

立法會
Legislative Council

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**Paper for the House Committee meeting
on 1 December 2000**

**Report of the Subcommittee on subsidiary legislation
relating to revision of fees and charges
gazetted on 10 November 2000**

Purpose

This paper reports on the deliberations of the Subcommittee on subsidiary legislation relating to revision of fees and charges gazetted on 10 November 2000.

The Amendment Regulations

2. L.Ns. 301 to 325 are subsidiary legislation relating to revision of fees and charges and may be grouped under the following four categories -
- (a) Amendment Regulations in respect of fees and charges for licences and services relating to waste disposal, water and air pollution control, noise control, ozone layer protection, environment impact assessment and dumping at sea (L.Ns.301-312);
 - (b) Amendment Regulations in respect of fees and charges relating to registration of various healthcare professionals (L.Ns. 313-323);
 - (c) Amendment Regulation in respect of fees and charges for licences and services relating to the control of dutiable commodities (LN. 324) ; and
 - (d) Amendment Regulation in respect of fees for lottery, tombola, amusements with prizes, and trade promotion competition licences (L.N. 325).

The Subcommittee

3. The House Committee agreed at its meeting on 17 November 2000 to form a Subcommittee to examine the 25 items of subsidiary legislation relating to revision of fees and charges gazetted on 10 November 2000.

4. Under the chairmanship of Hon James TIEN, the Subcommittee met the Administration on 24 November 2000. The membership list of the Subcommittee is in the Appendix.

Deliberations of the Subcommittee

Government policy on fees and charges

5. Members note that it is Government policy that fees should in general be set at levels sufficient to recover the full cost of providing the services on a cost recovery basis. Most government fees and charges have been frozen since February 1998 as an exceptional measure to ease the burden on the community at a time of economic setback. In view of the current state of economic recovery, the Administration consulted the relevant LegCo Panels in June 2000 on proposals to revise various fees that would not directly affect people's livelihood or general business activities. Members of the Panels concerned did not raise any objection to the proposed revision.

6. Hon LAU Chin-shek and Hon Frederick FUNG Kin-kee strongly object to the proposed increases as they share the view that Government should not take the lead to increase fees and charges.

The proposed revision

L.Ns. 301 - 312

7. In this group of Amendment Regulations in respect of fees and charges for licences relating to waste disposal, water and air pollution control, noise control, ozone layer protection, environmental impact assessment and dumping at sea, a total of 48 items of fees revision are involved. Of the 48 items, the fees of 23 items are adjusted upwards with less than 10% increase for 13 of them. The other 25 items are adjusted downwards by 1% to 64% mainly due to cost savings brought about by extensive computerization and streamlining of procedures in the licence application process. Members note the Administration's advice that the cost impact of the proposed revision of fees on the trades concerned should be minimal.

8. Hon CHAN Yuen-han considers that the proposed increases have an indirect impact on people's livelihood. As the economy has not fully recovered, the Administration should not take the lead to increase charges. She therefore

suggests that only items of reduction and not those of increases should be taken forward.

9. The Administration has pointed out that the proposed fees are derived from the same cost review, and thus disagreed with a selective approach.

L.Ns. 313 - 323

10. This group of Amendment Regulations seeks to revise fees and charges related to registration of dentists, nurses, midwives, supplementary medical professionals and medical practitioners by 1% to 20% with a view to achieving full cost recovery within one to seven years. The Administration has pointed out that most of the fee items were last revised in 1996/97 and that the proposed revisions would not affect people's livelihood.

11. Members note that most of the fees were last revised in 1996 or 1997 and based on a recent costing review conducted in 2000-01, most of the existing fees recover 43% to 99% of the full cost of providing the services at 2000-01 prices. In respect of those items with less than 40% cost recovery, the fees will be raised by 20%; for those with between 40% to 70% cost recovery, the fees will be raised by 15%; and for those with above 70% cost recovery, the fees will be raised by 10%.

12. As the Administration has only consulted the relevant regulatory bodies and not the professional associations concerned, Dr Hon LO Wing-lok has indicated that he would consult his constituents before forming a view in respect of the fees relating to medical practitioners and dentists. The Administration has pointed out that various professional associations are represented on the relevant regulatory bodies.

L.N. 324

13. Members note that the Administration proposes to increase 12 of the 14 items of fees payable under the Dutiable Commodities Ordinance (Cap.109) by 5% to 20% with a view to achieving full cost recovery within a period ranging from one to seven years. The Administration also proposes to reduce the fees for two of the licences as there has been a reduction in the cost of issuing the licences.

14. The Administration has advised that the proposed increases should have little effect on the public at large. The Chairman is worried about the effect of the proposed increases on the businesses concerned and would move a motion to repeal the relevant items. In response to members' concern about the cost of services, the Administration has pointed out that the Customs and Excise Department is conscious of the need to improve the efficiency of cost effectiveness of its licensing and related services provided under the Ordinance. It will critically review whether it is still necessary to provide the various

services under its purview that require payment of fees and charges. It is at the same time committed to containing the costs of providing the various services relating to dutiable commodities.

L.N. 325

15. This Amendment Regulation proposes to increase the fees for lottery, tombola, amusements with prizes and trade promotion competition licences by 0.3% to 5.3% in order to recover the full cost of providing the services at 2000-01 prices. Members note that because of the small percentages involved, the proposed fee increases will have minimal impact on the operating costs of those engaged in the trade.

Effective date of new fees

16. The Administration proposes that the new fees proposed in L.Ns. 301-312, 324 and 325 should come into effect on 22 December 2000. The new fees proposed in L.Ns. 313-323 would come into effect on 1 January 2001.

Members' views

17. After discussion, Members share the view that it is difficult for the Subcommittee to reach a consensus on the proposed revision. They agree that there is no need to hold further meetings and the Subcommittee should report to the House Committee on 1 December 2000 so that Members will still have sufficient time to give notice of motion to amend or repeal the subsidiary legislation if they so wish. Members also agree that there is no need to seek an extension of the scrutiny period.

Advice sought

18. The Subcommittee invites the House Committee to note its deliberations and wishes to remind Members that the deadline for giving notice of motion is 6 December 2000 if they wish to amend or repeal any of the items of subsidiary legislation at the Council meeting on 13 December 2000.

Legislative Council Secretariat

29 November 2000

**Subcommittee on subsidiary legislation relating to revision
of fees and charges gazetted on 10 November 2000**

Membership List

Chairman	Hon James TIEN Pei-chun, JP
Members	Hon Fred LI Wah-ming, JP
	Hon CHAN Yuen-han
	Hon CHAN Kam-lam
	Hon SIN Chung-kai
	Hon LAU Chin-shek, JP
	Hon Abraham SHEK Lai-him, JP
	Hon Michael MAK Kwok-fung
	Dr Hon LO Wing-lok
	Hon Frederick FUNG Kin-kee
	(Total : 10 Members)
Clerk	Ms Doris CHAN
Legal Adviser	Ms Bernice WONG
Date	24 November 2000