

立法會
Legislative Council

LC Paper No. CB(1)1484/13-14
(These minutes have been seen
by the Administration)

Ref : CB1/BC/5/13

Bills Committee on Dutiable Commodities (Amendment) Bill 2014

**Minutes of meeting held on
Tuesday, 8 April 2014, at 10:45 am
in Conference Room 2A of the Legislative Council Complex**

Members present : Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN (Chairman)
Hon Albert HO Chun-yan
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Charles Peter MOK
Hon CHAN Chi-chuen
Hon CHAN Yuen-han, SBS, JP
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon Tony TSE Wai-chuen

Members absent : Hon WONG Ting-kwong, SBS, JP
Hon Alan LEONG Kah-kit, SC
Hon TANG Ka-piu

Public Officers attending : Agenda item II
Professor Sophia CHAN, JP
Under Secretary for Food & Health
Food and Health Bureau

Mr Davey CHUNG
Deputy Secretary for Food & Health (Health) 2
Food and Health Bureau

Miss Wendy AU
Principal Assistant Secretary for Food and Health (Health)SD1
Food and Health Bureau

Mr Albert HO
Assistant Commissioner (Intelligence and Investigation)
Customs and Excise Department

Dr Christine WONG
Head (Tobacco Control Office)
Department of Health

Clerk in attendance : Mr Derek LO
Chief Council Secretary (1)5

Staff in attendance : Mr Bonny LOO
Assistant Legal Adviser 3

Mr Hugo CHIU
Council Secretary (1)4

Ms Michelle NIEN
Legislative Assistant (1)5

Action

I Election of Chairman

Mr Albert HO, the member who had the highest precedence in the Council among all members of the Bills Committee present, presided over the election of the Chairman of the Bills Committee. He invited nominations for the chairmanship of the Bills Committee.

2. Prof Joseph LEE Kok-long was nominated by Miss Alice MAK Mei-kuen and the nomination was seconded by Mr Charles Peter MOK. Prof LEE accepted the nomination. There was no other nomination. Prof LEE was elected as Chairman.

3. Members agreed that there was no need to elect a Deputy Chairman.

II Meeting with the Administration

(LC Paper No CB(3)451/13-14	—The Bill
File Ref: FH CR1/4041/05	—Legislative Council Brief issued by the Food and Health Bureau
LC Paper No. LS35/13-14	—Legal Service Division Report
LC Paper No. CB(1)1198/13-14(01)	—Marked-up copy of the Bill prepared by the Legal Service Division (Restricted to members)
LC Paper No. CB(1)1198/13-14(02)	—Paper on Dutiable Commodities (Amendment) Bill 2014 prepared by the Legislative Council Secretariat (background brief))

4. The Bills Committee deliberated (Index of proceedings attached at **Appendix**).

Follow-up actions required of the Administration

- Admin. 5. The Administration was requested to provide supplementary information on the following matters –
- (a) whether the Tobacco Control Office would proactively inspect black spots of illegal smoking;
 - (b) measures taken by the Administration to tackle the recent increase in the number of female and juvenile smokers, including education, publicity work and relevant collaborations with non-governmental organizations;
 - (c) the amount of revenue each year from tobacco duty vis-a-vis the amount of resources allocated each year on smoking prevention and cessation services in recent years (in order to demonstrate whether there is a corresponding increase in the latter following the last two occasions of increases of tobacco duty in 2009 and 2011); and
 - (d) details on smoking prevention and cessation education and publicity activities conducted by the Administration in recent years, including expenditure on the relevant Announcements of Public Interest.

Way forward

6. The Chairman said that the Bills Committee had completed scrutiny of the Bill. The Bills Committee supported the Administration to resume the Second Reading debate on the Bill. The Administration would decide when the Second Reading debate on the Bill would be resumed in due course.
7. Members agreed that no further meeting would be held.

III Any other business

8. There being no other business, the meeting ended at 12:48 pm.

Council Business Division 1
Legislative Council Secretariat
23 May 2014

**Proceedings of meeting of
Bills Committee on Dutiable Commodities (Amendment) Bill 2014
on Tuesday, 8 April 2014, at 10:45 am
in Conference Room 2A of the Legislative Council Complex**

Time marker	Speaker	Subject(s)	Action required
Election of Chairman			
000104 – 000208	Mr Albert HO Miss Alice MAK	Election of Chairman	
Meeting with the Administration			
000209 – 000743	Chairman Administration	Introductory remarks and briefing by the Administration on the Dutiable Commodities (Amendment) Bill 2014 ("the Bill")	
000744 – 001546	Chairman Mr Tony TSE Administration	<p>Mr Tony TSE expressed support for the Bill and the following concern –</p> <ul style="list-style-type: none"> (a) the number of juvenile smokers was rising; (b) it was difficult to uphold indoor smoking ban in some food premises; (c) some tourists might not be aware of the smoking ban implemented in Hong Kong; and (d) the Administration should strengthen the relevant publicity against smoking offences at food premises (e.g. placing posters and reporting hotline information in prominent positions inside the premises.) The Tobacco Control Office ("TCO") should be made more accessible to the public. <p>The Administration responded as follows –</p> <ul style="list-style-type: none"> (a) After the implementation of indoor smoking ban in 2007, TCO had deployed dedicated officers to tackle illegal smoking in statutory no smoking areas upon receipt of complaints; (b) TCO had strengthened its inspection. In 2013, TCO issued some 8 000 fixed penalty notices while the number of complaints received had dropped; (c) The Administration recognized the need for strengthening education and publicity, including promotion of the hotline for 	

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		<p>reporting smoking offences. TCO would strengthen its enforcement work like conducting targeted inspections on black spots of smoking offences, and would involve the Police and the Food and Environmental Hygiene Department ("FEHD") in these inspections if necessary; and</p> <p>(d) TCO issued several hundred fixed penalty notices ("FPNs") to tourists in 2013. Publicity materials on Hong Kong's smoking ban in statutory no smoking areas were available at various boundary control points.</p>	
001547 – 003756	Chairman Mr CHAN Chi-chuen Administration	<p>Mr CHAN Chi-chuen criticized the Administration's policy of increasing tobacco duty on the one hand and exempting the duties on alcoholic products on the other. The latter was no less harmful than tobacco products to the society. Such a policy allowed the rich to enjoy cheaper wines while forcing the poor to pay for expensive cigarettes;</p> <p>Mr CHAN sought information on the following –</p> <p>(a) why the Bill increased the tobacco duty by 11.7% given that the Hong Kong Council on Smoking and Health ("COSH") recommended a 100% increase in tobacco duty;</p> <p>(b) whether the Administration had a timetable on total smoking ban;</p> <p>(c) whether the Administration had conducted any research on the state of illicit cigarette activities after the implementation of tobacco duty increase in the past and would consider relevant surveys conducted by the tobacco industry on the consumption of illicit cigarettes;</p> <p>(d) the number of illicit cigarettes in Hong Kong, the number of smokers switching to consume illicit cigarettes and the medical cost arising from the consumption of illicit cigarettes;</p> <p>(e) whether TCO would tackle smoking offences conducted at toilets of food premises;</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>(f) the response time for TCO to conduct inspections upon receipt of complaints; and</p> <p>(g) the number of FPNs that had not been paid.</p> <p>The Administration responded as follows –</p> <p>(a) The tobacco duty increase was a measure to protect public health and to convey the message that smoking was harmful to health. It would also be conducive to smoking cessation and prevention;</p> <p>(b) The tobacco duty increases in 2009 and 2011 were relatively substantial because Hong Kong's proportion of tobacco duty to cigarette retail price then was still significantly below the minimum level of 70% as recommended by the World Health Organization ("WHO"). The current tobacco duty increase would bring the proportion to about 70%;</p> <p>(c) It would not be appropriate to directly compare the taxation on cigarettes and alcoholic products. Smoking was absolutely harmful to health and there were second-hand and third-hand smoking problems, which would directly affect other people. The Food and Health Bureau had established a committee to study the relevant risk factors (including the consumption of alcoholic products) leading to chronic diseases;</p> <p>(d) The Customs and Excise Department ("C&ED") had been using the Road Cargo System ("ROCARS") to combat illicit cigarette activities at source. C&ED had detected 25 major cases of illicit cigarettes in 2013 involving 39.3 million sticks of illicit cigarettes seized, or nearly half of the total 89 million sticks of illicit cigarettes seized in 2013. C&ED's current strategy to stop the inflow of illicit cigarettes at source was effective as the illicit cigarettes peddling activities in Hong Kong and the related complaints on the sale of illicit cigarettes in 2013 dropped by around 10% and 40% respectively. In the first quarter of 2014 during which the current tobacco duty increase was announced, the number of major cases of</p>	

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		<p>illicit cigarette detected was more or less the same as that in the same period in 2013 while illicit cigarettes peddling activities in Hong Kong dropped by 10%;</p> <p>(e) C&ED was aware that some illicit cigarettes were sold through telephone ordering and had set up two task forces to take focused action against it. The number of detected cases relating to telephone ordering of illicit cigarettes in 2012 and 2013 were 131 and 195 respectively. In the first quarter of 2014, the number of complaints on the telephone ordering of illicit cigarettes dropped by 70%. This reflected the effectiveness of the Administration's enforcement action;</p> <p>(f) The Administration did not have information on the number of smokers switching to consume illicit cigarettes. Only statistics on the number of smoking cessation and new smokers after the tobacco duty increase in the past were available. Past surveys showed that tobacco duty increase was one of the reasons for smoking cessation;</p> <p>(g) The Administration had reservation on the findings from the surveys on the consumption of illicit cigarettes conducted by the tobacco industry for a number of reasons. Firstly, the surveys used disposed packages of duty-not-paid cigarette for analysis but it was uncertain whether such cigarette packages were disposed of by local residents or tourists. Besides, the surveys used a limited number of samples and had not considered relevant figures released by C&ED. The Administration might consider conducting research on smokers switching to consume illicit cigarettes if necessary;</p> <p>(h) TCO's figures revealed that there was a downward trend in the number of smoking offences in the open areas of food premises, which was probably attributed to pressure from the public. TCO would inspect food premises' toilets upon receipt of complaints. After an inspection, TCO would inform the complainant of the result of the inspection, including whether any FPN had been issued.</p>	

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		<p>Staff of the food premises might inform the public that TCO had issued FPNs and helped curtail smoking offences in the toilets of food premises. There was a downward trend in the number of complaints against smoking offences at food premises;</p> <p>(i) The timing of TCO's inspection was affected by a number of factors including its inspection schedule and manpower. TCO would follow up on each complaint, but might not be able to conduct inspection on the same day a complaint was received;</p> <p>(j) A local study revealed that the medical cost of smoking was around \$5.3 billion;</p> <p>(k) While the Administration would not implement total smoking ban, the long-term target of the Administration was to lower the smoking prevalence (which stood at 10.7% recently) to less than 10% through a multi-pronged approach in combating smoking. The Administration would also review its tobacco control strategy as necessary;</p> <p>(l) TCO issued around 300 FPNs to tourists in 2013 and about 70 FPNs had not been paid (i.e. over 200 FPNs had been paid); and</p> <p>(m) TCO would conduct proactive inspection (i.e. inspections without the receipt of complaints) as necessary. About one-third of the 27 000 inspections conducted by TCO in 2013 were proactive inspections.</p> <p>At the Chairman's request, the Administration was required to provide information on whether TCO would proactively inspect black spots of illegal smoking.</p>	<p>The Administration to take action as per paragraph 5(a) of the minutes.</p>
003757 – 005335	Chairman Miss Alice MAK Administration	<p>Miss Alice MAK expressed the following views and concern –</p> <p>(a) the impact of the tobacco duty increase on the livelihood of people working in the tobacco industry;</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>(b) the increase in the proportion of female and juvenile smokers and whether the Administration would take focused actions against it; and</p> <p>(c) TCO might not be able to take enforcement actions against illegal smoking effectively at office premises as the offender usually could not be caught on the spot.</p> <p>The Administration responded as follows –</p> <p>(a) Apart from tobacco duty increase, the Administration had taken a multi-pronged approach in combating smoking. Various initiatives like education, publicity, provision of smoking cessation services in collaboration with relevant non-governmental organizations ("NGOs") like the Tung Wah Group of Hospitals ("TWGH"), the Pok Oi Hospital, Lok Sin Tong and Po Leung Kuk, the establishment and subsequent expansion of statutory no-smoking areas had been taken. The number of smoking cessation enquires and cases increased substantially since 2008;</p> <p>(b) TCO and COSH had been examining the recent increase in the number of female and juvenile smokers. Focused measures would be taken against female smokers. As for juvenile smokers, the situation could be improved if more adults quitted smoking as children usually obtained cigarettes from their homes. NGOs like Po Leung Kuk had also been providing relevant services on tackling juvenile smoking, including promotion in kindergartens;</p> <p>(c) Relatively few FPNs were issued in respect of smoking offences in office premises. TCO might be able to collect sufficient evidence to issue FPNs if complainants in the relevant office premises were willing to come forward as witnesses. Notwithstanding, as reflected by the feedback of the complainants, the inspection per se had certain deterrent effect;</p> <p>(d) TCO would strengthen its work on education and publicity, and had been collaborating with NGOs on providing free smoking cessation</p>	

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		<p>services; and</p> <p>(e) The Administration was mindful of the potential impact of tobacco control on newspaper hawkers. However, the decrease in the number of newspaper hawkers was not solely attributed to tobacco duty increase. FEHD had taken a number of relief measures for newspapers hawkers. For instance, the commodity list of licensed newspaper hawkers was expanded in 2009 by including four more types of items on top of the eight approved commodities. FEHD also relaxed the restriction on the total space used for the sale of additional commodities to not more than 50%, and endorsed these hawkers to display within the confines of their stalls advertisements related to the commodities permitted for sale under the licence and to provide WiFi services around their stalls.</p> <p>Miss MAK commented as follows –</p> <p>(a) TCO should conduct surprise inspections in office premises and consider circumstantial evidence as appropriate;</p> <p>(b) The Administration should highlight the harmful effects of second-hand smoking in its education and publicity activities; and</p> <p>(c) Some young people actually purchased illicit cigarettes instead of obtaining cigarettes from their homes. The Administration should take this into account in tackling juvenile smoking.</p> <p>The Administration responded as follows –</p> <p>(a) Owing to C&ED's strategy in combating illicit cigarettes at source, the number of illicit cigarettes in Hong Kong was dropping. Very few illicit cigarettes were sold openly owing to the Administration's enforcement actions at street level; and</p> <p>(b) According to C&ED's intelligence, illicit cigarettes were usually sold in cartons instead of individual packets. Thus it might not be common for the youth to purchase illicit cigarettes.</p>	

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		<p>In response to the Chairman's enquiry, the Administration advised that –</p> <ul style="list-style-type: none"> (a) it did not have any record on resale of illicit cigarettes in sticks; and (b) the Administration's education and publicity had conveyed the message that the sale of illicit cigarettes in packs or in sticks was illegal. <p>The Chairman requested the Administration to provide information on measures it had taken to tackle the recent increase in the number of female and juvenile smokers, including education, publicity work and relevant collaborations with NGOs.</p>	<p>The Administration to take action as per paragraph 5(b) of the minutes.</p>
005336 – 011249	Chairman Dr KWOK Ka-ki Administration	<p>Dr KWOK Ka-ki's comments were as follows –</p> <ul style="list-style-type: none"> (a) The current tobacco duty increase was small and might not have sufficient deterrence. The proportion of tobacco duty to cigarette retail price was below 70% after the latest increase in cigarette retail price; (b) The Administration should step up its education and publicity work relating to female and juvenile smoking; (c) The existing clinical services on smoking cessation operated by the Department of Health ("DH") and the Hospital Authority ("HA") were inadequate; (d) Very few illicit cigarettes were currently sold openly at street level as traders of illicit cigarettes had resorted to distribution of leaflets and telephone ordering; and (e) The tobacco industry might have a good grasp on the situation of illicit cigarettes activities. <p>Dr KWOK also enquired about the following –</p> <ul style="list-style-type: none"> (a) the proportion of the additional tax revenue from tobacco duty increase that would be allocated to smoking cessation services; 	

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		<p>(b) whether the Administration would consider the use of "public-private partnership" approach in clinical services on smoking cessation like allowing the distribution of cigarette substitutes by family doctors;</p> <p>(c) whether the Administration would review the effectiveness of its smoking prevention and cessation education and publicity activities in recent years, and the amount of expenditure on the relevant Announcements of Public Interest ("APIs");</p> <p>(d) whether C&ED's manpower in combating illicit cigarettes was adequate; and</p> <p>(e) whether the Administration had information on the flow of duty-not-paid cigarettes back to Hong Kong, which might reflect the state of illicit cigarette activities.</p> <p>The Administration responded as follows –</p> <p>(a) Apart from tobacco duty increase, the Administration had taken a multi-pronged approach in combating smoking. The tobacco duty increase served as a measure to protect public health and to convey the message that smoking was harmful to health;</p> <p>(b) The proportion of tobacco duty to cigarette retail price was lower than 70% after the current tobacco duty increase because the tobacco industry further increased the cigarette retail price recently. The tobacco duty increase in 2009 and 2011 was relatively substantial because the proportion of tobacco duty to cigarette retail price in Hong Kong then was still significantly below the minimum level of 70% as recommended by WHO. While the current tobacco increase was relatively modest, experience showed that it would be conducive to smoking cessation;</p> <p>(c) Private doctors could participate in the clinical services on smoking cessation and the Administration would review the feasibility of allowing private doctors to distribute relevant drugs;</p>	

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		<p>(d) The Administration had allocated more resources on smoking prevention and cessation and would provide supplementary information on it after the meeting;</p> <p>(e) Apart from DH and HA, relevant NGOs like TWGH, the Pok Oi Hospital and Lok Sin Tong were providing smoking cessation services. TWGH had also provided night services. In addition, the University of Hong Kong had established a hotline on juvenile smoking cessation. The Administration would regularly review its resources allocation on smoking cessation;</p> <p>(f) C&ED would revise its enforcement actions against illicit cigarette activities having regard to the operational changes in such activities (like the increase in telephone order). The current strategy was to interdict the inflow of illicit cigarettes at source with the aid of ROCARS. C&ED had also set up two new enforcement teams in 2012 and 2013 to take focused action against telephone ordering of illicit cigarettes. The number of relevant cases in 2012 and 2013 were 131 and 195 respectively;</p> <p>(g) The overall situation of illicit cigarette activities in Hong Kong could partly be reflected by the number of complaints against illicit cigarettes received by C&ED as ordinary citizens might report to C&ED upon receipt of leaflets on the sale of illicit cigarettes. In 2013, the number of complaints against illicit cigarettes and against telephone ordering of illicit cigarette dropped by 40% and 50% respectively. The latter further dropped by 70% in the first quarter of 2014. The figures reflected the effectiveness of C&ED's current enforcement strategy;</p> <p>(h) Movement of duty-not-paid cigarettes by the tobacco industry within Hong Kong was under strict control. The Administration was mindful of the flow of illicit cigarettes back to Hong Kong. Customs authorities in the Asia-Pacific region had established a mechanism to monitor the issue. A certain number of tourists carrying illicit cigarettes had</p>	

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		<p>also been caught at the boundary control points;</p> <p>(i) The Administration did not have figures on the number of illicit cigarettes flowing back to Hong Kong and only had figures on the number of illicit cigarettes seized; and</p> <p>(j) TCO and COSH had been allocated resources to provide education and publicity on smoking cessation and prevention, including the making of APIs. TCO had also set up a WHO collaborating centre to provide smoking cessation and prevention training for medical staff.</p> <p>The Chairman pointed out that some Members had suggested that the additional tax revenue from tobacco duty increase should be used to create a fund on smoking cessation and prevention.</p> <p>At members' request, the Administration was required to provide the following information –</p> <p>(a) the amount of revenue each year from tobacco duty vis-a-vis the amount of resources allocated each year on smoking prevention and cessation services in recent years (in order to demonstrate whether there was a corresponding increase in the latter following the last two occasions of tobacco duty increases in 2009 and 2011); and</p> <p>(b) details on smoking prevention and cessation education and publicity activities conducted by the Administration in recent years, including expenditure on the relevant APIs.</p>	<p>The Administration to take action as per paragraphs 5(c) and 5(d) of the minutes.</p>
011250 – 012814	Chairman Mr Tommy CHEUNG Administration	<p>Mr Tommy CHEUNG made the following queries and comments –</p> <p>(a) The Administration's smoking-related statistics might be unreliable. He sought details on the relevant surveys like the exact time the surveys were conducted and how such time was decided. He also queried why the Legislative Council Brief used figures in 2011 even though the Administration conducted the relevant surveys in 2010 and 2012 respectively;</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>(b) The provision of relevant public education and publicity on smoking prevention and cessation was already sufficient and the Administration might have overdone in implementing measures on smoking control given the relatively low smoking prevalence in Hong Kong;</p> <p>(c) The Administration might have over-exaggerated certain adverse effects of smoking. For instance, it was doubtful whether smoking was the major cause of lung cancer;</p> <p>(d) The combating of illicit cigarette activities might be enhanced by a substantial increase (say a ten-fold increase) in the fee for informants; and</p> <p>(e) While not opposing the tobacco duty increase, he considered that the measure would only end up affecting the livelihood of newspaper hawkers and the grassroots.</p> <p>The Administration responded as follows –</p> <p>(a) Smoking-related statistics were obtained through the Thematic Household Surveys conducted by the Census and Statistics Department ("C&SD") biannually. Relevant bureaux and departments would discuss the timing for conducting the surveys. Each Thematic Household Survey would cover a wide range of issues and its results were published; and</p> <p>(b) Smoking issues were covered in C&SD's Thematic Household Surveys conducted in the following years/periods: 1982, 1983, 1984, 1986, 1988, 1990, 1993, 1996, 1998, 2000, 2002-2003, 2005, 2007-2008, 2010 and 2012.</p>	
012815 – 014247	Chairman Mr Paul TSE Administration	<p>Mr Paul TSE's comments were as follows –</p> <p>(a) The effectiveness of tobacco duty increase was uncertain as the smoking prevalence only dropped from 11.1% in 2010 to 10.7% in 2012 even though the Administration increased the level of tobacco duty rates by 41.46% in 2011;</p>	

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		<p>(b) The Administration should allow members of the public to make their own decisions on smoking; and</p> <p>(c) Some reports revealed that local illicit cigarette activities were still rampant.</p> <p>Mr TSE also enquired about –</p> <p>(a) details of complaints against illicit cigarette activities received by C&ED;</p> <p>(b) existing sanctions against illicit cigarette activities and the deterrence of such sanctions;</p> <p>(c) efficacy of the existing smoking cessation services;</p> <p>(d) whether the Administration had conducted or be aware of any research on whether smoking prevalence could not fall below a certain threshold; and</p> <p>(e) why the smoking prevalence did not register an apparent decrease given the Administration's claim that the success rate of smoking cessation services was about 30-40%.</p> <p>The Administration responded as follows –</p> <p>(a) Various kinds of smoking cessation services were being provided and the success rate of the smoking cessation services was about 30-40%, which was in line with the international standard. However, some people quitting smoking might consume cigarettes again;</p> <p>(b) The Administration was not aware of any research on whether smoking prevalence could not fall below a certain threshold. However, it learnt that the long-term target of the New Zealand Government was to reduce its smoking prevalence to less than 5% by 2025;</p> <p>(c) In view of Hong Kong's relatively low smoking prevalence, the Administration would formulate targeted measures/services (e.g. HA would provide relevant drugs for free to cater for the need of the grassroots while TWGH and the Pok Oi Hospital would provide free</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>smoking cessation services). The long-term target of the Administration was to minimize the adverse impact of smoking. Relevant researches revealed that half of the smokers would die from smoking-relating causes;</p> <p>(d) While most complaints against illicit cigarettes were made by the public on phone, C&ED would also handle anonymous complaints. As traders of illicit cigarettes had to distribute leaflets to solicit new customers and non-consumers of illicit cigarettes might report to C&ED upon receipt of the leaflets, the trend in the number of complaints could reflect the state of illicit cigarette activities in Hong Kong;</p> <p>(e) C&ED was aware that some existing customers of illicit cigarette might contact traders of illicit cigarettes directly. The Intelligence Bureau of C&ED would collaborate with other law enforcement agencies in Hong Kong and the Mainland to combat the sale of illicit cigarettes to the existing customers; and</p> <p>(f) Smugglers and sellers of illicit cigarettes would likely be given immediate custodial sentences. The fine for illicit cigarettes was around \$1 per stick. The Administration considered the deterrence of such sanctions sufficient.</p>	
014248 – 015622	Chairman Miss CHAN Yuen-han Administration	<p>Miss CHAN Yuen-han's comments were as follows –</p> <p>(a) Most Hong Kong people were aware of the harmful effects of smoking. However, it would be difficult for some people to quit smoking;</p> <p>(b) The Housing Department ("HD") might be too stringent against residents of public rental housing smoking in no smoking areas when implementing the Marking Scheme for Estate Management Enforcement in Public Housing Estates ("the Marking Scheme"). Some people might contravene the smoking ban inadvertently because of the lack of clear signage in no smoking areas;</p> <p>(c) The Administration should probe into the causes of the increase in the number of female</p>	

Time marker	Speaker	Subject(s)	Action required
		<p>and juvenile smokers and step up efforts in tackling it. Some teenagers were able to buy illicit cigarettes;</p> <p>(d) The fee for informants should be increased substantially to facilitate the combating of illicit cigarette activities; and</p> <p>(e) The Administration should emphasize in its education and publicity activities the adverse impact of illicit cigarettes such as the risk of inhaling harmful impurities.</p> <p>The Administration responded as follows –</p> <p>(a) TCO would relay Miss CHAN's views on the Marking Scheme to HD and follow up with HD on possible additional measures to provide clearer signage on no smoking areas;</p> <p>(b) A recent survey revealed that the proportion of female smokers was higher in the age groups of 30-39 and 40-49;</p> <p>(c) TCO and COSH would take targeted measures to deal with female and juvenile smoking. The University of Hong Kong was conducting relevant research on juvenile smoking. The Administration would also study relevant issues like whether the youth were able to purchase illicit cigarettes and whether some juvenile smokers were induced by peer pressure; and</p> <p>(d) The relevant education and publicity activities would highlight the harmful impact of illicit cigarettes.</p>	
015623 – 020127	Chairman Mr Tommy CHEUNG Administration	<p>Mr Tommy CHEUNG clarified that he had not said that smoking was harmless to health. He enquired about the concrete target of the current tobacco duty increase. He also considered that the Administration need not increase tobacco duty for the sake of meeting WHO's relevant requirements.</p> <p>The Administration responded as follows –</p> <p>(a) The tobacco duty increase was a measure to protect public health rather than raising revenue;</p>	

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		<p>(b) The smoking cessation hotline received more enquiries after the announcement of the current tobacco duty increase;</p> <p>(c) While the Administration would make reference to the proportion of tobacco duty to retail price of cigarettes recommended by WHO (i.e. 70%), it did not increase the tobacco duty merely for the sake of meeting the minimum level recommended by WHO; and</p> <p>(d) Relevant research indicated that a 10% increase in the price of cigarettes might lead to a drop of several percent in tobacco consumption.</p>	
<u>Clause by Clause Examination of the Bill</u>			
020128 – 020436	Chairman Administration ALA3	<p><u>Clause 1 – Short title and commencement</u></p> <p><u>Clause 2 – Dutiable Commodities Ordinance amended</u></p> <p><u>Clause 3 – Schedule 1 amended</u></p> <p>Members raised no question on clauses 1 to 3. ALA3 identified no legal or drafting issues.</p> <p>The Chairman asked the Administration to take note of the relevant views expressed by members and provide the supplementary information requested by members.</p> <p>Legislative timetable and way forward</p>	