Tel: 2918 7450 Fax: 2877 5650

13 July 2004

Mr Andy Lau Clerk to Panel Legislative Council Panel on Economic Services Legislative Council Citibank Tower 3 Garden Road Hong Kong

(By Fax: 2869 6794)

Dear Mr Lau,

Panel on Economic Services Minutes of Meeting held on 23 February 2004

Proposal to commission an independent survey by tertiary institutions among supermarket suppliers

I am writing in response to the proposal in paragraph 20 of the captioned minutes of meeting, suggesting the Administration to commission tertiary institutions to undertake an independent survey among suppliers on alleged anti-competitive conduct in the supermarket sector.

Having considered the proposal carefully, we are of the view that it would be more effective for suppliers to raise their concerns or complaints directly with the Government, which will handle the information furnished by the suppliers, and follow up with relevant supermarkets as appropriate. We also note that the Consumer Council has issued a letter on 8 April 2004 to suppliers, copied to you, encouraging them to reflect matters of concern to the Secretary of the Competition Policy Advisory Group.

Yours sincerely,

(Miss Clara Tang) for Secretary for Commerce, Industry and Technology

c.c. SEDL (Attn: Mr Alex Wong)