

立法會
Legislative Council

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Paper for the House Committee

**Report of the Subcommittee on
subsidiary legislation relating to revision of
fees and charges gazetted on 24 November 2000**

Purpose

This paper reports on the deliberations of the Subcommittee formed to study 12 items of subsidiary legislation gazetted on 24 November 2000 which relate to revision of fees and charges.

The subsidiary legislation

2. The 12 items of subsidiary legislation relating to revision of fees and charges i.e. L.Ns 330 to 341 may be grouped under the following three categories

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- (a) Amendment Regulations/Order in respect of fees payable for a temporary liquor licence, the grant or renewal of a pawnbroker licence, the issue or renewal of licences for possession of arms and ammunition, the grant of exemption from the requirement to obtain a licence for such possession, the amendment of a licence or a licence condition and the replacement of a licence or an exemption, and the storage of arms, imitation firearms or ammunition and the storage of arms and ammunition awaiting transhipment (L.Ns. 330 - 333);
- (b) Amendment Regulation/Rules in respect of fees and charges for the services provided by various courts or tribunals and fees payable for providing certifications, alterations and duplicates of official documents by a public officer to the public (L.Ns. 334-340); and
- (c) Amendment Rules in respect of fees payable to the Registrar of the High Court in respect of admission of solicitors and barristers and registration of notaries public (L.N.341).

The Subcommittee

3. At the House Committee meeting on 1 December 2000, Members agreed to form a subcommittee to examine 12 items of subsidiary legislation gazetted on 24 November 2000 which relate to the revision of fees and charges. Under the chairmanship of Hon SIN Chung-kai, the Subcommittee has held one meeting with the Administration. The membership list of the Subcommittee is in the **Appendix**.

Deliberations of the Subcommittee

Government policy on fees and charges

4. The Subcommittee notes that it is the Government's policy that certain fees should in general be set at levels sufficient to recover the full costs of providing the services. 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 relevant LegCo Panels 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.

Dutiable Commodities (Amendment) (No. 2) Regulation 2000 (L.N. 330)

5. The Administration proposes to increase the fee for the issue of a temporary liquor licence by 20% from \$240 to \$290. The fee was last revised in May 1995. The unit cost for the issue of a temporary liquor licence per day at 2000-01 prices is \$1,633.

6. Some members have requested for further justifications for the proposed increase of 20% which cannot be considered as moderate. The Administration has advised that the unit cost for the issue of a temporary liquor licence per day in 1995 when the fee was last revised was \$874. This unit cost would mean \$1,167 in today's prices after adjustment on inflation as compared to the current unit cost of \$1,633. The increase of unit cost is primarily due to the need to step up the vetting of the details of each application, including more thorough physical inspection of the intended venue. Having regard to the nature, scale and duration of the events, appropriate licensing conditions have to be imposed as necessary to ensure public safety and order in these events for which temporary liquor licences are issued. Hence, additional manpower has been deployed since 1995 for processing and vetting these licences.

7. In response to members' request, the Administration has advised that 60 temporary liquor licences were issued from December 1999 to November 2000. Of these licences, 28 were issued for one day, 17 for two days, 14 for a period of

3 days to 18 days, and one for 77 days. The 77-day licence was issued to an international circus performance held at Tamar Site, Admiralty.

Firearms and Ammunition (Amendment) (No. 2) Regulation 2000 (L.N. 331)
Firearms and Ammunition (Storage Fees) (Amendment) Order 2000 (L.N. 332)

8. Members note that these two items of subsidiary legislation seek to increase the fees payable for various licences in relation to firearms and ammunition prescribed in the Firearms and Ammunition Regulation, and storage fees for arms, ammunition and imitation firearms under the Firearms and Ammunition Ordinance. The Administration proposes to increase most of the fees by 15% or 20% with a view to achieving full-cost recovery within three to seven years, with the exception of the proposal to decrease the fee for issue or renewal of a dealer's licence by 15%. These fees were last revised in May 1995.

9. In order to assess the implications of the proposed fees, members have requested the Administration to provide the number of applications approved for the period from January to November 2000. According to the Administration, the number of applications for new issue and renewal of a dealer's licence restricted to a prescribed class or description of arms or ammunition or both is six and seven respectively. During the said period, there are two applications for renewal of a dealer's licence restricted to used cartridge cases, used short, used bullets, used missiles or parts of any of those articles but there is no application for new issue of such licence. The total number of applications for new issue and renewal of a dealer's licence in any other cases is one and seven respectively.

Pawnbrokers (Amendment) Regulation 2000 (L.N. 333)

10. The Administration proposes to increase the fee payable for the grant or renewal of a pawnbroker licence by 15% i.e. from \$4,000 to \$4,600 with a view to achieving full-cost recovery within three to seven years. Members note that the unit cost for processing one application at 2000-01 prices is \$5,674, and the fee was last revised in August 1986.

Fees for Official Signatures and Miscellaneous Services (Amendment) Notice 2000 (L.N. 335)

11. This Notice seeks to increase the fees for providing certifications, alterations or duplicates of official documents by a public officer to the public from \$140 to \$155. The fees were last revised in October 1994. Members note the Administration's advice that the latest costing review shows that existing fees can recover 81% of the costs at 2000-01 prices. In order to reduce the impact of fee increase on the public, the fees are proposed to be increased by 10% with a view to achieving full-cost recovery in two years' time.

Bills of Sale (Fees) (Amendment) Regulation 2000 (L.N. 334)
Hong Kong Court of Final Appeal Fees (Amendment) Rules 2000 (L.N. 336)
High Court Fees (Amendment) Rules 2000 (L.N. 337)
District Court Civil Procedure (Fees) (Amendment) (No. 2) Rules 2000 (L.N. 338)
Coroners (Fees) (Amendment) Rules 2000 (L.N. 339)
Small Claims Tribunal (Fees) (Amendment) Rules 2000 (L.N. 340)
Legal Practitioners (Fees) (Amendment) (No. 2) Rules 2000 (L.N. 341)

12. L.Ns. 334, 336-340 propose increases of 8.5% in the fees and charges for the services provided by various courts/tribunals in legal proceedings, such as commencement of a legal cause or matter in various courts and tribunals, setting down a case for trial, execution of court decisions, etc. Most of these fees were last revised in 1994.

13. L.N. 341 proposes increases in the fees payable to the Registrar of the High Court in respect of the admission of solicitors and barristers and the registration of notaries public by 8.5%. The fees were last revised in 1994. In the view of the Administration, as only a small number of people and businesses would be affected by a revision of these fees and the proposed fees represent a small percentage of the operating costs of the profession, the impact of the proposal should be minimal.

14. The Administration has explained that the latest costing exercise shows that the existing judiciary fees can recover about 92% of the costs at 2000-01 prices. It is necessary to increase the fee levels by 8.5% in general with a view to achieving full-cost recovery at 2000-01 prices. In view of the diverse nature of the services provided by various courts/tribunals and the large number of fee items involved, the Judiciary has since 1989 calculated the cost of its services on global basis. In other words, costs are calculated at the departmental level instead of at the individual service level.

15. Having regard to the 92% cost-recovery rate at 2000-01 prices, members have requested the Administration to provide information on the cost-recovery rate at 1994-95 prices when most of the fees were last revised. The Administration has advised that the revision of judiciary fees and charges in 1994 was based on the movement of Government Consumption Expenditure Deflator and no costing exercise had been done. However, a global costing for 1995/96 was conducted in 1996 and the cost recovery rate was 103.4%. A higher cost recovery rate in that year was mainly due to a larger increase of revenue generated from various types of scale fees such as commission on distraints for rent, taxation of costs and grants of probate.

Members' views

16. The Subcommittee has completed scrutiny of the 12 items of subsidiary legislation and agrees that it is for individual Members to consider whether they

would support them. To enable the Subcommittee to report its deliberations to the House Committee and Members to consider the subsidiary legislation, the Chairman moved a motion to extend the scrutiny period of the subsidiary legislation to the Council meeting of 10 January 2001.

Advice sought

17. The Subcommittee invites the House Committee to note its deliberations and wishes to remind Members that the deadline for giving notice of motion to amend or repeal any of the items of subsidiary legislation at the Council meeting on 10 January 2001 is 3 January 2001.

Legislative Council Secretariat

2 January 2001

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Appendix

Subcommittee on subsidiary legislation relating to revision of fees and charges gazetted on 24 November 2000

Membership list

Chairman	Hon SIN Chung-kai
Members	Hon James TIEN Pei-chun, JP Hon Fred LI Wah-ming, JP Hon CHAN Yuen-han Hon CHAN Kam-lam Hon Ambrose LAU Hon-chuen, JP Hon Abraham SHEK Lai-him, JP Hon Tommy CHEUNG Yu-yan, JP (Total : 8 Members)
Clerk	Mrs Percy MA
Legal Adviser	Miss Connie FUNG
Date	13 December 2000