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LC Paper No. CB(2) 1928/05-06

(These minutes have been seen by the Administration)

Panel on Food Safety and Environmental Hygiene

Minutes of Meeting held on Tuesday, 14 March 2006 at 8:30 am in the Chamber of the Legislative Council Building

Members present	: Hon Fred LI Wah-ming, JP (Chairman) Hon WONG Yung-kan, JP (Deputy Chairman) Hon Bernard CHAN, JP Hon Andrew CHENG Kar-foo Hon TAM Yiu-chung, GBS, JP Hon Tommy CHEUNG Yu-yan, JP Hon Vincent FANG Kang, JP Dr Hon Joseph LEE Kok-long Hon Alan LEONG Kah-kit, SC Dr Hon KWOK Ka-ki
Member attending	: Hon WONG Kwok-hing, MH
Public officers attending	 Item III Dr York CHOW Secretary for Health, Welfare and Food Mr Eddy CHAN Deputy Secretary (Food & Environmental Hygiene) Health, Welfare and Food Bureau Mr Wallace LAU Principal Assistant Secretary (Food & Environmental Hygiene) 1 Health, Welfare and Food Bureau

Mr Vincent LIU Principal Assistant Secretary (Food & Environmental Hygiene) 2 Health, Welfare and Food Bureau

Mr Gregory LEUNG Director of Food and Environmental Hygiene

Mrs Stella HUNG Director of Agriculture, Fisheries and Conservation

Dr Thomas SIT Hon-chung Assistant Director (Inspection and Quarantine) Agriculture, Fisheries and Conservation Department

Dr Thomas TSANG Consultant in Community Medicine (Communicable Disease) Department of Health

Item IV

Mr Eddy CHAN Deputy Secretary (Food & Environmental Hygiene) Health, Welfare and Food Bureau

Mr Vincent LIU Principal Assistant Secretary (Food & Environmental Hygiene) 2 Health, Welfare and Food Bureau

Ms Annette LEE Deputy Director (Environmental Hygiene) Food and Environmental Hygiene Department

Mr LO Fu-wai Assistant Director (Operations)1 Food and Environmental Hygiene Department

Mr LEE Wai-ching Senior Superintendent (Food Surveillance and Certification) Food and Environmental Hygiene Department

Clerk in :	Mrs Constance LI
Attendance	Chief Council Secretary (2)5
Staff in :	Miss Betty MA
Attendance	Senior Council Secretary (2)1

Ms Anna CHEUNG Legislative Assistant (2)5

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I. Date of next meeting and items for discussion $H \subseteq D_{avera} N_{avera} \subseteq O(2)$ 1225 (05.06(01) and (02))

[LC Paper Nos. CB(2) 1335/05-06(01) and (02)]

<u>Members</u> agreed to discuss the following items proposed by the Administration at the next regular meeting on 11 April 2006 –

- (a) Proposed amendments to the Prevention of Cruelty to Animals Ordinance (Cap. 169); and
- (b) Ochratoxin A in food.

[*Post-meeting note*: Discussion of item (b) was deferred with the addition of two new items.]

II. Information paper(s) issued since last meeting [LC Paper No. IN 17/05-06] [LC Paper No. CB(2) 1369/05-06(01)]

Food safety regulatory authorities in selected places

2. <u>Members</u> noted that the Research and Library Services Division of the Legislative Council (LegCo) Secretariat had prepared an information note on "Food safety regulatory authorities in selected places".

"One licence for one shop" proposal

3. <u>Members</u> also noted that the Administration had provided a brief response on the "one licence for one shop" proposal [LC Paper No. CB(2) 1414/05-06(02)].

4. In response to the Chairman's enquiry about the specific timetable for introducing legislation for the "one licence for one shop" proposal, <u>Deputy Secretary</u> for Health, Welfare and Food (Food and Environmental Hygiene) (DS(FEH)) said that the Administration was discussing with the Department of Justice (DoJ) the drafting of the relevant legislation. If no complicated legal issues were involved in the drafting, the Administration aimed to introduce the legislative proposal on the "one licence for one shop" arrangement into LegCo around May/June 2006. The Administration would inform the Panel of the timetable for introducing the legislation later.

5. <u>Mr Tommy CHEUNG</u> said that as chilled pork was currently imported from other places into Hong Kong, the Administration should allow imports of chilled pork from the Mainland if such imports could meet Hong Kong's requirement. He was of the view that the "one licence for one shop" proposal could be implemented after chilled pork from the Mainland was allowed to be imported. <u>Mr CHEUNG</u> asked whether the Administration had decided that importation of chilled pork from the Mainland would have to await the legislation to effect the "one licence for one shop" arrangement.

6. <u>DS(FEH)</u> said that at the previous meeting, Panel members had expressed divergent views on whether importation of chilled pork from the Mainland should wait after the legislation on the "one licence for one shop" proposal had come into operation. The Administration also considered it acceptable to allow imports of chilled pork from the Mainland after the "one licence for one shop" arrangement was implemented, if the relevant legislation could be introduced into LegCo within a short time. However, in case DoJ needed more time to draft the legislation, the Administration would consider allowing the importation of chilled pork from the Mainland, before implementation of the "one licence for one shop" proposal.

7. <u>Mr Vincent FANG</u> said that the Administration had advised at previous meetings that the drafting of legislation on the "one licence for one shop" proposal would take some time. If it was now possible to introduce the legislation on "one licence for one shop" in a few months' time, the Administration should allow the importation of chilled pork from the Mainland rightaway, because the meat trade would need time to make preparations for the supply of chilled pork. The meat trade would be ready about the same time when the legislation on the "one licence for one shop" was introduced into LegCo.

8. <u>Mr WONG Yung-kan</u> said that he had discussed with the meat trade associations which held the view that chilled pork and fresh pork should not be allowed to be sold at the same premises, in order to better safeguard consumers' interest and public health. It would be more reasonable to allow import of chilled pork from the Mainland after the legislation on "one licence for one shop" was introduced.

9. <u>Mr TAM Yiu-chung</u> said that he and Mr WONG Yung-kan had written to Secretary for Justice on the time needed to draft the legislation on "one licence for one shop", and were advised that DoJ was studying the legislative proposal. <u>Mr TAM</u> further said that he agreed with Mr WONG Yung-kan that if the legislation would be ready around May/June 2006, importation of chilled pork from the Mainland should commence after the legislation had been put in place. <u>Mr TAM</u> stressed that he did not object to the importation of chilled pork from the Mainland, but he considered that the Administration should first resolve the problem of some retailers selling chilled meat as fresh meat, before allowing importation of chilled pork from the Mainland.

10. <u>Dr KWOK Ka-ki</u> said that given that chilled pork was already imported from other places, he saw no reason for not allowing importation of chilled pork from the Mainland if such pork met the import requirements. He considered it unfair to withhold the supply of chilled pork from the Mainland on grounds of enforcement considerations. If the "one licence for one shop" arrangement could be put in place within a few months, the Administration should inform the trade of the timetable for implementation, as the meat trade would need time to prepare for the implementation.

11. <u>The Chairman</u> asked whether the Administration would allow the importation of chilled meat from the Mainland, if the legislation on the "one licence for one shop" was not ready by May/June 2006.

12. <u>DS(FEH)</u> responded that according to DoJ, drafting of the legislation was not very complicated. Should complicated legal issues arise during the drafting stage and would lengthen the drafting process, the Administration would consider allowing importation of chilled meat from the Mainland in the meantime.

13. <u>The Chairman</u> expressed dissatisfaction that the Administration had taken more than one year to consider introducing the legislation to implement the "one licence for one shop" proposal.

14. <u>Secretary for Health, Welfare and Food</u> (SHWF) said that the Administration had done much preparatory work for the importation of chilled pork from the Mainland. However, discussion on the "one licence for one shop" proposal had dragged on for some time because meat traders had divergent views on the issue. The Administration was inclined to put in place the "one licence for one shop" arrangement before allowing importation of chilled pork from the Mainland. Nevertheless, if the law drafting work would take longer time than expected, the Administration would not withhold the importation for chilled pork from the Mainland to wait for the introduction of legislation.

15. <u>Mr Tommy CHEUNG</u> reiterated that he saw no reason for not allowing chilled pork to be imported from the Mainland when chilled pork from other places was already sold at local market. He considered that the Administration should provide justifications for not allowing chilled pork to be imported from the Mainland.

16. In concluding the discussion, <u>the Chairman</u> said that Mr TAM Yiu-chung and Mr WONG Yung-kan considered that importation of chilled pork from the Mainland should wait after the "one licence for one shop" arrangement was put in place, while Mr Tommy CHEUNG, Mr Vincent FANG and Dr KWOK Ka-ki disagreed that importation of chilled pork from the Mainland should be delayed. <u>The Chairman</u> further said that Members belonging to the Democratic Party considered that based on the parity principle, if chilled pork from the Mainland met Hong Kong's import and hygiene requirements, there was no reason for not allowing Mainland chilled pork to be imported. <u>The Chairman</u> urged the Administration to expedite introduction of the legislation on "one licence for one shop" arrangement and inform the Panel of the

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III. Progress of comprehensive plan of action to deal with the global problem of avian influenza

[LC Paper Nos. CB(2) 1335/05-06(03)&(05)]

progress at the next meeting.

17. <u>The Chairman</u> said that 10 submissions from poultry traders and bird watchers had been received and tabled at the meeting.

[*Post-meeting note* : The submissions were issued to members vide LC Paper No. CB(2)1414/05-06 on 15 March 2006.]

18. <u>SHWF</u> said that in view of the heightened risk of outbreak of avian influenza in different parts of the world, the World Health Organisation (WHO) had advocated that the disease control would require profound changes in poultry production systems. WHO had also expressed concern that mutation of the virus would trigger an avian influenza pandemic. <u>SHWF</u> further said that to prevent the risk of an epidemic outbreak through close contact between humans and live poultry, the Administration had put in place a comprehensive plan to deal with the problem, which included implementing market rest days in wholesale markets and retail outlets, regulation of local farms with stringent biosecurity measures, compulsory vaccination for chickens and banning of backyard poultry keeping. <u>SHWF</u> added that the recent confirmed case of human influenza outbreak in retail markets.

19. <u>SHWF</u> further said that in view of the recent spread of avian influenza around the world, the Administration would need to reduce the total live chicken population in Hong Kong. The target was to control the maximum licensing capacity in local chicken farms at 2 million. <u>SHWF</u> informed members that since the introduction of the voluntary surrender schemes for live poultry traders, a total of 71 farmers, 12 wholesalers, 272 retailers and one transporter had surrendered their licences/tenancies. <u>SHWF</u> advised that the Administration's ultimate policy objective was to achieve complete segregation of humans from live poultry. While all live chickens for sale in

the local market were vaccinated against H5 avian influenza, it was uncertain when the vaccine would cease to be effective, or the virus had undergone mutation to become more pathogenic than before. To this end, the Administration had been actively exploring the development of a poultry slaughtering plant to put together poultry slaughtering activities. This would help achieve the policy objective of separating live poultry from humans as a means to prevent human infection from the disease. Such practice had been widely adopted in most developed countries.

20. Regarding the location of poultry slaughtering plant, <u>SHWF</u> said that the Administration considered it more appropriate to identify a site in the New Territories, which was relatively separated from major residential areas and closer to poultry farms in Mainland and Hong Kong. <u>SHWF</u> further said that as the development of the plant would require environmental impact assessment and legislative amendments, he envisaged that the plant could only come into operation in 2009.

21. <u>SHWF</u> said that the Administration understood that the development of a poultry slaughtering plant would entail a fundamental change in the way the live poultry business operated in Hong Kong, as no more live poultry would be sold at retail markets. <u>SHWF</u> further said that the Administration's assessment indicated that the development of the poultry slaughtering plant would affect about 3 000 operators and workers in the live poultry trade. Given that the slaughtering plant would not come into operation before 2009, he believed that the Administration would have sufficient time to discuss with the live poultry trade measures to alleviate the impact.

22. <u>SHWF</u> said that the Administration had discussed with the Mainland authorities and suspended temporarily the supply of live poultry from Guangzhou for three weeks, following the confirmed case of human infection of H5N1 virus in Guangdong. The Administration would listen to the views of the live poultry trade on the temporary suspension of import of live poultry. He added that should the Administration decide to resume the supply of live poultry from Guangdong to Hong Kong, the daily import of live chickens would be capped at 20 000.

Development of poultry slaughtering plant

23. <u>Mr Andrew CHENG</u> expressed concern about the slow progress of the development of a poultry slaughtering plant. <u>Mr CHENG</u> said that he could not understand why the Administration only kept on telling the public that it was studying the proposal. To safeguard public health, the Administration should proceed with the development of a poultry slaughtering plant immediately so as to achieve the objective of segregating humans from live poultry.

24. <u>SHWF</u> stressed that while it was the Administration's ultimate policy objective to achieve complete segregation of humans from live poultry, the Administration would need to consider the different views of the live poultry trades on the proposal. In addition, the Administration needed time for the preparatory work of the

slaughtering plant. This included conducting environment impact assessment which normally took one year to complete, making necessary amendments to the relevant Outline Zoning to change land use of the site, conducting public consultation and making compensation to the affected trades. <u>SHWF</u> noted that under the proposed development timetable, the affected trades would have time to make necessary changes to their current mode of operation or switch to other business. <u>SHWF</u> further said that culling of all live poultry in Hong Kong because of a local avian influenza outbreak was the last thing he would want to see. He hoped that with a comprehensive plan for developing a poultry slaughtering plant, people in Hong Kong could continue to consume freshly slaughtered chickens.

25. <u>Mr WONG Kwok-hing</u> expressed concern that Hong Kong would still face the threat of avian influenza outbreak even after implementing central slaughtering, in view of the heavy traffic and passenger flow across the border as central slaughtering was not practised in Shenzhen. <u>Mr WONG</u> considered that the re-configuration of poultry stalls in some markets to segregate live poultry from customers, as advocated by the Administration, was effective in reducing customer contact with live poultry. He queried whether the Administration now considered such measure ineffective. He considered that if the measure was still effective, it would not be necessary to implement central slaughtering.

26. <u>SHWF</u> said that the arrangement to reduce contact between live poultry and customers at the retail level was a short-term measure, and it was not entirely effective to prevent avian influenza outbreaks. The reason why Hong Kong did not have an avian influenza outbreak currently was because all live chickens in Hong Kong received compulsory vaccination. However, the way live poultry was slaughtered at retail markets could not entirely prevent humans from being infected with the virus. <u>SHWF</u> further said that as a result of the recent case of human infection of H5N1 in Guangzhou, the Mainland authorities had stepped up measures to reduce contact between live poultry and customers at markets. <u>SHWF</u> noted that it was the universal trend to implement central slaughtering of poultry.

27. <u>Mr Tommy CHEUNG</u> urged SHWF to meet with the live poultry trade to discuss measures to reduce the risk of avian influenza outbreak. Since there was no record of poultry workers in Hong Kong being infected with H5N1 and the new design of poultry stalls in some existing markets had effectively segregated live poultry from customers, he wondered why the Administration still had to introduce further measures which would wipe out the live poultry industry. <u>Mr CHEUNG</u> asked whether there was a target risk level in preventing influenza outbreaks, and the justifications for setting such target level. He also asked about the reasons for maintaining the maximum licensing capacity in local chicken farms at 2 million and the daily import of live chickens from the Mainland at 20 000.

28. <u>SHWF</u> said that while attempts had been made to re-design the configuration of poultry stalls in some existing markets, poultry workers still had close contact with live poultry in the markets. He pointed out that experience elsewhere over the past years had shown that almost all human cases of infection of H5N1 had been linked to close contact to diseased poultry. <u>SHWF</u> further pointed out that having regard to the fact that the virus had undergone mutation, it was uncertain when the vaccine currently used in chickens would become ineffective in preventing the disease. <u>SHWF</u> further said that maintaining the maximum licensing capacity in local chicken farms at 2 million and the daily import of live chickens from the Mainland at 20 000 would enable the Administration to respond swiftly and effectively to a local outbreak situation when it had to cull all live poultry. <u>SHWF</u> added that based on the daily consumption of about 40 000 live chickens during festive seasons, the Administration had worked out a daily supply of live chickens at a level of no more than 40 000, with an equal split between Mainland and local chickens.

29. <u>Mr Tommy CHEUNG</u> held the view that the daily supply of live chickens should be set at a level of 60 000. <u>Mr Vincent FANG</u> said that the normal demand of live chickens far exceeded 40 000 daily. <u>Mr FANG</u> pointed out that the recent demand of live chickens had been weakened due to the threat of avian influenza outbreak, and the Administration should not set the level of daily supply of live chickens based on the recent demand.

Mr Vincent FANG further said that the live poultry trades were cooperative in 30. adopting preventive measures against avian influenza outbreaks. As they were exposed to greater risk of infection than the general public, they also attached much importance to measures to reduce such risks. Mr FANG considered that a temporary suspension of import of live chickens from the Mainland for three weeks had adversely affected the business of the live poultry traders especially the wholesalers, and the Administration should waive their rental during the three-week suspension Mr FANG added that the business sector did not find the proposal of period. establishing a slaughtering plant in Hong Kong attractive. He pointed out that if the proposed slaughtering plant was to be located in the New Territories, there was little time difference in delivering freshly slaughtered chickens from over the border and from the local slaughtering plant. Since slaughtered chickens supplied by the Mainland would be cheaper than those supplied by the local plant, he considered that the local plant would not be viable.

31. Regarding the daily supply of live chickens, <u>SHWF</u> said that the daily demand of live chickens was based on that after the Lunar New Year. While he acknowledged that there might be reduced demand of live chickens amidst avian influenza cases in other places, it would not be possible to forecast whether the demand for live chickens would surge in the short term with the risk of avian influenza outbreaks remaining. <u>SHWF</u> further said that according to the findings of the consultancy study on the

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commercial viability for private sector involvement in developing the slaughtering plant, several companies had indicated interest in the project, especially if live chickens would no longer be sold at retail outlets.

32. <u>Mr WONG Yung-kan</u> said that the risk of avian influenza was a global problem and was not unique to Hong Kong. However, the Administration failed to explore solutions other than planning to cull all live chickens and wipe out the live poultry industry. <u>Mr WONG</u> asked to what extent had the virus mutated and whether experts were working on new vaccines.

33. <u>SHWF</u> explained that confirmed cases of human infection of H5N1 showed that the virus had undergone mutation in every such case, and vaccines for influenza were modified each year to prevent influenza pandemic. There were ongoing discussions among local and international experts about the effectiveness of vaccine for preventing avian influenza. <u>SHWF</u> said that while the biosecurity measures put in place in local chicken farms had proven effective in preventing avian influenza outbreak in Hong Kong, it was uncertain whether those measures adopted for retail outlets would remain effective. As poultry retail workers had close contact with live poultry, they were exposed to greater risk of infection if they did not closely observe the personal hygiene requirements. The Administration considered that the development of a slaughtering plant was the long-term measure to reduce the risk of human infection of H5N1.

34. <u>Consultant in Community Medicine (Communicable Disease)</u>, Department of <u>Health</u> said that the H5N1 virus had generated more than ten variants in the southern part of Mainland since 1997. While the vaccine currently in use was effective in preventing avian influenza among chickens, it was uncertain when the vaccine would become ineffective. One should be forward-looking in keeping with virus changes in relation to vaccine effectiveness.

35. <u>Dr KWOK Ka-ki</u> agreed that segregation of humans from live poultry was the most effective means to reduce the risk of avian influenza, and it should be implemented as soon as possible. <u>Dr KWOK</u> envisaged that the live poultry trade would have stronger opposition to central slaughtering than to regional slaughtering. There was also the concern that central slaughtering might give rise to the monopoly of supply of freshly slaughtered chickens, which would result in higher retail prices. <u>Dr KWOK</u> said that the Administration had previously advised that it was considering the regional slaughtering option, and had commissioned a consultancy study on the commercial viability for private sector involvement in developing a regional slaughtering hub in Western Wholesale Food Market. To facilitate the early development of a slaughtering plant, <u>Dr KWOK</u> asked whether the Administration would reconsider the regional slaughtering option by upgrading the hygiene requirements to the level of a central slaughtering plant.

36. <u>SHWF</u> responded that to develop regional slaughtering hubs, the Administration would need to search for a few suitable sites, and this would be difficult. As regards the concern about monopoly, <u>SHWF</u> said that the problem should not arise as consumers still had other choices such as chilled and frozen chickens. Moreover, operation of the slaughtering plant would be regulated by Government, and the details would be included in the licensing conditions.

37. <u>Dr KWOK Ka-ki</u> said that according to media reports, the Agriculture, Fisheries and Conservation Department (AFCD) had commissioned a consultant from the New Zealand to look into the risk of avian influenza in Hong Kong. He asked about the findings and recommendations of the study.

38. <u>SHWF</u> said that while the study had been completed some time ago, some follow-up research was being conducted. <u>Director of Agriculture</u>, Fisheries and <u>Conservation</u> (DAFC) added that the Administration had made reference to the recommendations in the report and some of them had been implemented already. At the request of Dr KWOK Ka-ki, <u>DAFC</u> agreed to provide the findings of the consultancy study to the Panel.

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39. In response to the Chairman's request for further information on the confirmed case of human infection of H5N1 in Guangzhou, <u>SHWF</u> said that Department of Health (D of H) was in discussion with the Mainland authorities to obtain further details of the case. According to the information available, the person who died of H5N1 in Guangzhou lived in urban area, but had stayed at poultry stalls in retail market. He was suspected to get infected in the market. Although the full report was not yet available, the initial test results showed that the virus was very similar to that recently discovered in dead wild birds in Hong Kong and backyard poultry in southern China. D of H would follow up the case. <u>SHWF</u> further said that AFCD officials would inspect the chicken farms in Guangzhou which supplied live chickens to Hong Kong in the following week. If the situation there was found normal, these farms could resume their supply of live chickens to Hong Kong.

40. <u>Mr TAM Yiu-chung</u> expressed concern about the commercial viability of the proposed slaughtering plant, as it would face keen competition from the chilled chicken supplied by the Mainland and the latter was much cheaper in price. Moreover, if many local chicken farm operators surrendered their licences under the voluntary surrender scheme in the coming three years, there would be low demand for central slaughtering in Hong Kong and the investment on the development of a slaughtering plant would be wasted. <u>Mr TAM</u> asked whether the Administration had estimated the financial implications for developing a slaughtering plant in Hong Kong.

41. <u>SHWF</u> responded that it was the Administration's intention to involve private sector in developing the slaughtering plant. He pointed out that the findings of the consultancy study suggested that it was commercially viable for private sector to be

involved in developing a poultry slaughtering plant. Overseas experience also showed that slaughtering plants operated by private sector were profitable. It would be a commercial decision for potential operators whether to invest in the business. <u>SHWF</u> said that the local chicken farms could remain in operation as long as they continued to adopt stringent biosecurity measures. Moreover, AFCD would provide assistance to local farmers to improve the quality of their produce. He believed that local freshly slaughtered chickens had an edge over those supplied by the Mainland in terms of quality and reputation.

42. <u>The Chairman</u> shared the concern expressed by Mr Vincent FANG and Mr TAM Yiu-chung. <u>The Chairman</u> said that since the prohibition of the sale of live ducks and geese at retail markets in 1997, all ducks and geese were slaughtered at the slaughtering plant at the Western Wholesale Food Market. However, since chilled ducks and geese from the Mainland were cheaper than those slaughtered locally, the slaughtering plant had no business and ceased operation. Given the experience of slaughtering plant for live ducks and geese, <u>the Chairman</u> asked why the Administration considered that freshly slaughtered chickens from local plant could have an edge over those chilled chickens supplied by the Mainland. <u>The Chairman</u> further asked about the contingency plan if the North District Council opposed the development of a slaughtering plant in the district.

43. <u>SHWF</u> explained that ducks and geese were natural carriers of the H5N1 virus, and it was based on public health considerations that Hong Kong and the Mainland authorities had agreed that no live ducks and geese would be imported into Hong Kong. However, according to the consultancy study on the commercial viability for private sector involvement in developing the slaughtering plants, some potential operators had expressed interest in the project. As regards the location of the slaughtering plant, <u>SHWF</u> said that the Administration considered it more appropriate for the plant to be relatively separated from major residential areas and closer to poultry farms in the Mainland. He believed that the development of a slaughtering plant would bring positive impact to the area, e.g. creation of employment opportunities.

44. In response to the Chairman, <u>SHWF</u> said that the consultancy study on the commercial viability for private sector involvement in developing the slaughtering plant was commissioned by the Efficiency Unit, and was completed in 2005.

45. Responding to Mr Tommy CHEUNG, <u>SHWF</u> said that he was most willing to meet with the live poultry trades and listen to their views on measures to prevent avian influenza. <u>Mr Tommy CHEUNG</u> pointed out that when the slaughtering plant for ducks and geese commenced operation in 1997, about 10 000 slaughtered ducks and geese were slaughtered each day. However, with the supply of poultry meat from the Mainland, only several hundreds of ducks and geese were slaughtered daily just before the plant ceased operation. He considered that the experience of the slaughtering plant for ducks and geese provided valuable reference in making a

decision on developing a slaughtering plant for chickens. <u>Mr CHEUNG</u> commented that while the Administration had previously advised that it was studying the viability of developing regional slaughtering of chickens, it now put forward the proposal of central slaughtering instead. <u>Mr CHEUNG</u> stated that he would not support the funding proposal for constructing the central slaughtering plant. <u>Mr CHEUNG</u> also asked whether slaughtered chickens from central slaughtering plant would be kept under a temperature of 4° C.

46. <u>SHWF</u> said that the problem of keeping slaughtered chickens as fresh as possible was common to both the options of central slaughtering and regional slaughtering. The Administration was open-minded on suggestions of keeping slaughtered chickens as warm meat until they reached the users. <u>SHWF</u> further said that if regional slaughtering was to be taken forward, a few sites would have to be identified. This would increase the risk of avian influenza because live chickens would have to be transported to the regional plants located in different parts of Hong Kong.

47. <u>Mr WONG Yung-kan</u> urged the Administration to seriously assess the effectiveness of the present measures of segregating live chickens from customers by acrylic panels at retail markets. He reiterated that if the measures were effective, it would not be necessary to develop central slaughtering, as the latter would have the effect of wiping out the live poultry industry.

48. <u>Mr Vincent FANG</u> said that the live poultry trade had demonstrated their opposition to the proposal of developing a slaughtering plant. He strongly urged the Administration to address the concerns of the trade. <u>Mr FANG</u> further said that as the earliest possible time for the slaughtering plant to come into operation would be 2009, the Administration should consider interim measures in the meantime. If such interim measures were proven effective, it would not be necessary to go for central slaughtering. <u>Mr FANG</u> suggested that the Administration should also allow flexibility for the traders to decide on the daily import of live chickens based on market demand. He believed that the traders would not import excessive number of live chickens if there was no such demand. <u>Mr FANG</u> also asked whether the Administration had conducted studies to compare the meat quality between those freshly slaughtered chickens from regional slaughtering plant (i.e. kept at 15° C) and those from central slaughtering plant (i.e. kept at 0° C to 4° C).

49. <u>SHWF</u> said that in view of the growing risk arising from the outbreak of avian influenza in different parts of the world recently, there was public support to develop a poultry slaughtering plant. However, the Administration was aware that some people in Hong Kong still preferred freshly slaughtered chickens to chilled chickens, and some segments in the poultry trade also objected to the proposal. The Administration would strive to strike a balance between safeguarding public health and maintaining supply of freshly slaughtered chickens. In addition, the Administration would actively discuss with the Mainland authorities stepping up control at source in relation

to the supply of safe chickens and day-old chicks from Mainland farms. He added that the development of slaughtering plant was a practical step to control the risk of avian influenza. <u>SHWF</u> appealed to members for their support in the development of a slaughtering plant.

50. <u>Dr KWOK Ka-ki</u> reiterated that he supported segregation of live poultry from humans, but he did not want to see strong confrontation from the trade. He suggested that the Administration should obtain the trade's support by clearly explaining to them the business opportunities under the central slaughtering options and that the Administration had no intention to wipe out the live poultry industry. To facilitate members' consideration of the central and regional slaughtering options, <u>Dr KWOK</u> requested the Administration to provide members with the findings of the consultancy study commissioned by the Efficiency Unit. <u>SHWF</u> agreed to provide the findings to the Panel and suggested that representatives of Efficiency Unit be invited to attend Panel discussion on the subject.

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Voluntary surrender scheme for live poultry traders

51. <u>Mr Vincent FANG</u> said that the compensation package for the voluntary surrender scheme was not attractive. Therefore only a small number of live poultry retailers had surrendered their licences/tenancies under the scheme.

52. <u>SHWF</u> responded that the amounts of ex-gratia payment and financial assistance under the scheme were approved by the Finance Committee. It was up to individual live poultry traders to decide whether to join the scheme.

53. <u>Mr WONG Yung-kan</u> said that the voluntary surrender scheme was unsuccessful because the compensation was insufficient to support the livelihood of the traders after they surrendered the licences. <u>Mr WONG</u> stressed that the traders wanted to continue their business, and the Administration should not wipe out the live poultry industry.

54. <u>Mr WONG Kwok-hing</u> said that according to the Administration, the development of the poultry slaughtering plant would affect about 3 000 operators and workers in the live poultry trade. He considered that most of the affected persons were live poultry workers. <u>Mr WONG</u> further said that in the absence of employment records for live poultry workers, only 35 such workers had so far been eligible for attending the special retraining courses under the voluntary surrender scheme. He considered that in anticipation of the development of the poultry slaughtering plant, the Administration should start to register the existing live poultry workers so that they would be eligible for compensation in future. <u>Mr WONG Yung-kan</u> added that the livelihood of the families of the 3 000 workers, and not only the workers themselves, would be affected by the development of a slaughtering plant.

55. <u>SHWF</u> said that the live poultry operators should have details of their employees. Given the high mobility of poultry workers, it was not appropriate for the Administration to register the poultry workers especially when there was no intention to ask the live poultry operators to cease operation.

Preventive measures against avian influenza outbreaks among wild birds

56. <u>Mr Andrew CHENG</u> said that several dead pigeons were recently found in the densely populated districts. As H5N1 tests were conducted on these pigeons, he would like to know the test results. He also asked about the measures to be taken to reduce the spread of avian influenza virus by wild birds, especially wild pigeons, as the latter were commonly found in urban areas.

57. <u>SHWF</u> responded that the test results of the dead pigeons collected on 13 March 2006 would be available in the afternoon of 14 March 2006. <u>SHWF</u> said that if the samples were tested positive for H5N1, the Administration would have to consider ways to address the problem especially if pigeons frequented densely populated areas. <u>SHWF</u> advised that it was not possible to cull all wild birds, and he appealed to the public not to feed wild birds and pigeons, as feeding the birds would induce them to gather at certain locations and cause environmental nuisances.

58. <u>Mr Andrew CHENG</u> asked whether the Administration had drawn up specific measures to reduce the threat of avian influenza posed by wild pigeons, now that backyard poultry keeping had been banned.

59. <u>Assistant Director of Agriculture, Fisheries and Conservation</u> said that wild pigeons were popular at public places worldwide. The chance of pigeons transmitting the H5N1 virus was considered relatively low according to overseas experience. He further said that the most effective way to tackle the problem was not to feed wild pigeons. He added that about 3 000 to 4 000 samples of wild birds, including wild pigeons, were tested for H5 avian influenza virus in a year, and none of the samples from wild pigeons carried the H5 virus.

60. <u>Mr WONG Yung-kan</u> said that to prevent the risk of avian influenza posed by wild pigeons, the Administration could make reference to the arrangement in Macau where wild pigeons were caught and reared at designated location. <u>SHWF</u> said that the Administration would devise measures that were most appropriate for the situation in Hong Kong.

61. <u>The Chairman</u> said that a number of birdwatchers had urged for the reopening of Mai Po Nature Reserve. He asked whether the Administration would accede to the requests. <u>SHWF</u> said that the Administration would take into account the environmental risk assessment before deciding to reopen the area for birdwatchers. The recent assessment showed that the risk of avian influenza remained high in the

area.

62. In response to Dr KWOK Ka-ki, <u>SHWF</u> said that the Administration had stepped up surveillance on and collecting samples from pet birds sold at the Bird Garden. As supply of birds and live chickens from Guangdong were temporarily suspended for three weeks, the Administration would discuss with the Mainland authorities when to lift the suspension.

63. In concluding the discussion, <u>the Chairman</u> said that the Panel would continue discussion of the comprehensive plan of action to reduce the risk of avian influenza outbreak at a future meeting. <u>The Chairman</u> requested the Administration to provide members with the relevant consultancy reports as requested. He urged the Administration to revert to the Panel once there was a decision on developing a slaughtering plant in Hong Kong.

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IV. Demerit points system for licensed food premises [LC Paper No. CB(2) 1335/05-06(04)]

64. <u>The Chairman</u> said that a submission from "Hong Kong Catering Industry Association" was received and tabled at the meeting.

[*Post-meeting note* : The submission was issued to members vide LC Paper No. CB(2)1414/05-06(14) on 15 March 2006.]

65. <u>DS(FEH)</u> said that the Administration's paper sought to seek members' views on the proposal to revamp the demerit points system for licensed food premises, as recommended by Team Clean in its final report published in August 2003. The Administration would consult the food trade on the proposals, and would take into consideration the views of the Panel and the trade when finalising the demerit points system.

66. <u>Mr WONG Kwok-hing</u> said that while he agreed that the demerit points should reflect the degree of food safety and public hygiene risks, he considered it stringent to impose a 21-day suspension of licence on accumulating the requisite number of points for the first time. <u>Mr WONG</u> pointed out that a 21-day suspension would probably mean closing down the food premises concerned, and it would have adverse impact on the licensees and their employees. <u>Mr WONG</u> further said that apart from imposing penalty on the licensees who committed an offence, the Administration should consider providing incentives to encourage them to improve the environmental and hygiene conditions of the food premises. He cited that the former Urban Council and Regional Council had launched cleanliness campaigns and categorisation scheme for food premises with the aim to enhance food safety and public hygiene of these premises.

67. <u>DS(FEH)</u> said that the proposed extension of the suspension period from seven to 21 days was based on Team Clean's recommendation. <u>Deputy Director of Food</u> <u>and Environmental Hygiene</u> (DD/FEHD) said that apart from enforcing the demerit points system to deter food business operators from breaching food safety and environmental hygiene requirements, the Administration had also stepped up educational and publicity efforts to encourage the operators to improve their standards. To enhance food safety supervision, large food premises and those selling high risk food were required to appoint both a Hygiene Manager and a Hygiene Supervisor, and other food premises either a Hygiene Manager or Hygiene Supervisor. Nevertheless, she would further consider Mr WONG's suggestion of providing more incentives for promoting the hygiene conditions of food premises.

68. <u>Mr Andrew CHENG</u> said that the proposal to revamp the demerit points system for licensed food premises to increase the deterrence against repeated convictions was in the right direction. He considered that food business operators should not be over-worried about the proposals if they complied with the requirements. <u>Mr CHENG</u> pointed out, however, that some individual offences as listed in the Annex of the Administration's paper were outdated. For instance, failure in maintaining spittle receptacles in the proper manner and displaying no spitting notices would result in 5 demerit points. He considered that the Administration should take the opportunity to update the schedule of demerit points to avoid unnecessary disputes between food business operators and enforcement officers.

69. <u>DD/FEHD</u> explained that the related offences were stipulated in the Public Health and Municipal Services Ordinance (Cap. 132) and its subsidiary legislation. Demerit points would be accorded to offences only upon conviction in court. Nevertheless, she agreed to consider members' views on the matter.

70. <u>Mr WONG Yung-kan</u> shared the view that the schedule of demerit points was outdated. <u>Mr WONG</u> said that sometimes food problems were caused by contamination at source or during transportation, rather than a result of unhygienic conditions of the food premises concerned. It was unfair to put all responsibility on the food operators. As the food trade had expressed grave concern about the proposals, he strongly urged the Administration to discuss with the food trade. <u>Mr WONG</u> also suggested that the Panel should convene a special meeting to listen to the trade's views.

71. <u>DD/FEHD</u> said that FEHD had met with the food trade before this meeting. She pointed out that the proposals also aimed to simplify the existing demerit point system and to better reflect the nature and severity of the offences committed. For example, the proposals would ensure that repeated convictions of a minor offence would not result in doubling or trebling of demerit points, while serious offences could lead to suspension of licence. Admin At the request of the Chairman, DD/FEHD agreed to provide information on 72. the number of licensed food premises with their licences suspended in the past three years, and the reasons for suspension.

73. Dr Joseph LEE said that while he supported the proposals in principle, the Administration should also provide incentives for those operators who had not breached the food safety and hygiene requirements. Dr LEE asked about the reasons for classifying the offences into four groups instead of three groups as under the existing mechanism. He wondered whether lowering demerit points of 5 to 3 for some offences implied that the existing penalty for the offences concerned was too Dr LEE further asked whether food premises could resume operation stringent. automatically upon expiry of the suspension period.

DD/FEHD said that the Administration proposed to classify the offences into 74. four groups to better reflect the degree of food safety and public hygiene risks posed by each of these offences. More demerit points would be accorded to offences that carried high food safety or public hygiene risks, whereas demerit points accorded to offences with low food safety or public hygiene risks, e.g. unauthorised minor alteration to the approved layout plan, would be reduced. DD/FEHD further said that all food premises were subject to regular inspections under a risk-based system. DD/FEHD added that FEHD was studying the categorisation system of licensed food premises, and members would be consulted on the recommendations in due course.

Dr Joseph LEE requested the Administration to provide a comparison of the 75. existing demerit points assigned to individual offences with the proposed demerit points. DD/FEHD agreed to provide the information after the meeting.

76. Dr Joseph LEE enquired about the rationale for extending the licence suspension period from seven to 21 days on accumulating the requisite number of points. DS(FEH) said that the proposal was based on Team Clean's recommendation.

77. Mr Tommy CHEUNG welcomed the proposal to introduce less demerit points for offences with low food safety or public hygiene risks. Mr CHEUNG said that the food trade attached great importance to protecting public health. If rats or insects were found in food premises, no customers would patronise the food premises concerned. However, Mr CHEUNG considered the proposed schedule of demerit points stringent and outdated. For example, it was proposed that 15 demerit points would be accorded to the operators if they employed persons likely to spread diseases. He wondered how the operators could identify such employees, and health checks for employees would add costs to the operators. Mr CHEUNG further said that it was unfair to hold those licensees operating within public markets responsible for breaches of the hygiene requirements, as public markets were managed by FEHD.

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78. <u>Dr KWOK Ka-ki</u> said that while he was generally in support of the proposals, he was concerned about the enforceability of the proposal to accord 15 demerit points for employment of persons likely to spread diseases and persons not properly immunised against certain diseases. While he agreed that the accumulation of a specified level of demerit points should result in suspension of a licence, he suggested the Administration to consider establishing an appeals tribunal for the aggrieved licensees to lodge appeals. <u>Dr KWOK</u> added that the Administration should provide incentives to those operators who complied with the requirements.

79. <u>DD/FEHD</u> said that a licensee would be convicted of employment of persons likely to spread diseases only when there was sufficient evidence to substantiate that the licensee knowingly committed the offence. It would be a defence for the licensee if he had no knowledge that his employees would spread diseases. As regards the offence against employment of persons not properly immunised against certain diseases, FEHD had requested those working in the trade to be inoculated against smallpox, typhoid fever and cholera in the past. This was no longer required. However, should the Administration regard it necessary to impose inoculation requirements against certain diseases in future, it would rely on the existing provisions in the legislation. Demerit points of 15 were accorded to such an offence due to the serious nature. <u>DD/FEHD</u> further said that the Administration would discuss with the food trade whether certain individual offences should be retained in the proposed schedule of demerit points.

80. <u>The Chairman</u> said that the Administration's proposals were generally acceptable. However, he considered it too stringent to extend the licence suspension period from seven to 21 days upon the accumulation of 15 demerit points within a period of 12 months, and to cancel the licence upon the accumulation of another 15 demerit points. In his view, it would be more appropriate to retain the present arrangement of a further suspension, i.e. an accumulation of 15 demerit points within a period of 12 months would lead to first suspension of licence for seven days, and a further suspension for 21 days if another 15 demerit points were accumulated. The licence would be cancelled if another 15 demerit points were accumulated after being suspended for the second time. <u>The Chairman</u> further said that the Administration should also take the opportunity to update the offences to be included in the schedule of demerit points.

81. <u>The Chairman</u> said that a special meeting would be held on 31 March 2006 to gauge the views of the food trade on the proposed demerit points system for licensed food premises.

[*Post-meeting note* : The special meeting was subsequently held on 6 April 2006.]

V. Any other business

82. The meeting ended at 11:05 am.

Council Business Division 2 Legislative Council Secretariat 8 May 2006