

立法會 *Legislative Council*

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Paper for the House Committee meeting on 16 February 2001

Report of the Subcommittee on subsidiary legislation relating to revision of fees gazetted on 12 January 2001

Purpose

This paper reports on the deliberations of the Subcommittee formed to study four items of subsidiary legislation gazetted on 12 January 2001 which relate to revision of fees.

The Subcommittee

2. At the House Committee meeting on 19 January 2001, Members agreed to form a subcommittee to examine four items of subsidiary legislation gazetted on 12 January 2001 which relate to revision of fees. Under the chairmanship of Hon CHAN Kam-lam, the Subcommittee has held one meeting with the Administration. The membership list of the Subcommittee is in the **Appendix**.

Deliberations of the Subcommittee

Clubs (Safety of Premises) Ordinance (Cap. 376)

Clubs (Safety of Premises) (Fees) (Amendment) Regulation 2001 (L.N. 13)

3. The Regulation prescribes fees payable for the issue or renewal of certificates of compliance for the purpose of regulating the fire and building safety of clubs. The fees were last revised in March 1996. Most of the existing fees recover 67% to 96% of the full cost of providing the licensing services at 2000-01 prices. These fees are proposed to increase by 4% to 15% (\$435 - \$1,290) with a view to achieving full cost recovery. For the fees for club-houses of size larger than 1,000 m², the fee is proposed to be reduced by 0.1% (\$60). According to the Administration, the proposed increase and reduction in fees will in general have only very little impact on the operating costs of clubs. The increase would be necessary otherwise tax payers' money would subsidize commercial establishments. As a matter of principle, this

will be inappropriate.

4. In response to members' query on the definition of the term "club", the Administration has advised that under the Clubs (Safety of Premises) Ordinance (Cap. 376), "club" means any corporation or association of persons formed for the purpose of affording its members facilities for social intercourse or recreation and which provides services for its members (whether or not for the purpose of gain), and has a club-house of which only its members and their accompanied guests have a right of use. Club-houses situated in Government premises such as staff clubs of the Police and Fire Services Department are excluded from the application of the Ordinance as government is responsible for the management and maintenance of the premises.

5. The Administration has advised that there are 526 clubs issued with certificates of compliance under the Clubs (Safety of Premises) Ordinance, and the vast majority of them are commercial in nature. In order to assess the implications of the increase in fees on the general public, members have requested the Administration to provide a breakdown of the numbers and types of the 526 clubs. The information provided is set out below -

<u>Type</u>	<u>Number</u>
Mahjong	115
Catering	147
Karaoke	86
Multi-recreational activities	87
Sports	18
Fitness	27
Clansmen	12
Trade/professional	13
Others (e.g. alumni, religious)	21
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Total	526

6. Members note that the level of annual fee payable is determined by reference to the gross floor area of the relevant club-house. There are nine tiers of fees. Some members point out that the proposed fee payable for club-houses with a floor area within the range of 401m² - 1000m² is \$25,300, while that for club-houses larger than 1,000m² is \$53,500. As the fee for the latter category is more than double that for the

former category, they have expressed concern that a difference of a few square metres in the floor area of a club-house could result in a drastic increase in the amount of the fee payable. While these members note the basis of cost computations as explained by the Administration, they have expressed reservations about the existing fee structure and suggested that it should be reviewed in the next costing exercise.

7. Some members have also suggested that the certificates of compliance should be issued for a period of three years, instead of one year, so as to reduce the workload for processing applications for renewal and hence achieve cost reduction. The Administration has explained that in view of the mobility and diverse nature of some of the club-houses in operation, it is considered inappropriate to extend the duration of certificates of compliance to a period of three years. Members have requested the Administration to give further consideration to their suggestion in due course.

Builders' Lifts and Tower Working Platforms (Safety) Ordinance (Cap. 470)
Builders' Lifts and Tower Working Platforms (Safety) (Fees) (Amendment)
Regulation 2001 (L.N. 14)

8. Members note that the eight fee items under the Regulation were last revised in December 1997. The Administration proposes to increase the fees by about 10% (\$40 - \$375) with a view to achieving full cost recovery within two to three years. Additional revenue is estimated to be about \$49,000 per annum.

9. In response to members' request, the Administration has provided the number of cases approved in respect of the eight fee items during the period from 1 January to 31 December 2000 as follows -

<u>Items</u>	<u>No. of cases approved from 1.1.2000 - 31.12.2000</u>
Fee for inclusion in the register of examiners of a person who qualifies under s.3(2) of the Ordinance	1
Fee for inclusion in the register of examiners of a person who qualifies under s.3(3) of the Ordinance	0
Fee for renewal of registration of a registered examiner	0
Fee for inclusion in the register of contractors	1
Fee for renewal of registration of a registered contractor	6

Fee for permitting use of a builder's lift or tower working platform after installation or re-erection	158
Fee for permitting use of a builder's lift or tower working platform after major alteration work	39
Fee for approving a certificate of periodic test and examination of a safety equipment of builder's lift or tower working platform	290

Fire Services Ordinance (Cap. 95)

Fire Service (Installation Contractors) (Amendment) Regulation 2001 (L.N. 15)

10. Under the Regulation, any person, or any company or firm may apply to the Director of Fire Services for registration as a contractor in Class 1 or 2 or both Classes or in Class 3. Applicants have to pay the appropriate fees prescribed under the Regulation. Members note that the Administration proposes to increase the fees which were last revised in May 1996 by 10% to 20% (\$35 - \$205) with a view to achieving full cost recovery ultimately. These are one-off fees.

Timber Stores Ordinance (Cap. 464)

Timber Stores (Amendment) Regulation 2001 (L.N. 16)

11. Members note that any person who operates a timber store is required to apply to the Director of Fire Services for a licence. Fees are charged for the grant, renewal, transfer and amendment of a licence, and the issue of a duplicate of a licence under the Regulation. The fees were last revised in May 1996. The Administration proposes to increase the fees by 5% to 15% (\$20 - \$305) with a view to achieving full cost recovery ultimately.

12. The Administration has advised that in the year 1999-2000, there were one application for grant of a licence and 92 applications for renewal of a licence.

Members' views

13. The Subcommittee has completed scrutiny of the four 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 Subcommittee agrees that the Chairman should move a motion to extend the scrutiny period of the subsidiary legislation to the Council meeting on 21 February 2001.

Advice sought

14. The Subcommittee invites the House Committee to note its deliberations.

Legislative Council Secretariat
15 February 2001

**Subcommittee on subsidiary legislation relating to
revision of fees gazetted on 12 January 2001**

Membership list

Chairman	Hon CHAN Kam-lam
Members	Hon James TIEN Pei-chun, JP Hon CHAN Yuen-han Hon SIN Chung-kai Hon Ambrose LAU Hon-chuen, JP (Total : 5 Members)
Clerk	Mrs Percy MA
Legal Adviser	Mr Stephen LAM
Date	8 February 2001