立法會 Legislative Council

LC Paper No. CB(1) 777/01-02 (These minutes have been seen by the Administration)

Ref: CB1/PL/CI/1

Panel on Commerce and Industry

Minutes of meeting held on Thursday, 12 November 2001, at 4:30 pm in Conference Room A of the Legislative Council Building

Members present: Hon Kenneth TING Woo-shou, JP (Chairman)

Hon HUI Cheung-ching, JP (Deputy Chairman)

Dr Hon LUI Ming-wah, JP Hon NG Leung-sing, JP

Hon Mrs Selina CHOW LIANG Shuk-yee, JP

Hon CHEUNG Man-kwong

Hon CHAN Kam-lam

Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Hon SIN Chung-kai

Hon Henry WU King-cheong, BBS

Hon MA Fung-kwok

Non-Panel Members: Hon Margaret NG

attending Hon CHAN Kwok-keung

Hon Audrey EU Yuet-mee, SC, JP

Member absent : Hon CHOY So-yuk

Public officers : For Item IV attending

Mr Kenneth MAK

Deputy Secretary for Commerce and Industry

Mr Philip CHAN

Principal Assistant Secretary for Commerce and

Industry

Mr Peter CHEUNG

Deputy Director of Intellectual Property

Miss Pancy FUNG Assistant Director of Intellectual Property

For Item V

Mr Raymond YOUNG Acting Secretary for Commerce and Industry

Ms Ellen CHOY Principal Assistant Secretary for Commerce and Industry

Mr M J T ROWSE
Director-General of Investment Promotion

Mr Simon GALPIN Associate Director-General of Investment Promotion

For Item VI

Ms CHANG King-yiu Deputy Director of Administration

Ms Kitty CHOI Head, Hong Kong Guangdong Cooperation Coordination Unit

Mr K P HO

Assistant Head, Hong Kong Guangdong Cooperation Coordination Unit

Mr C L KO

Assistant Head, Hong Kong Guangdong Cooperation Coordination Unit

Clerk in attendance: Ms Connie SZETO

Chief Assistant Secretary (1)4

Staff in attendance: Mr TSANG Siu-cheung

Senior Assistant Secretary (1)7

I Confirmation of minutes of previous meeting

(LC Paper No. CB(1) 230/01-02)

The minutes of the meeting held on 11 October 2001 were confirmed.

II Information paper issued since last meeting

2. No information paper had been issued since the last meeting.

III Date of the next meeting and items for discussion

(LC Paper No. CB(1) 239/01-02(01) - List of outstanding items for discussion

LC Paper No. CB(1) 239/01-02(02) - List of follow-up actions)

- 3. <u>Members</u> noted that the next meeting would be held on 10 December 2001 at 2:30 pm in the Chamber of the Legislative Council Building and agreed to discuss the following items proposed by the Administration:
 - (a) Briefing by the Heads of the Overseas Hong Kong Economic and Trade Offices:
 - (b) Resolution of the asset transfer provision under the Community Electronic Trading Service Agreement; and
 - (c) Establishment of Hong Kong Economic and Trade Office in Guangzhou.
- 4. At the Administration's request, <u>members</u> also agreed to hold a special meeting on 18 December 2001 to discuss the following items:
 - (a) Professional Services Development Assistance Scheme;
 - (b) Applied Science and Technology Research Institute;
 - (c) Technological Entrepreneurship; and
 - (d) Electronic Data Interchange Service for the Textiles Trader Registration Scheme.
- 5. As the Administration would provide information papers on the above discussion items, <u>members</u> agreed that it was not necessary for the Secretariat to prepare any background briefs.

IV Review of certain provisions of Copyright Ordinance

(LC Paper No. CB(1) 226/01-02(01) - Information paper provided by the Administration:

LC Paper No. CB(1) 190/01-02 - Consultation Document on "Review of Certain Provisions

of Copyright Ordinance")

- 6. The Deputy Secretary for Commerce and Industry (DSCI) briefed members on the Consultation Document on "Review of Certain Provisions of Copyright Ordinance" (the Consultation Document). Details were set out in the information papers provided by the Administration (LC Paper Nos. CB(1) 226/01-02(01) and CB(1) 190/01-02).
- 7. <u>DSCI</u> advised that the main purpose of the Consultation Document was to provide analyses and options to address the controversies within the community and other related issues arising from the implementation of the Intellectual Property (Miscellaneous Amendments) Ordinance 2000 (the Amending Ordinance). The contents of the Consultation Document covered the following seven topics:
 - (a) Criminal provisions related to end-user piracy;
 - (b) Permitted acts for educational purposes;
 - (c) Permitted acts for visually impaired persons;
 - (d) Permitted acts related to free public showing or playing of broadcast or cable programme;
 - (e) Parallel importation of copyright works other than computer software;
 - (f) Unauthorized reception of subscription television programmes; and
 - (g) Licensing bodies.
- 8. <u>DSCI</u> supplemented that the Administration would consult the public extensively during the two-month consultation period which would end on 31 December 2001. The Administration would consider carefully the views expressed by various sectors of the community and report the consultation results together with the Administration's recommendations to the Panel in February 2002. Thereafter, the Administration would proceed to draft the relevant bill.

Criminal provisions related to end-user piracy

9. In response to <u>Miss Margaret NG's</u> enquiry about the criminal provisions related to end-user piracy, <u>DSCI</u> said that the Administration intended to conduct

a comprehensive review in this regard. He pointed out that paragraph 1.6 of the Consultation Document had generally summed up the five major public concerns on the issue. Notwithstanding that two extreme options were set out in paragraph 1.7 of the Consultation Document, i.e. maintaining all the provisions in the Copyright Ordinance as amended by the Amending Ordinance after the suspension expired in July 2002 or repealing all the end-user criminal provisions in the Copyright Ordinance introduced by the Amending Ordinance, he advised that the Administration would adopt an open attitude to the issue. He emphasized that the scope of the consultation exercise was not limited to reviewing the criminal provisions related to end-user piracy. Issues related to civil liabilities would also be examined and discussed.

- 10. Regarding the copyright licensing mechanism for photocopying newspapers introduced by the recently formed Hong Kong Copyright Licensing Association (HKCLA) comprising 12 local newspapers, Mr HUI Cheung-ching asked whether the Administration considered the proposed fee level reasonable. DSCI responded that the Administration was not in a position to comment on the fee level as it was purely a commercial decision. He however welcomed newspapers industry's initiative to introduce a "one-stop" copyright licensing mechanism to provide convenience to the public in obtaining authorization for photocopying newspapers. Moreover, he considered that the waiver given by the HKCLA to permit charitable organizations and schools for photocopying newspapers for internal reference and educational purposes was in their interests.
- 11. Mr HUI Cheung-ching further enquired whether there were any appeal mechanism available for individual organizations to lodge complaint against HKCLA's proposed fees. DSCI explained that under the existing legislation, the organizations concerned could bring their cases to the Copyright Tribunal. The Tribunal would take into account various factors and public interest before making an appropriate decision.
- 12. Mr HUI Cheung-ching considered it unreasonable to require a person to pay licence fees for photocopying his comments reported in newspapers. DSCI advised that copyright protection mainly applied to the forms of expression of comments or creations concerned, rather than the ideas behind. The Deputy Director of Intellectual Property supplemented that a comment made had to be stored in a certain medium before it could enjoy copyright protection provided under the law. In general, the first person who stored the comment in a certain medium would be the copyright owner of that comment. If that person was an employee of a press company, say a reporter, the copyright of the comment would be transferred to the company accordingly. As to the possibility of joint ownership of copyright, it would depend on whether the work in question was a joint creation, or whether there were any additional contracts specifying the ultimate copyright ownership.
- 13. <u>Dr LUI Ming-wah</u> enquired whether the Administration was able to distinguish between the "copyright of typography" and the "copyright of script"

in respect of a newspaper. He believed that this would enable the community to understand copyright issues and deal with it in an appropriate manner. <u>DSCI</u> advised that the "copyright of typography" of a newspaper, which involved the printing layout of the script, usually belonged to the licensee of the newspaper. As to the "copyright of script", it belonged to the author of the script in principle with the exception of reporters' articles. In general, the newspapers would make arrangements with the authors concerned regarding the copyright of their works. Whether the "copyright of typography" of a newspaper was infringed upon would depend on the circumstances of individual cases and the relevant case law.

- 14. Responding to Dr LUI Ming-wah's enquiry about whether an individual person who uploaded his written article onto the Internet would be regarded as a criminal infringement act, <u>DSCI</u> advised that so long as the person concerned was the copyright owner of the written article, such an act should not violate the law.
- 15. On the photocopying of newspapers, Mr Henry WU commented that it was often difficult to ascertain the ultimate copyright owner of a written article. Moreover, he remarked that requiring a person to obtain the prior permission and authorization of the newspaper concerned for photocopying the article before responding to an interview would pose technical problems. DSCI advised that irrespective whether the activities concerned was non-profit-making in nature or not, the organizations were generally required to obtain the prior consent of the copyright owners before copying their works. As to photographic works, DSCI said that their copyright belonged to the photographer rather than the object being photographed. On the issue of photocopying newspapers, he stressed that the Administration was not granted any exemption in this regard. In other words, the Administration also had to obtain proper authorization before making any photocopies.

Disputes concerning licensing bodies and licence fees

- 16. Mr MA Fung-kwok enquired whether the Administration had considered introducing certain measures to assist small and medium enterprises (SMEs) in tackling copyright issues encountered while photocopying newspapers. In response, DSCI said that the Copyright Ordinance had provided for the establishment of the Copyright Tribunal to adjudicate disputes over licence fees. Individual SMEs could reflect their opinions or lodge complaints in respect of the copyright issues either on their own or together with other SMEs through their trade associations or other bodies to the Copyright Tribunal.
- 17. Mr MA Fung-kwok declared interests as a member of the Tribunal. Given that the adjudication of copyright disputes by the Copyright Tribunal might involve a huge cost, he suggested that for the public interests, the Administration should consider undertaking all licence fees for photocopying newspapers payable by various sectors of the community. As he learned from

the newspapers industry, the estimated licence fees only amounted to several million dollars a year. <u>DSCI</u> pointed out that the demand for newspapers photocopying varied among individual organizations or enterprises. Some organizations were willing to pay such licence fees. In this regard, it would be undesirable for the Government to pay these fees with public money. He further pointed out that the cases heard by the Copyright Tribunal might not necessarily involve in huge costs, and individual persons or organizations involved in the cases could choose to defend themselves instead of engaging legal representatives.

18. Mrs Selina CHOW expressed reservation over the voluntary registration system of copyright licensing bodies under the Copyright Ordinance. She considered that the system could not protect the interests of copyright owners effectively without the force of law. Moreover, as the licensing bodies which represented the owners of copyright works assumed a predominant position in negotiating with users on the uses and fees of copyright works, she was worried that users might lack bargaining power over licence fees. As to whether the licence fees should be regulated by the Government, DSCI advised that the proposal was not feasible as the level of fees to be charged was a commercial decision and individual licensing bodies had the right to determine their fees. He reiterated that any copyright users who objected to the licence fees concerned could seek the arbitration of the independent Copyright Tribunal.

Permitted acts for educational purposes

19. On the photocopying of copyright works, in order to minimize the disturbance caused to the community. Mr CHEUNG Man-kwong urged the Administration to consider granting exemption to non-profit-making or government-funded educational activities or paying a nominal licence fee to copyright owners on behalf of the education sector. While appreciating Mr CHEUNG's concern, DSCI agreed that a certain degree of convenience should be provided to teaching activities on the use of copyright works. At the same time, the Administration had to duly protect the interests of copyright owners and strive to strike a suitable balance in this regard. He stressed that the Administration had no intention to treat primary/secondary schools and universities differently on the issue of photocopying newspapers. HKCLA's decision to waive the licence fees of the former was entirely its commercial decision. It was understood that the universities had been following up actively with HKCLA concerning the issue. Regarding the suggestion that the Government should pay the licence fees on behalf of the education sector, DSCI said that he could not respond to this as the suggestion involved government subsidy for the entire education sector, which was under the purview of the Education and Manpower Bureau instead of the Commerce and Industry Bureau Nevertheless, he advised that the Government would be willing to consider any options to assist the education sector on the issue of copyright licensing.

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20. <u>Dr LUI Ming-wah</u> suggested that the Administration should consider dealing with the copyright issues concerning the photocopying of books and newspapers separately. He also urged that the photocopying of books for non-profit-making purposes and dissemination of knowledge should be exempted from criminal liabilities. Besides, he opined that individual organizations which photocopied newspapers for commercial purposes should pay licence fees to the relevant copyright licensing bodies.

The "reasonable extent" for photocopying

- 21. On the photocopying of newspapers, Ms Audrey EU Yuet-mee asked the Administration whether individual contributors could make copies of their works which were published in newspapers as appropriate for personal record or retention. Moreover, as there were many different types of copyright works in the community, she was concerned that the Administration might not be able to establish a clear and precise standard for "reasonable extent" for each type of copyright works. She further advised that although the Consultation Document had made reference to the overseas practice of prescribing a maximum percentage of a copyright work that could be copied as the "reasonable extent", such an approach might not be applicable to all types of copyright works objectively. Therefore, it would be very difficult to clearly define "reasonable extent" by means of legislation. She suggested that the Administration should consider repealing the criminal provisions related to end-user piracy but reserving the right to take civil actions. <u>DSCI</u> responded that paragraph 1.6(c) of the Consultation Document consulted the public on whether the end-user criminal provisions should apply only to copyright works afflicted by rampant As to the "reasonable extent" for copying copyright works for piracy. educational activities, the Consultation Document sought public views on the specific options contained therein. On the "reasonable extent" for copying copyright works for non-educational purposes, he stressed that whether the act of copying was reasonable should be determined according to the principle of "fair dealing" in sections 37 and 38 of the Copyright Ordinance. This practice was widely adopted by common law countries.
- 22. <u>Ms Audrey EU Yuet-mee</u> and <u>Miss Margaret NG</u> regarded the scope of "fair dealing" principle under sections 37 and 38 of the Copyright Ordinance too narrow and considered the provisions insufficient in explaining the concept of "reasonable extent". They were of the view that the principle should be set out in concrete terms. DSCI undertook to consider the members' views.

Parallel importation of copyright works other than computer software

23. Mr MA Fung-kwok asked the Administration whether in addition to computer software, there was also a strong demand from the community to relax the restrictions on parallel importation of movies and musical works. DSCI advised that as revealed in the results of the consultation conducted in May, a considerable number of respondents held the view that apart from computer

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software, the restrictions on parallel importation of other copyright products should also be relaxed. The Panel also agreed at its meeting in July that the public should be further consulted on the issue of parallel importation.

24. Mrs Selina CHOW supported the proposal to relax the restrictions on parallel importation of computer software. She further enquired whether the Administration would consider imposing heavier penalties for purchasing and using infringing copies of other copyright works, such as movies and musical works, in the course of considering relaxation of the restrictions on parallel importation of such works. In response, DSCI said that the Administration had no intention to increase the penalties concerned in the context of the present review in view of the strong public opposition expressed during the public consultation exercise on the ways to combat infringing activities in 1999 against the proposal to criminalize the personal or domestic use of infringing copies. The Administration also reckoned that the public's stance would not change within a short period of time.

<u>Unauthorized reception of subscription television programmes</u>

25. Mr SIN Chung-kai expressed concern about recent reports that many local residents were using unauthorized decoders to receive subscription television programmes. Under the Broadcasting Ordinance, it was against the law for a person to import, export, manufacture, sell, offer for sale, or let for hire an unauthorized decoder in the course of trade or business. However, this provision was insufficient to put an end to the above activities. Hence, Mr SIN asked the Administration about measures for combating these illegal acts. DSCI appreciated Mr SIN's concern. Given that the existing legislation did not restrict any person from bringing unauthorized decoders into Hong Kong and using them for private purposes, this Consultation Document would also consult the public views on the need to strengthen existing legislation and combating measures on the subject.

Receiving public views

26. <u>Members</u> remarked that the Panel was not able to fully discuss the Consultation Document at this meeting and agreed that organizations or bodies concerned should be invited to give their views. <u>Mr SIN Chung-kai</u> further suggested uploading a notice onto the homepage of the Legislative Council (LegCo) to invite public submissions. <u>The Chairman</u> supplemented that should individual members have any suggestions on the organizations or bodies to be invited, they could inform the Clerk for making the arrangements. <u>Members</u> agreed that the Panel would hold a special meeting in early January 2002, to meet with the organizations which were interested to give an oral presentations on their views. <u>The Administration</u> noted the Panel's arrangement.

- V Proposal of establishing a new exhibition centre at Chek Lap Kok (LC Paper No. CB(1)239/01-02(03) Information paper provided by the Administration)
- 27. The proposal of establishing a new International Exhibition Centre (IEC) at Chek Lap Kok (CLK) was detailed in the information paper provided by the Administration (LC Paper No. CB(1) 239/01-02(03)).
- 28. Dr LUI Ming-wah expressed concern about the competitiveness of the proposed IEC given its relative small scale as compared with other exhibition centres in the world. From the perspective of cost-effectiveness, he suggested that the new IEC should either be managed by a non-profit making organization, or the Administration should introduce mechanisms or measures to avoid its management from charging high-level fees. Director-General of Investment Promotion (DGIP) remarked that a new IEC of about 50 000 sq m area would be sufficient to meet the forecast demand for exhibition space in 2005. He stressed that the Hong Kong Airport Authority (AA) had already reserved land required for further development of the new IEC in the first 10 years of its operation. If the actual demand was greater than expected, IEC could be expanded to 80 000 In the event that the exhibition space still fell short of the actual demand, the Administration could consider further expanding the facility by means of reclamation. DGIP advised that instead of targeting at clients who organized high-end exhibitions, the new IEC would cater for large scale exhibition activities, such as those of heavy construction materials. The construction cost for the new IEC would be lower than that of the Hong Kong Convention and Exhibition Centre (HKCEC). It was believed that the level of charges for exhibition activities would not be on the high side. He emphasized that the participation of a private developer/operator consortium could effectively bring in relevant professional management experience to facilitate the business development of the new IEC.
- 29. Mr MA Fung-kwok asked whether the Administration had assessed the level of charges of the new IEC and compared it with that of the HKCEC. DGIP advised that based on the consultants' estimates, the charges of the new IEC were expected to be 20% lower than those of HKCEC. He pointed out that high-end exhibitions would not be held in the new IEC since its facilities were not as sophisticated as those of the HKCEC. However, for some large scale exhibitions, the new IEC could make up for the inadequacies of the HKCEC in terms of exhibition space and floor load capacity. Nevertheless, for those exhibition activities which could be held in either venue, it was believed that the new IEC would bring about positive business competition to the HKCEC. On Mr MA's enquiry about why the charges of the new IEC could be 20% lower than those of the HKCEC, DGIP said that the level of charges would be ultimately determined by market demand.
- 30. Responding to Mr HUI Cheung-ching's enquiry, <u>DGIP</u> advised that the estimated construction cost of \$4 billion for the new IEC was on the conservative

- side. The project was expected to attract exhibitions of different types of businesses and provide impetus to the development of hotels in the vicinity. With the reciprocal effect generated by the Hong Kong Disneyland, which would also be completed in 2005, the new IEC could attract exhibition participants to bring along their families to visit Hong Kong, thus promoting the tourism sector.
- 31. Mr CHAN Kam-lam enquired about the bases for determining the "reversionary value" of the exhibition facility as mentioned in paragraph 11(D)(ii) of the paper since this value would ultimately affect the amount of profit to be shared among the Government, the developer/operator consortium and the AA in future. DGIP advised that upon the completion of the new IEC, the AA would a 10% equity shareholding while the Government and developer/operator consortium would each have a 45% equity shareholding. pointed out that any surplus of income over the preferred return on the developer/operator consortium's investment as specified in the open tender would be distributed among the three parties according to their equity contribution ratio. However, the consortium would have to re-distribute half of its share in this second slice to the Government and the AA on the basis of their relative equity contribution ratio. On Mr CHAN's enquiry about the land value of the new IEC, <u>DGIP</u> advised that in return for the 10% equity shareholding, the AA would need to forgo revaluation of the land during subsequent development phases of the IEC and upon expiry of the initial 25-year term.
- 32. Mrs Sophie LEUNG enquired whether the developer/operator consortium would be given a free hand in developing and managing the new IEC so as to provide responsive services and adopt competitive pricing. DGIP replied in the affirmative and said that during the tendering process, the Administration would critically consider factors such as the composition, business plan, professional management experience of the developer/operator consortiums concerned as well as their track records in attracting new exhibition business before making a decision.
- 33. Referring to the proposal in paragraph 11(B) of the paper, Mr Henry WU was concerned that if construction work for the new IEC was to be implemented in two phases, the developer/operator consortium might not be able to complete the whole project should there be funding problems. DGIP advised that the selected developer/operator consortium would be required to make financial commitments for both phases should it opt for a two-phase development. Depending on the construction cost to be injected by the consortium, the Administration would provide funding on a matching basis with the ceiling capped at \$2 billion.
- 34. <u>The Chairman</u> concluded that the Panel supported the proposal of establishing a new IEC at CLK and noted that the funding proposal would be submitted to the Finance Committee (FC) of the Legislative Council (LegCo) for approval in December 2001.

VI Briefing on the work of the Hong Kong Guangdong Cooperation Coordination Unit

(LC Paper No. CB(1) 220/01-02(01) - Information paper provided by the Administration)

- 35. The Deputy Director of Administration (DDA) and the Head, Hong Kong Guangdong Cooperation Coordination Unit (H/HKGCCU) briefed members on the work of the HKGCCU. Details were set out in the information paper provided by the Administration (LC Paper No. CB(1) 220/01-02(01)).
- 36. Mr CHEUNG Man-kwong commented that following China's accession to the World Trade Organization, there would be an increasing number of local businessmen seeking business opportunities in the Mainland. In view of the inadequacy of Mainland's legal system under which local businessmen might be caught unaware by the law easily, and the lack of dedicated government departments in the past to provide assistance to local businessmen, especially the small and medium enterprises (SMEs) operating in the Mainland, he suggested that the HKGCCU Administration should consider taking up this task. advised that, from past experience, the assistance required by local businessmen in the Mainland was usually in the form of enquiries while cases involving compulsory measures, such as detention, was less common. She pointed out that at present, a notification mechanism had been established between the Security Bureau and the Mainland authorities. Under normal circumstances, the family members of local businessmen could seek assistance through this channel. She agreed that to a certain extent, HKGCCU could also explore on ways to assist local businessmen operating in the Mainland.
- Mr CHEUNG Man-kwong pointed out that although the Office of the 37. Government of the Hong Kong Special Administrative Region in Beijing (Beijing Office) was not specifically tasked to deal with local businessmen, the Beijing Office had taken up this task due to increasing requests for assistance by local businessmen operating in the Mainland. As such, Mr CHEUNG suggested that the task should be formally incorporated in the scope of work of HKGCCU. He would support the provision of additional resources for the Unit to take up the task where necessary. The Chairman supported Mr CHEUNG's suggestion and urged the Administration to actively examine its feasibility. DDA reiterated that there was already a mechanism to provide assistance to local businessmen subject to compulsory measures in the Mainland. effectiveness of the assistance rendered would depend on whether the relevant Mainland authorities and the family members of local businessmen concerned could notify the Security Bureau timely for taking appropriate follow-up actions. H/HKGCCU added that as there was already a notification mechanism under the Security Bureau, the functions of HKGCCU, the Beijing Office and the Economic and Trade Office (ETO) to be set up in Guangzhou should be examined and delineated carefully, so that each office could complement one another and avoid overlapping in roles.

- 38. Mrs Sophie LEUNG was supportive of the work of HKGCCU and pinned high hopes on its bringing a new dimension and business opportunities to local businessmen operating in the Mainland. She opined that the work of HKGCCU should not be restricted to coordinating or following up the work of various H/HKGCCU advised that as the Unit was only bureaux/departments. established after the fourth meeting of the Hong Kong Guangdong Cooperation Joint Conference (the Joint Conference) in July 2001, its first task was to focus on assisting the Chief Secretary for Administration (CS) and the Financial Secretary (FS) to follow up the work programmes endorsed at the joint meeting. However, she agreed that there should be room for the Unit to expand its areas of work to further enhance the business cooperation between Hong Kong and Guangdong. For example, the Unit could advise on related issues while liaising and coordinating with various bureaux/departments. In fact, HKGCCU had planned to conduct several medium to long term studies in due course aiming at creating a favourable business environment in both Hong Kong and Guangdong, as well as assisting local businessmen in expanding their businesses in the Mainland. Responding to Mrs Sophie LEUNG's enquiry, <u>H/HKGCCU</u> advised that where necessary, the Unit would raise crucial issues for discussion at a higher level in order to bring about more effective results.
- 39. Mr CHAN Kam-lam supported the proposed creation of the supernumerary post to head HKGCCU. In response to Mr CHAN's enquiry on the proposal for round-the-clock passenger/cargo clearance at boundary control points (BCPs), H/HKGCCU said that the Unit had played an active role in examining and taking forward the proposal. With the concerted effort of HKGCCU and the relevant authorities in Hong Kong and Guangdong, BCPs at Lok Ma Chau/Huanggang had already been operated round-the-clock for cargo clearance. Recently, Hong Kong and Guangdong had also agreed on the measures for advancing the opening hours and extending the closing hours of the BCPs at Lo Wu and Lok Ma Chau/Huanggang. The Chairman advised that the House Committee had invited CS to attend a special meeting in December 2001 to discuss the issue of round-the-clock passenger/cargo clearance at BCPs.
- 40. In response to Mr HUI Cheung-ching's enquiry, <u>H/HKGCCU</u> reiterated that the work of the Unit, which was to act as a coordinator for issues requiring the cooperation between Hong Kong and Guangdong, straddled a number of bureaux/departments. Mr HUI mentioned that at the meeting of the Panel on Economic Services held on 29 October 2001, members had discussed ways to enhance coordination between the Hong Kong airport and the proposed logistics centre at Nansha. <u>H/HKGCCU</u> advised that relevant policy bureaux, namely the Economic Services Bureau, CIB, and the AA would actively pursue the proposal to facilitate development of Hong Kong and Guangdong. HKGCCU would provide appropriate advice and assistance in this respect where necessary.
- 41. Mr MA Fung-kwok was concerned about the continued expansion of the civil service at senior level in recent years. He queried the practical need to create one supernumerary post of Administrative Officer Staff Grade B to head

- HKGCCU. <u>DDA</u> appreciated Mr MA's concern. Given that HKGCCU was a new establishment which reported directly to CS and FS, it was not feasible to second a government official to fill the post of the head. She advised that the Administration had given careful consideration to the proposed post, which would be created on a supernumerary basis for a period of two years. Depending on actual operational needs, the extension of the post would be reviewed 18 months after the formal establishment of HKGCCU.
- 42. <u>The Chairman</u> concluded that the Panel generally supported the proposed creation of the supernumerary post of the head of HKGCCU and noted that the proposal would be submitted to the Establishment Subcommittee of the Legislative Council for consideration at the end of November 2001.

II Any other business

43. There being no other business, the meeting ended at 7:10 pm.

<u>Legislative Council Secretariat</u> 10 January 2002