立法會 Legislative Council

LC Paper No. CB(2)2803/07-08 (These minutes have been seen by the Administration)

Ref: CB2/PL/FE

Panel on Food Safety and Environmental Hygiene

Minutes of special meeting held on Monday, 16 June 2008, at 5:30 pm in the Chamber of the Legislative Council Building

Members present

: Hon Tommy CHEUNG Yu-yan, SBS, JP (Chairman)

Hon Fred LI Wah-ming, JP (Deputy Chairman)

Hon WONG Yung-kan, SBS, JP Hon Andrew CHENG Kar-foo Hon TAM Yiu-chung, GBS, JP Hon Vincent FANG Kang, JP Hon WONG Kwok-hing, MH Dr Hon Joseph LEE Kok-long, JP

Dr Hon KWOK Ka-ki

Members attending

: Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP

Hon CHAN Yuen-han, SBS, JP Hon CHEUNG Hok-ming, SBS, JP

Member absent

: Hon Alan LEONG Kah-kit, SC

Public officers attending

: Food and Health Bureau

Dr York CHOW Yat-ngok Secretary for Food and Health

Ms Olivia NIP Sai-lan

Deputy Secretary for Food and Health (Food)

Mr Owin FUNG Ho-yin

Principal Assistant Secretary for Food and Health (Food)3

Food and Environmental Hygiene Department

Mr CHEUK Wing-hing Director of Food and Environmental Hygiene

Dr Constance CHAN Hon-yee Controller, Centre for Food Safety

Ms Alice LAU Yim
Deputy Director of Food and Environmental Hygiene
(Environmental Hygiene)

Agriculture, Fisheries and Conservation Department

Miss CHEUNG Siu-hing Director of Agriculture, Fisheries and Conservation

Dr Thomas SIT Hon-chung Assistant Director (Inspection and Quarantine)

Department of Health

Dr Thomas TSANG Ho-fai Controller, Centre for Health Protection

Customs and Excise Department

Mr TAM Yiu-keung Assistant Commissioner (Intelligence and Investigation) (Acting)

Attendance by invitation

: <u>Hong Kong and Kowloon Poultry Dealers and Workers</u> Association

Mr WONG Wing-nam Chairman

Mr WU Por-yin Auditor

Kowloon Poultry Transporter and Poulterer Association

Mr WONG Tak-leung Chairman

Mr CHAN Tak-sing General Affairs Officer

The New Territories Chicken Breeders Association Limited

Mr WONG Yee-chuen Chairman

Mr LEE Leung-kei Director

Hong Kong Poultry Wholesalers Association

Mr TSUI Ming-tuen Chairman

Hong Kong Poultry Wholesalers and Retailers Association

Mr WONG Wai-chuen Chairman

Quality Broiler Development Association

Ms FUNG Choi-yuk Chief Secretary

The World's Poultry Science Association (Hong Kong Branch)

Mr Peter WONG Chun-kow President

Poultry Trade Workers Union

Mr WONG Tai Committee Member

Mr CHAN Lam-fai Committee Member

<u>Federation of Hong Kong Kowloon New Territories Hawker Associations</u>

Mr TSANG Kam-ming

Chairman

Kowloon Poultry Laan Merchants Association

Mr NG Chi-kin

Chairman

Honwal Healthy Agro Products Co Ltd

Mr KWOK Ming-cheung

Director

Mr CHUNG Yiu-wah

Director

Professor Frederick LEUNG Chi-ching

School of Biological Sciences, The University of Hong Kong

Clerk in : Miss Flora TAI

attendance Chief Council Secretary (2)2

Staff in : Ms Alice LEUNG

attendance Senior Council Secretary (2)1

Ms Anna CHEUNG

Legislative Assistant (2)2

Action

I. Issues relating to the discovery of H5N1 virus in chickens at retail markets

[LC Paper Nos. CB(2)2279/07-08(01) and (02)] [FCR(2001-02)10 and FCR(2003-04)67]

Hong Kong and Kowloon Poultry Dealers and Workers Association

Mr WONG Wing-nam said that the live poultry trade operators and workers had suffered great loss in business and income as a result of the decision of the Administration to cull all live chickens at wholesale and retail levels. He further said that the live poultry trade objected to the Administration's proposal to implement daily cleaning and ban the stocking of live chickens overnight at retail outlets ("daily cleansing") because it would make it impossible for the trade operators to operate. If the Administration insisted on implementing the proposal, the live poultry stalls at the public markets would rather surrender their live poultry

retail licences to the Food and Environmental Hygiene Department (FEHD). He hoped that the Administration would continue to discuss with the trade about the compensation package for trade operators and their workers.

Kowloon Poultry Transporter and Poulterer Association

2. <u>Mr WONG Tak-leung</u> pointed out that the suspension of live chicken imports from the Mainland and dispatch of live chickens from local farms to retail outlets had affected greatly the livelihood of live poultry transport operators and their workers. He hoped that the Administration would provide ex-gratia payment to them to help relieve their hardship. <u>Mr CHAN Tak-sing</u> requested that the Administration should also consider waiving the parking fee for parking spaces in the wholesale markets.

The New Territories Chicken Breeders Association Limited [LC Paper Nos. CB(2)2295/07-08(02) and CB(2)2336/07-08(01)]

3. Mr WONG Yee-chuen presented the views of the organization as detailed in its submissions. He pointed out that, as no abnormalities were detected in the chickens at local farms, the Administration should work out immediately the arrangement for resumption of live chicken supply from local farms to retail outlets. He said that local chicken farms had suffered great financial loss amounted to some \$15,289,000 resulting from the decision of Administration to ban the dispatch of local live chickens to markets. Mr WONG further said that the Administration should review its policy of allowing live chickens and chilled chickens to be sold concurrently at the same retail outlets as it would lead to increased risk of cross-contamination.

Hong Kong Poultry Wholesalers Association

4. <u>Mr TSUI Ming-tuen</u> commented that the Administration should have shouldered the primary responsibility for the incident of the discovery of H5N1 avian influenza virus instead of throwing the blame on the live poultry trade. He called on the Administration to find out the source of the virus.

Hong Kong Poultry Wholesalers and Retailers Association [LC Paper No. CB(2)2336/07-08(02)]

5. Mr WONG Wai-chuen presented the views of the organization as detailed in its submission. The Hong Kong Poultry Wholesalers and Retailers Association requested that the compensation to the live poultry wholesale and retail traders for the live chickens slaughtered by the Administration should be increased from \$30 per chicken to \$60 per chicken in view of the inflation, the increase in rent and wages since 2001. The Administration should also increase the ex-gratia payment to live poultry stalls in markets from \$30,000 to \$40,000 and Fresh Provision Shops (FPSs) and the markets managed by the Link Management Limited (the

LINK) from \$60,000 to \$80,000. The Association also requested that the Administration should provide compensation to live poultry retailers for the dressed poultry and chilled/frozen poultry products seized and allow the retail outlets to resume their sale of chilled chickens. On the Administration's proposed measure of "daily cleansing" at markets, Mr WONG said that the Association objected to the proposal and, given that central slaughtering would be implemented in the near future, their members were left with no other choice but to surrender their licenses to the Administration in return for compensation.

Quality Broiler Development Association

6. <u>Ms FUNG Choi-yuk</u> pointed out that local chicken farms and retailers had already implemented various bio-security and precautionary measures, in compliance with the requirements made by the Administration, to guard against the H5N1 avian influenza virus. She criticized the Administration for its failure to find out the source of the virus and formulate a long-term farming policy to assist local farmers.

The World's Poultry Science Association (Hong Kong Branch) [LC Paper No. CB(2)2295/07-08(03)]

7. Mr Peter WONG Chun-kow presented the views of the organization as detailed in its submission. He considered that laboratory contamination might be the probable reason for the detection of virus in the faecal samples taken at markets and urged the Administration to look into this possibility carefully. As regards the Administration's proposal of implementing central slaughtering of live poultry in Hong Kong, he requested that the Administration should organize open forums for academics, experts, stakeholders and the public to participate and express their opinions.

Poultry Trade Workers Union [LC Paper No. CB(2)2295/07-08(01)]

8. Mr WONG Tai presented the views of the Union as detailed in its submission. The Union considered that the Administration should resume expeditiously live chicken imports from the Mainland, and provide ex-gratia payment to the affected workers to help them tide over their financial difficulties. He said that the Administration should step up its efforts to combat smuggling activities of live chickens into Hong Kong and change its policy to allow application of vaccines to sentinel chickens at local farms.

Federation of Hong Kong Kowloon New Territories Hawker Associations

9. Mr TSANG Kam-ming said that the Federation of Hong Kong Kowloon New Territories Hawker Associations represented the traders of the live poultry stalls at the public markets managed by FEHD. The Federation considered that the Administration should consult fully the live poultry trade on any policy change that might affect the operating environment of the trade and offer compensation to the trade if the change in the policy had adverse impact on its business. He commented that it would be very difficult for the public markets to compete with the supermarket chain stores if live poultry stalls ceased to operate at public markets.

Kowloon Poultry Laan Merchants Association

10. Mr NG Chi-kin pointed out that the wholesale operators at the Cheung Sha Wan Wholesale Market faced great difficulties in running their business due to the incidents of detection of avian influenza virus at live chickens in Hong Kong over the past few years. In the light of this and given that no H5N1 avian influenza virus had been detected at local farms so far, the Administration should compensate the trade's financial loss resulting from the order declared by the Administration to cull all live chickens at wholesale and retail markets.

Honwal Healthy Agro Products Co Ltd [LC Paper No. CB(2)2295/07-08(04)]

11. Mr KWOK Ming-cheung presented the views of the company as detailed in its submission. He commented that the decision of the Administration to suspend the supply of live chickens from local farms to the markets had caused great financial difficulties to local chicken farmers. He considered that, when the 21-day suspension period expired, the Administration should firstly allow local live chickens to be dispatched to the markets so as to avoid oversupply of live chickens and overcrowding of live chickens at farms. Mr KWOK considered that, to rebuild public's confidence in live chickens, live chickens imported from the Mainland and those supplied from local farms should be sold separately at different retail outlets. He expressed objection to the proposed implementation of central slaughtering and considered that the adoption of the new design of "chicken boutique" at live poultry stalls in public markets had been proved effective in safeguarding public health.

Professor Frederick C C LEUNG, School of Biological Sciences, The University of Hong Kong [LC Paper No. CB(2)2295/07-08(05)]

12. <u>Professor Frederick C C LEUNG</u> presented his personal views on the incident as detailed in his submission. He considered that live chickens from Po On Road Market should have been checked whether they were infected with the Highly Pathogenic Avian Influenza (HPAI) H5N1. Culling of all the chickens in the markets before finding the data would just give the virus a chance to hide. He

said that he had all along held the view that culling all the chickens in Hong Kong would not stop the occurrences of HPAI H5N1 in Hong Kong. Non-infected chickens posed no threat to the general public and were safe for consumers to eat.

The Administration's response

- 13. <u>Secretary for Food and Health</u> (SFH) gave the following responses to the views given by the deputations -
 - (a) the efforts made by the Administration and farmers in preventing the spread of avian influenza in Hong Kong had proven very successful in the past years, and such efforts were highly commended by the World Health Organization. The detection of avian influenza virus in public markets indicated that the current monitoring system was effective. However, given that H5N1 avian influenza virus was detected in the environmental samples collected at the four public markets, it showed clearly that that the source of the virus came from chickens and there was a spread of H5N1 virus in the markets. The Administration's decision to cull the chickens was made on scientific evidence;
 - (b) on tracing the source of the infections, the HKU had completed gene sequencing test of the virus detected in environmental swabs taken from the four public markets on 3 and 7 June 2008. The results showed that the viruses were found to have very similar gene sequences to each other;
 - (c) the Administration had indeed taken some chickens from the markets for laboratory testing before culling all the live chickens at the markets. All tests had been completed and no abnormalities were found. The results of rapid tests for the H5N1 virus of the environmental samples collected at wholesale markets, retail outlets and local farms were negative. However, not all the results of chicken embryo inoculation tests were available yet and it was expected that the results would be available in a few days;
 - (d) the Mainland inspection and quarantine authorities had confirmed that there were no abnormalities in registered chicken farms supplying Hong Kong;
 - (e) the Administration had held several meetings with the affected live poultry trade and requested the affected trade operators to provide relevant detailed information to the Administration in order to facilitate the working out of the ex-gratia payment/compensation proposals;

- (f) the detection of H5N1 virus in the environmental samples taken in public markets showed that there were inadequacies in the preventive and control measures at retail level. The implementation of the enhanced preventive measure of "daily cleansing" at retail outlets would reduce the risk of the virus spread and safeguard public health. The Administration would continue to discuss with the live poultry trade the proposed "daily cleansing" measure; and
- (g) it had all along been the Administration's policy objective that separation of live poultry from humans was the most effective way to eradicate the risk of avian influenza outbreaks in Hong Kong.

Compensation to the affected live poultry trade

- 14. <u>The Chairman</u> asked whether the Administration had any timetable to discuss with the Panel its compensation/ex-gratia payment proposals to the affected live poultry trade before submitting the proposals to the Finance Committee (FC) for approval. <u>SFH</u> responded that the Administration noted that 4 July 2008 was FC's last meeting scheduled for this session and would endeavour to work out the proposals within a relatively short time-frame.
- 15. On the compensation to the traders for the live chickens culled by the Administration, <u>Dr KWOK Ka-ki</u> considered that, in view of the inflation over the past years, the Administration should review and increase the price of \$30 per chicken. <u>SFH</u> responded that the Administration would make reference to past compensation/ex-gratia packages offered to the affected live poultry trade as a basis for making a review.
- 16. Mr WONG Yung-kan said that, being the Member returned from the agriculture and fisheries constituency, he was deeply saddened by the Administration's policy on preventing avian influenza which was detrimental to the live poultry trade. He pointed out that the trade had implemented the enhanced biosecurity measures as required and advocated by the Administration and there was no detection of H5N1 avian influenza virus in local chicken farms since the implementation. Mr WONG further said that H5N1 avian influenza virus was commonly found in wild birds and the proposed enhanced "daily cleansing" measure to be introduced at retail outlets could not control avian influenza. He commented that, apart from providing compensation/financial assistance to the trade, the Administration should put forward proposals to assist the trade to continue their business.
- 17. Mr Vincent FANG shared similar view with Mr WONG Yung-kan. He said that the live poultry trade had been very cooperative in abiding by the measures adopted by the Administration in combating avian influenza. Having regard to the fact that the Administration had planned to implement central slaughtering in a few years time, which would wipe out the whole live poultry retail trade and affect

greatly the operators, transporters and workers in the whole live chicken supply chain, the Administration should consider working out more generous compensation proposals to the live poultry trade so that they could consider whether they would surrender their licences at this stage. Mr FANG also queried why the source of the virus could not be traced, despite the Administration had carried out many checks and inspections to wholesale markets, local farms and Mainland registered farms.

- 18. <u>Mr Andrew CHENG</u> said that he was very sympathetic to the situation of the live poultry trade and, in view of the large financial surplus, the Administration should be more generous to the trade as they would be greatly affected by the Administration's new policy for safeguarding public health.
- 19. On members' views, SFH explained that, given that avian influenza virus was detected in the environmental samples collected in public markets, which was a sign that there was a spread of virus in markets, the Administration had to take appropriate actions to safeguard public health. SFH said that the sale of live chickens at retail outlets would be resumed provided that the proposed "daily cleansing" measure was agreed by the live poultry trade and the Administration would continue to discuss with the trade with a view to reaching a consensus on this proposal. However, should the trade consider it difficult to comply with the "daily cleansing" requirement at retail outlets and opt to surrender their licences/tenancies to FEHD and cease their business, the Administration would be willing to consider working out an "ultimate" compensation proposal for voluntary surrender of live poultry licenses/tenancies. SFH added that, should there be any arrangement for retail traders to close down their business, the Administration would be prepared to consider the trade's request for switching their business to the sale of chilled chickens.
- 20. Ms CHAN Yuen-han said that she was particularly concerned about the financial assistance to be offered to the affected live poultry workers. She was strongly of the view that the provision of financial assistance to these workers should be formed as a separate budget item in the Administration's financial proposal for FC's approval. She considered that the Administration should consider using records of free vaccination against avian influenza as evidence to substantiate the claims of poultry workers for compensation. Mr WONG Kwok-hing shared the view of Ms CHAN Yuen-han. He pointed out that, as many live poultry workers were piece-rated causal workers and would not be entitled to join any Mandatory Provident Fund (MPF) schemes, they would not be able to provide any MPF records as a form of proof. In response, SFH said that the concern raised by Ms CHAN Yuen-han and Mr WONG Kwok-hing would be addressed when the Administration worked out its proposal to provide financial assistance to help the affected workers.
- 21. <u>The Chairman</u> reminded the Administration that a motion on "Relief measures and compensation policies for the live poultry trades" was passed at the

Council meeting on 29 November 2006 urging the Administration to introduce relief measures to prevent the live poultry trade from being severely hit including providing financial assistance to workers who were not employed on a long-term basis, if there was a need to suspend the import of live poultry and birds from the Mainland in the event of an outbreak of avian influenza there.

Suspension of sale of live chickens

- 22. Mr Vincent FANG said that, given that there was no sign of infection of avian influenza virus among chickens in local farms, he considered that the Administration should allow local chicken farms to dispatch chickens, particularly those mature chickens, to markets for sale. Mr WONG Kwok-hing also asked whether live chickens in local farms could be supplied to food premises so as to relieve the overcrowding of live chickens at local farms and the problem of mature chickens.
- 23. <u>SFH</u> explained that the Director of Agriculture, Fisheries and Conservation had exercised the statutory power to declare all markets and FPSs selling live poultry as infected places, and no handling of chickens or chicken products could take place at the markets. <u>SFH</u> reiterated that the results of chicken embryo inoculation tests would be available in a few days and the test results could confirm whether avian influenza virus was found in local farms. He, however, stressed that, even if there was no discovery of H5N1 avian influenza virus in local farms, sale of live chickens at retail outlets could not be resumed as long as the infected place orders were in force.
- 24. On the Administration's response, the Chairman pointed out that chilled chickens were available for sale in some FPSs and supermarket chain stores. He asked whether the Administration would consider allowing those live poultry retail traders who were also permitted to sell chilled chickens to resume chilled chicken sales during the suspension period so as to lessen the traders' financial difficulties.
- 25. <u>SFH</u> responded that the decision of banning live chicken imports from the Mainland and live chicken supplies from local farms for 21 days was made with reference to the guidelines of the World Organization of Animal Health (OIE). He reiterated that, given that H5N1 virus had been found in four public markets, all markets and fresh provision shops selling live poultry had been declared infected places.
- 26. The Chairman remained unconvinced of the Administration's explanation and questioned why chilled chicken sales could be allowed in some FPSs where there might be public markets/FPSs, which were considered as infected, in the vicinity. SFH explained that, given that the FPSs concerned all along had live chickens on sale and there was potential risk of avian influenza virus infection, they had been declared as infected places. In view that there were four public markets where avian influenza virus had been detected, this was an indication that there was

a spread of avian influenza. Despite the fact that there was no detection of avian influenza virus in the environmental samples taken in other public markets, the possibility of the risk of infection could not be ruled out.

27. Mr WONG Yung-kan asked whether public markets were also included in the 21-day suspension period as referred to in the OIE guidelines. Assistant Director (Inspection and Quarantine) of the Agriculture, Fisheries and Conservation Department (AD(I&Q)/AFCD) responded that, in accordance with the OIE guidelines, all places involved in the poultry trade, including wholesale market, retail outlets, would be considered as infected places if avian influenza virus was found in these places. In the infected place, all live poultry as well as poultry products were not allowed to leave. In respect of import control of live poultry, different jurisdictions might have set different policies taking into account their local situations (i.e. whether agricultural activities were their main economy activities or their biosecurity requirements). AD(I&Q)/AFCD said that, in the light of the OIE guidelines, the Administration had recently formulated a zonal approach policy to control the import of live poultry and poultry products in dealing with different scenarios of HPAI outbreak in Guangdong Province. Under the zonal approach policy, live chicken imports from the whole Guangdong Province would be prohibited for 21 days if there was a confirmed outbreak of HPAI in any single registered farm for supplying live poultry to Hong Kong on the Mainland.

Problem of smuggling of live chickens

- 28. <u>Dr KWOK Ka-ki</u> commented that the Administration failed to locate the source of the infected chickens in question, and could not confirm whether the infected chickens came from the Mainland registered chicken farms or the infected chickens were smuggled chickens which were mixed with those imported from registered chicken farms on the Mainland. He asked whether the live chickens sold at the four public markets concerned came from the same registered chicken farms.
- 29. Assistant Commissioner (Intelligence and Investigation) (Acting) of Customs and Excise Department (AC(II)(Ag)/C&ED) responded that there was no evidence showing that there was frequent occurrence of large scale smuggling activities involving live chickens across the border. From 2007, C&ED in collaboration with the Police had detected three cases of smuggled live chickens by sea. There were another two suspected cases of smuggled live chickens which were seized by AFCD. The last case of smuggling of live chickens occurred in January 2008. AC(II)(Ag)/C&ED said that C&ED had followed up the claims from the trade that chickens were smuggled into Hong Kong by containers across the border, and stepped up inspections of container vehicles. Since January 2008, some 2 600 containers had been inspected and yet, no signs of such smuggling activities had been found. In respect of the recent incident of detection of H5N1 avian influenza virus in four public markets, C&ED had collaborated with AFCD and FEHD in conducting investigation on whether there were any smuggled chickens involved. For the purpose of the investigation, C&ED officers had made

inquiries with the live poultry stall traders as well as the traders of other stalls and the security staff in these four public markets and was checking and verifying the documents provided by the traders, including the wholesalers concerned. Sofar, no signs of suspicion had been detected.

- 30. As regards Dr KWOK Ka-ki's question about the source of supply of chickens of the four pubic markets concerned, Director of Food and Environmental Hygiene (DFEH) said that the tracing involved 18 Mainland registered chicken farms and more than 20 local farms. FEHD staff had so far visited eight of those Mainland farms last week and did not detect any abnormalities in their live chickens. Inspection to the remaining 10 Mainland farms was being arranged. During the visits, the facilities of chicken farms, environmental hygiene, farm biosecurity, vaccination records and drug residues test results had been inspected. DFEH also pointed out that the possibility of the mixing of live chickens from nonregistered chicken farms with that from Mainland registered chicken farms was rather low. There were stringent hygiene and bio-security requirements imposed on the registered chicken farms by the Mainland authorities. Chickens to be exported to Hong Kong had to be quarantined for five days and tested by the relevant provincial Entry-Exit Inspection and Quarantine Bureaus. Chickens would then be sealed for export to Hong Kong. FEHD staff would verify and collect health certificates accompanied with the live chickens and inspect the seals at Man Kam To Border Control Point. After physical inspection of the poultry consignment, blood samples and cloacal swabs were taken for testing of antibody level and avian influenza virus. The inspected live chickens were transported directly to Cheung Sha Wan Poultry Wholesale Market and released for sale only upon confirmation that they were tested free from H5 avian influenza virus.
- 31. The Deputy Chairman enquired whether there had been any cases of smuggled chickens in public markets. He wondered whether the Administration could detect smuggled chickens that had been mixed for sale with other chickens coming from registered farms. He also expressed concern about some media reports that people could bring along very easily undercooked chickens when returning from Mainland via Lo Wu.
- 32. <u>DFEH</u> responded that, under the present licensing regime, the poultry retailers would be in contravention of the tenancy/licensing conditions and would be liable for prosecution or had his tenancy terminated/licence revoked if they were found to keep live chickens from unknown sources. FEHD had prosecuted two such cases so far and, in one of the cases, the licence of the retail trader concerned was suspended for six months. In the other case, the charge was subsequently dropped due to insufficient evidence. On the Deputy Chairman's concern about the smuggling of undercooked chickens, <u>DFEH</u> advised that, before 20 March 2008, persons who were found bringing in raw meat/undercooked poultry meat for the first time would be given warning and they would be prosecuted if they committed such offence again. However, since 20 March 2008, all persons found bringing in raw meat/undercooked poultry meat into Hong Kong would be prosecuted without

any warning. There were some 500 cases of prosecutions since March 2008. He added that the Government Laboratory could carry out the test for catalase activity to distinguish raw meat from cooked meat.

Implementation of "daily cleansing" at retail outlets

- 33. As regards the proposed "daily cleansing" measure at retail outlets, the Deputy Chairman asked whether the Administration could implement such measure by amending the licensing conditions. He further asked whether the Administration would consider implementing mandatory "daily cleansing" by legislation if the live poultry trade objected to the implementation.
- 34. <u>SFH</u> responded that the "daily cleansing" measure was a necessary measure to avoid accumulation of virus at markets. If the hygiene conditions and standards at markets could not be ensured, there might be possibility of re-occurrence of the incident. <u>DFEH</u> supplemented that the Administration could implement the "daily cleansing" measure at public markets through amending tenancy conditions. However, according to the legal advice given by the Department of Justice, legislative amendments would be necessary to effect such measure at FPSs and live poultry stalls in private markets.
- 35. On the Administration's response, the Deputy Chairman sought clarification from the Administration whether the Administration intended to further extend the 21-day suspension on live chicken imports and sales in markets or introduce legislative amendment to put the "daily cleansing" policy into effect. SFH responded that the Administration would need to take into account the trade's views and responses to the proposed "daily cleansing" measure before a decision could be made.
- 36. The Chairman asked whether there would be a situation where live chicken supply would only be resumed at public markets as the "daily cleansing" measure could be implemented there simply by amending the tenancy conditions. Given that the legislative amendment would take some time, live chicken sales could not be resumed at FPSs or live poultry stalls at private markets or markets under the management of the LINK. In response, <u>SFH</u> said that public market live poultry stalls and FPSs would not be treated in a different way. The Administration would adopt the same measures to prevent the risk of avian influenza posed by live poultry at the retail outlets.
- 37. Mr Andrew CHENG commented that AFCD, FEHD and C&ED failed to take any actions to address the problem of smuggled chickens and follow up on the unusual situation where no reports of dead chickens had been made by the retail traders. As such, he considered that the Administration should be held responsible for the incident of the detection of H5N1 avian influenza virus in public markets. Mr CHENG said that the trade's support to the implementation of "daily cleansing" measure was important. If the trade found it difficult to implement this measure

and would rather return their live poultry licences, the Administration should work out a generous compensation proposal to the trade operators.

- 38. <u>SFH</u> responded that the Administration would need to continue its discussion with the trade the "daily cleansing" proposal. Should the trade indicate that they would not accept the proposal and prefer to surrender their licences, the Administration would of course need to consider working out "buyout" proposals for the live poultry trade. However, it would not be possible for the Administration to make such a decision at this stage. <u>SFH</u> assured members that, should there be a need to legislate the "daily cleansing" measure at retail outlets, the Administration would strike a balance between the public health, the interests of the trade and the eating habits of Hong Kong people.
- 39. On Mr Andrew CHENG's comment on the work of FEHD, <u>DFEH</u> advised that both public market live poultry stalls and FPSs were required to comply with the tenancy/licensing conditions imposed on them and any breach of the conditions might lead to revocation of their tenancies/licences. He pointed out that FEHD staff would inspect public markets twice a day, each in the morning and in the afternoon. Over the past 12 months, FEHD had carried out a total of 78 investigative actions, including some prolonged ambushes, but no irregularities were found. <u>DFEH</u> added that the trade's cooperation was important in combating smuggling activities of live chickens.
- 40. The Deputy Chairman said that, if live poultry trade would rather accept the compensation and surrender their licences because of the anticipation of difficulties in operating their business due to the implementation of "daily cleansing" at retail outlets, there would be no need to implement central slaughtering.
- 41. <u>The Chairman</u> remarked that, if the Administration would undertake that central slaughtering would not be introduced after the implementation of "daily cleansing" at retail outlets, the trade might have a different view on the proposal.
- 42. <u>Dr KWOK Ka-ki</u> said that the Panel had discussed the subject of the development of a poultry slaughtering and processing plant (PSPP) in Hong Kong on various occasions and members had expressed concern that the future operator of the plant would monopolize the live poultry market and the supply of "freshly slaughtered chicken". He considered that the Administration should draw on the experience of Singapore and consider setting up several regional slaughtering plants in Hong Kong.
- 43. In response, <u>SFH</u> said that the Administration had taken note of members' concerns about the operation of PSPP. When the Administration discussed with the Panel the subject of the poultry slaughtering and processing plant in November 2008, the Administration had already advised members that, to address the concerns of members, the future plant operator would be required to enter an agreement with the Administration. Under the agreement, the operator would be

Action

required to comply with the terms and conditions that would regulate the slaughtering fee and the monopoly of PSPP in the market. <u>SFH</u> added that the Administration would continue to review its plan for the development of PSPP.

II. Any other business

44. There being no other business, the meeting ended at 7:30 pm.

Council Business Division 2 <u>Legislative Council Secretariat</u> 23 September 2008