

立法會
Legislative Council

LC Paper No. CB(2)1475/00-01

(These minutes have been
seen by the Administration)

Ref : CB2/SS/10/00

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

**Minutes of the meeting
held on Thursday, 8 February 2001 at 10:45 am
in Conference Room B of the Legislative Council Building**

Members Present : Hon CHAN Kam-lam (Chairman)
Hon James TIEN Pei-chum, JP
Hon CHAN Yuen-han
Hon SIN Chung-kai
Hon Ambrose LAU Hon-chuen, JP

Public Officers Attending : Mr Francis LO
Principal Assistant Secretary (5)
Home Affairs Bureau

Mr YUEN Hon-kuen
Chief Officer (Licensing Authority)
Home Affairs Department

Mr KWOK Lim-cho
Senior Executive Officer (Licensing Authority)
Home Affairs Department

Mr Michael BYRNE
Principal Assistant Secretary (Works Policy and Safety)

Mr D HOOI
Principal Management Services Officer (Security)

Miss C M LEE
Assistant Secretary (Security)

Mr K S LAU
Chief Fire Officer

Miss J LAU
Executive Officer (Fire Services)

Clerk in Attendance : Mrs Percy MA
Chief Assistant Secretary (2)3

Staff in Attendance : Mr Stephen LAM
Assistant Legal Adviser 4

Mr Paul WOO
Senior Assistant Secretary (2)3

Action
Column

I. Election of Chairman

Hon CHAN Kam-lam was elected Chairman of the Subcommittee.

II. Meeting with the Administration

(LegCo Brief issued by the Home Affairs Bureau on L.N. 13; LegCo Brief issued by the Works Bureau on L.N. 14; LegCo Brief issued by the Security Bureau on L.Ns. 15 and 16; and LC Paper No. LS52/00-01)

2. The Chairman welcomed the representatives of the Administration to attend the meeting to brief the Subcommittee on the subsidiary legislation (L.Ns. 13 to 16) gazetted on 12 January 2001 relating to revision of fees. He invited the representatives from the relevant policy Bureaux to explain the proposed revisions that fell within their respective purview and to respond to members' questions.

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

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

3. Principal Assistant Secretary for Home Affairs (PAS/HA) advised that the Regulation prescribed fees payable for the issue or renewal of certificates of compliance for the purpose of regulating the fire and building safety of clubhouses. The fees were last revised in March 1996. Most of the existing fees recovered 67% to 96% of the full costs of providing the licensing services at 2000-01 prices. Under the Government's policy that fees and charges should in general be set at levels sufficient to recover the full costs of providing the services, it was proposed to increase the fees by 4% to 15% (\$435 - \$1,290) with a view to achieving full cost recovery within one to three years. The fee for clubhouses of size larger than 1,000 m² was proposed to be reduced by

Action
Column

0.1% (\$60) to reflect the true costs. According to the Administration, the proposed increase and reduction in fees would in general have negligible impact on the operating costs of clubs. The increase was considered necessary to avoid the situation of public money subsidizing commercial establishments, which, as a matter of principle, was inappropriate.

4. Ms CHAN Yuen-han enquired about the statutory meaning of the term "club". PAS/HA advised that under the Clubs (Safety of Premises) Ordinance (Cap. 376), "club" was defined to mean any corporation or association of persons formed for the purpose of affording its members facilities for social intercourse or recreation and which provided services for its members (whether or not for the purpose of gain), and had a clubhouse of which only its members and their accompanied guests had a right of use. He added that clubhouses situated in Government premises such as the staff clubs of the Police and other disciplinary forces were excluded from the application of the Ordinance as Government was responsible for the maintenance of the premises. He further advised that there were some 500 clubs falling under the purview of the Ordinance.

Adm

5. Members requested the Administration to provide a breakdown of the numbers and types of clubs issued with certificates of compliance under the Clubs (Safety of Premises) Ordinance.

6. Referring to the cost computation in Annex B of the LegCo Brief, members enquired about how the total cost of processing applications in respect of a particular category of clubhouses (classified by way of floor area) was apportioned amongst the various cost components, i.e. staff costs, departmental expenses, accommodation costs etc. The Administration explained that first and foremost, the proportion of staff costs incurred in respect of a specific category of clubhouses to the total staff costs was calculated. The same proportion would then be used to derive the other cost components.

7. Members noted that there were nine tiers of annual fees which were determined by reference to the gross floor area of the clubhouses concerned. Mr SIN Chung-kai pointed out that the increase in fees for the categories of clubhouses with area below 400 m² was only gradual. However, for clubhouses with a floor area ranging between 401 m² and 1,000 m², the proposed fee was \$25,300, while that for clubhouses larger than 1,000 m² was \$53,500. This represented a sudden and drastic increase in the amount of fee payable, and hence in terms of costs to the clubhouse operators.

Adm

8. Members suggested that the Administration should review the existing fee structure in the next costing exercise.

Action
Column

9. The Chairman suggested that the Administration might consider issuing certificates of compliance which covered a period longer than one year, say three years, so as to reduce the workload for processing applications for renewal and hence achieve cost reduction. The Administration responded that in view of the diverse nature of business of the clubhouses in operation and the high mobility of most of them, it might not be appropriate to extend the duration of certificates of compliance to three years.

Adm 10. Mr SIN Chung-kai opined that it would be desirable to give clubhouse operators a choice to apply for a certificate of compliance covering a period of more than one year with a reduced rate of fee. Members requested the Administration to give further thought to the suggestion.

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

11. Principal Assistant Secretary (Works Policy and Safety) (PAS/W) explained that the eight fee items under the Regulation were last revised in December 1997. Based on the latest costing exercise, the existing fees could recover about 82% to 90% of full costs of the services at 2000-01 prices. The Administration proposed to increase the fees by about 10% (\$40 - \$375) with a view to achieving full cost recovery within two to three years. Additional revenue was estimated to be about \$49,000 per annum.

Adm 12. In reply to Mr James TIEN, PAS/W said that registered examiners under the Builders' Lifts and Tower Working Platforms (Safety) Ordinance were individual persons, while registered contractors consisted of companies. At members' request, he undertook to provide the number of cases approved in respect of the eight fee items during the period from 1 January to 31 December 2000.

Fire Services Ordinance (Cap. 95)
Fire Service (Installation Contractors) (Amendment) Regulation 2001 (L.N. 15)

Timber Stores Ordinance (Cap. 464)
Timber Stores (Amendment) Regulation 2001 (L.N. 16)

13. Chief Fire Officer (CFO) advised that under the Fire Services Ordinance, any person, or any company or firm might 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 had to pay the appropriate fees prescribed under the Regulation. The Administration proposed 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. The fees were one-off fees.

14. CFO further advised that under the Timber Stores Ordinance, any person who operates a timber store was required to apply to the Director of Fire Services for a licence. Fees were 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 proposed to increase the fees by 5% to 15% (\$20 - \$305) with a view to achieving full cost recovery.

15. In response to members' enquiries, CFO said that to date 760 fire service installation contractors had been registered in the three Classes. Contractors in Class 3 were mostly individuals, whose number was about 400. With regard to licence for operation of a timber store, in 1999-2000, there was one application for grant of a new licence, and there were 92 applications for renewal of a licence.

Conclusion

16. Members noted that the deadline for giving notice of motion to amend or repeal any items of the subsidiary legislation for the Council meeting on 14 February 2001 had expired on 7 February 2001. To enable the Subcommittee to report its deliberations to the House Committee and Members of the Council to consider the subsidiary legislation, members agreed that the Chairman should move a motion to extend the scrutiny period of the subsidiary legislation to the Council meeting on 21 February 2001.

17. Members also agreed that the Subcommittee would not move any amendment to the subsidiary legislation. The Subcommittee would make a written report on its deliberations to the House Committee on 16 February 2001 after considering the response from the Administration to the issues raised at the meeting.

18. There being no other business, the meeting ended at 11:35 am.

(Post-meeting note - The information provided by the Administration in response to members' request was circulated vide LC Paper Nos. CB(2)848/00-01(01) and (02) on 12 February 2001)

Legislative Council Secretariat

8 May 2001