of a formal Safety Management System (SMS);

(b) The setting up of an independent safety regulator to monitor and audit the operations of the Air Traffic Management Division;

(c) To transform the existing centralized management approach to one of watch-based management through greater delegation of responsibilities to the Watch Managers and Stream Supervisors;
(d) To review the existing arrangement of assessing a controller’s competence through an annual revalidation; and

(e) To improve ATC training through strengthening the training establishment, improving the structure of the training programmes, selecting high-calibre candidates as student controllers, etc.

40. The Chairman sought information on the existence of an international ranking scheme for the standard of ATC operation. DG of CA replied that the Review Team had concluded that the current ATC operation in Hong Kong was of a high standard. However, there was no ranking or grading given in the report by the Review Team as even the International Civil Aviation Organization could not obtain all the necessary information on ATC operation in airports around the world to make a comparison of their standard of services.

41. Mrs Selina CHOW expressed concern about the reason behind CAD’s non-acceptance of recommendation No. 32 on stopping the process of grading air traffic controllers by their competence. She doubted the possibility of the Review Team making this recommendation out of misunderstanding as claimed by the Administration, taking into consideration that the experts involved in the Review should have studied ATC operation in Hong Kong in adequate depth before making any recommendation in the report.

42. The Assistant Director-General of Civil Aviation (ADG of CA) explained that under the existing arrangement, a controller’s competence in handling air traffic was assessed through an annual revalidation check and any controller failing the check would not be allowed to continue his/her duties as an air traffic controller. On the other hand, the annual performance appraisal system of the civil service would be applied to controllers to assess not only a controller’s professional competence, but also his/her working attitude, team work, etc. SES supplemented that to ensure transparency and objectivity of the Review, the experts of the Review Team had direct discussions with front-line staff in addition to that with the management of CAD. This might be the cause for the confusion between the two assessment schemes, namely, the revalidation check on competence and the performance appraisal on general performance.

43. Mr Howard YOUNG suggested that the Review Report should be sent to major airlines and airports authority in nearby cities such as Macau for reference. Moreover, he sought information on the type of simulators referred to in recommendation No. 34 of the report.

44. DG of CA said that the Review Report would be an open document available to all interested public. He welcomed Mr Howard YOUNG’s suggestion and undertook to send the report to major airlines in Hong Kong. On the type of simulators referred to in recommendation No. 34, he explained that various types of simulators were used in the training of air traffic controllers, such as radar simulator and aerodrome control simulator. The Review Team
recommended the provision of continual training for serving controllers through using the simulators so that they could be well prepared for any unexpected circumstances.

45. **Mr CHEUNG Man-kwong** expressed grave concern about the composition of ATC incident investigation team. He opined that it was important to have an independent investigation team for all ATC incidents, regardless of whether the incident was a major or minor one. He pointed out that minor ATC incidents might be resulted from serious faults in ATC operation and these should be corrected immediately or might cause major ATC incident in the future. He doubted the effectiveness of the proposed Air Traffic and Flight Standards Division, which was a part of CAD, in taking up the monitoring role in the investigation of minor ATC incidents. He urged the Administration to consider appointing independent investigation team for all ATC incidents so as to ensure an independent and credible investigation.

46. **SES** explained that as stated in paragraph 12 of the information paper, in the event of major ATC incidents, DG of CA would appoint ATC experts and Inspectors of Accidents within CAD to form an Incident Investigation Team and the team might invite suitable experts outside CAD to participate in the investigation if necessary.

47. **DG of CA** said that although the Incident Investigation Team was appointed within CAD, it would be formed by a group of ATC experts and they had to follow established procedures and regulation for investigation of ATC incident. The draft investigation report would be passed to all relevant parties for comments before the finalized report could be endorsed. **ADG of CA** added that the arrangements of investigation of ATC incidents in the U.K. was similar to that in Hong Kong where outside experts would be invited for investigation of major ATC incidents.

48. In response to members’ concern about the objective guidelines in classifying the nature of an ATC incident, **DG of CA** explained that according to guidelines issued by the International Civil Aviation Organization, an ATC incident would be classified as major if there was “risk of collision”. He said that in the event of ATC incident, an initial report would be made within 48 hours of the incident and CAD would decide whether the incident was a minor or major one basing on the report.

49. **Mr CHAN Kam-lam** raised concern about the impact of lengthy investigation process on those ATC controllers being suspended from ATC duties during the investigation period. He pointed out that for minor ATC incidents, the procedures of investigation should be simplified to enable the affected controllers to return to their normal duties within a shorter time.
Action

50. **DG of CA** agreed that the lengthy suspension of ATC controllers from ATC duties during the course of investigation was undesirable and might affect the morale of the controllers involved. He pointed out that with the introduction of watch-based management through greater delegation of responsibilities to the Watch Managers and Stream Supervisors, the period of suspension in the event of minor ATC incidents with immediate remedies could be shortened. The controllers involved should be able to resume normal ATC duties within a shorter time.

VIII Any other business

51. There being no other business, the meeting ended at 1:05 pm.

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Legislative Council Secretariat
13 September 2001