

立法會
Legislative Council

LC Paper No. CB(4)1536/17-18
(These minutes have been seen
by the Administration)

Ref : CB4/PL/EDEV

Panel on Economic Development

Minutes of meeting
held on Monday, 23 April 2018, at 10:45 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Jeffrey LAM Kin-fung, GBS, JP (Chairman)
Hon Alvin YEUNG (Deputy Chairman)
Hon James TO Kun-sun
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP

Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon CHAN Chun-ying
Hon LUK Chung-hung
Hon Jeremy TAM Man-ho

Member attending : Hon YUNG Hoi-yan

Public Officers attending : Agenda item III

Transport and Housing Bureau

Ms Angela LEE
Deputy Secretary for Transport and Housing
(Transport) 5

Ms Louisa YAN
Principal Assistant Secretary for Transport and Housing
(Transport) 10

Marine Department

Mr WONG Sai-fat
Deputy Director of Marine

Mr HO Wing-hong
Assistant Director (Special Duties)

Mr LEE Wing-chung
Senior Surveyor of Ships (Special Duties)

Agenda item IV

Transport and Housing Bureau

Dr Raymond SO, BBS, JP
Under Secretary for Transport and Housing

Mr Wallace LAU, JP
Deputy Secretary for Transport and Housing
(Transport) 4

Mr Kelvin NG
Assistant Secretary (Airport Expansion Project
Coordination Office) A

Airport Authority Hong Kong

Mr Wilson FUNG
Executive Director, Corporate Development

Mr Kevin POOLE
Executive Director, Third Runway

Clerk in attendance : Ms Shirley CHAN
Chief Council Secretary (4)5

Staff in attendance : Ms Shirley TAM
Senior Council Secretary (4)5

Ms Lauren LI
Council Secretary (4)5

Ms Zoe TONG
Legislative Assistant (4)5

Miss Mandy LUI
Clerical Assistant (4)5

Action

* * * * *

III. Reform of regulatory regime for local pleasure vessels

(LC Paper No. CB(4)928/17-18(03) — Administration's paper on
reform of the regulatory regime
for local pleasure vessels)

Presentation by the Administration

9. At the invitation of the Chairman and with the aid of the powerpoint
presentation material, Deputy Secretary for Transport and Housing (Transport) 5

("DSTH5") briefed members on the legislative proposal to take forward the reform of regulatory regime for local pleasure vessels, i.e. Class IV vessels. The proposal covered new plan approval, survey and structural requirements for new Class IV vessels of not less than 24 metres in length and Class IV vessels for hire or reward, and enhancement of navigational and communications equipment on certain Class IV vessels. Details of the legislative proposal were set out in LC Paper No. CB(4)928/17-18(03).

(Post-meeting note: The powerpoint presentation material provided by the Administration was issued to members vide LC Paper No. CB(4)954/17-18(01) on 23 April 2018.)

Discussion

The proposal

10. Mr James TO noted that Class IV vessels of more than "150 gross tonnage" were currently subject to tighter plan approval and survey requirements due to their large size. Under the proposal, vessels of not less than "24 metres in length" would be required to fulfill new structural requirements in various aspects. He asked about the justification for changing the current threshold. Concerning the resultant impact on the pleasure vessel trade as raised in the submission (LC Paper No. CB(4)966/17-18(01)), he asked if the Administration intended to require more pleasure vessels to fulfill the new structural requirements.

11. Deputy Director of Marine ("DD of M") explained that vessel length was a more widely-adopted international parameter in determining the size of pleasure vessels. In addition, various jurisdictions, such as the United Kingdom, had adopted 24 metres in length to define large pleasure vessels with more stringent safety requirements. In Hong Kong, the majority of Class IV vessels currently let for hire or reward were less than 24 metres in length. Mr James TO requested the Administration to provide supplementary information on the proposed adoption of a new threshold in defining whether a pleasure vessel was large in size.

(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(4)1124/17-18(01) on 24 May 2018.)

12. While supporting the direction to enhance marine safety, Mr Jeremy TAM raised concerns about the difficulties in complying with the new structural requirements by existing pleasure vessel owners.

13. DSTH5 said that it would not be practicable to require existing Class IV vessels that were licensed before the commencement date of the proposed legislation ("existing Class IV vessels") to comply with the new structural requirements. As such, only the Class IV vessels which were licensed for the first time after the commencement of the proposed legislation, as well as Class IV vessels licensed before the commencement date but had undergone substantial alterations on or after the commencement date (collectively known as "new Class IV vessels") would be subject to the new structural requirements. Existing Class IV vessels would only be required to provide adequate lifebuoys to facilitate speedy escape in case the vessels were in distress.

14. Mr Frankie YICK relayed the trade's concerns that the new structural requirements imposed on new Class IV vessels, including water tightness, stability and structural fire protection, were too harsh. In view of the high construction cost to meet these requirements, he shared the concerns raised in the submission that the sustainability of the pleasure vessel trade might be smothered.

15. DSTH5 explained that MD had been consulting the local vessel trade on the proposed reform since September 2016. Discussion with the trade on the specific requirements to be incorporated in the Code of Practice – Safety Standards for Class IV Vessels ("CoP") was still on-going and the Administration would take into account the views of the trade before finalizing the requirements in detail.

16. Mr Jeremy TAM noted that, under the proposal, certain Class IV vessels would be required to have at least one crew member with the certificate of competency for using Very High Frequency Radiotelephone ("VHF radio") on board. He was concerned about the implementation of such a requirement.

17. Mr Steven HO strongly opposed to the proposal. He considered it impractical to require crew members of Class IV vessels to take the VHF radio examination, as the passing rate of such examination among the crew members of Class I vessels was less than 10%. He urged the Administration to review the current mode of VHF radio examination. Mr Frankie YICK shared a similar concern.

18. Pointing out that the current operation of the pleasure vessel trade was rather smooth and safe, Ms YUNG Hoi-yan cast doubt on the necessity of the reform which would significantly affect the trade. In particular, some crew members concerned were incompetent in English and hence, they might have difficulties in taking the VHF radio examination conducted in English.

19. DSTH5 explained that the Administration acknowledged the trade's concerns in relation to the VHF radio examination. The Marine Department ("MD") had been working with the Office of the Communications Authority to review the format of the VHF radio examination. The commencement date of the proposal would be determined later having taken into account the number of persons who had passed the VHF radio examination. DD of M supplemented that, in view of the tightening safety requirements for pleasure vessels imposed by other jurisdictions in recent years, it was essential to tighten the regulation of Class IV vessels in Hong Kong.

20. In order to facilitate members' consideration on the legislative proposal, Mr Steven HO requested the Administration to provide the number of local pleasure vessels as well as the number of people engaged in the pleasure vessel trade (including employees of such people) to be affected by the legislative proposal.

(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(4)1124/17-18(01) on 24 May 2018.)

Consultation and way forward

21. Mr Jimmy NG was concerned about the impact brought on owners of large-sized pleasure vessels or those owners who let their vessels for hire and rewards occasionally. He enquired whether the Administration had consulted the pleasure vessel owners in addition to the trade.

22. DD of M advised that MD had conducted several rounds of consultations in respect of the reform proposal since September 2016, including operators of private marinas, representatives of sightseeing cruises and private vessel owners. They were generally supportive of the objective to improve marine safety as well as the proposed amendments.

23. Mr YIU Si-wing was of the view that, although it was necessary to enhance marine safety, this proposal would substantially change the operation of the pleasure vessel trade and might smother its sustainability. Pointing out the strong objection raised in the submission, he cast doubt on the scope and effectiveness of the consultation, and suggested that the proposal should be shelved so that the Administration could discuss further with the stakeholders.

24. DD of M replied that, during the consultation period, MD had met with various stakeholders on many occasions, including the Local Vessels Advisory Committee and its Sub-committees. Based on the consensus previously reached regarding the reform, MD was now consulting the trade on the detailed amendments to be made to the CoP.

25. Mr Frankie YICK stressed that he was fully in the picture throughout MD's consultation with the trade, and there was no consensus reached on the reform details apart from the common goal to enhance marine safety. He urged the Administration to shelve the proposal and discuss with the trade further before resubmitting the proposal.

26. Mr Steven HO expressed disappointment with the Administration's plan to submit the proposal to LegCo in the 2018-2019 legislative session without fully consulting the trade. He understood that the trade did not support the proposal. He opined that the trade had all along been complying with the relevant marine safety standards. To improve marine safety, the Administration should first strengthen MD's internal governance instead of imposing restrictions on the trade.

27. Ir Dr LO Wai-kwok opined that the public was generally supportive of the enhancement of marine safety following the Lamma incident in 2012. He supported the broad directions proposed by the Administration in regulating local pleasure vessels. He suggested the Administration discuss with the pleasure vessel trade further to work out the details of the reform so as to ensure a smooth implementation of the proposal.

28. DSTH5 responded that the current proposal was put forward with a view to safeguarding public interest and enhancing marine safety which were objectives also shared by the trade. The trade's views had been taken into account in formulating the proposal. For example, instead of imposing the tightened requirements to the existing 9 900 pleasure vessels, the proposed reform measures mainly targeted at local pleasure vessels that were let or hire or reward and those that had a high carrying capacity thus making them more of a concern from a public safety angle. In addition, Class IV vessels currently let for hire or reward would have a grace period of 12 months to seek MD's approval for continuing its business. MD would continue to consult the trade on the CoP through a dedicated working group. The working group would consider members' views in its future discussion.

Motion

29. Mr Frankie YICK moved the following motion which was seconded by Mr Steven HO, Mr YIU Si-wing, Dr Elizabeth QUAT, Mr Jimmy NG, Mr CHAN Chun-ying and Ms YUNG Hoi-yan –

"有鑒於政府對本地遊樂船隻規管制度改革建議過於嚴苛，現行的遊樂船業無法依循，扼殺行業的生存空間；考慮到業界對建議有強烈反彈，本會要求運輸及房屋局先行暫緩建議，並盡快與本地遊樂船業就規管事宜會面商討後，再提交改革建議予事務委員會討論。"

(Translation)

"Given that the Government's proposal to take forward the reform of the regulatory regime for local pleasure vessels is so stringent that the existing pleasure vessel trade cannot comply with it and the room for survival of the trade will be smothered, this Panel, having regard to the trade's strong reaction to such proposal, calls on the Transport and Housing Bureau to shelve the proposal and expeditiously discuss regulatory matters with the local pleasure vessel trade before resubmitting a reform proposal for the Panel's deliberation."

30. The Chairman ruled that the motion was directly related to the agenda item under discussion. Members agreed that the motion should be dealt with at the meeting.

31. The Chairman put the motion to vote. A majority of members took part in the voting voted for the motion. The Chairman declared that the motion was carried.

(Post-meeting note: The Administration's response to the motion was issued to members vide LC Paper No. CB(4)1124/17-18(01) on 24 May 2018.)

* * * * *