

## **LEGISLATIVE COUNCIL BRIEF**

### **Aerial Ropeways (Safety) Ordinance (Chapter 211)**

#### **AERIAL ROPEWAYS (FEES)(AMENDMENT) REGULATION 2000**

### **INTRODUCTION**

Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) empowers the Financial Secretary (which means also the Secretary for the Treasury by virtue of section 3 of Cap. 1) to vary fees which have previously been fixed by subsidiary legislation made by the Chief Executive in Council.

2. In exercise of this power, the Secretary for the Treasury has made the Amendment Regulation at Annex A to revise the fees specified in the Aerial Ropeways (Fees) Regulation (Cap. 211 sub. leg.) made pursuant to the Aerial Ropeways (Safety) Ordinance (Cap. 211).

### **BACKGROUND AND ARGUMENT**

3. Fees are payable on the making of applications for approval of persons as surveyors, competent persons, controllers and operators under regulation 4 and for amendment to limited certificates of approval held by operators under regulation 5(7) of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.). The fees are set out in the Aerial Ropeways (Fees) Regulation (Cap. 211 sub. leg.).

4. It is Government policy that fees should in general be set at levels sufficient to recover the full cost 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. The Financial Secretary decided in June 1999 to

continue the fee revision moratorium until the year-on-year quarterly GDP growth rate turned firmly positive. A consequence of this moratorium is that the full implementation of the “User Pays” principle has been held in abeyance for more than two years, with increasing subsidy from taxpayers.

5. In view of the recovery of our economy (GDP growth of 4.4% and 9.2% in the third and fourth quarters of 1999 respectively and a projected growth of 8.5% for 2000 as a whole), and to ensure adherence to the “User Pays” principle, the Administration consulted the LegCo Panel on Financial Affairs on 13 April 2000 on proposals to revise various fees that would not directly affect people’s livelihood or general business activities. In view of the diverse nature of the fees involved, Members suggested and the LegCo House Committee agreed on 14 April 2000 that the Administration should consult the relevant subject LegCo Panels on whether and if so how the fees under their respective purview should be adjusted.

6. We then consulted the LegCo Panel on Planning, Lands and Works on 8 June 2000 on our proposals to revise, among others, fees related to certification of persons for the operation and maintenance of aerial ropeways, which are prescribed under the Aerial Ropeways (Fees) Regulation (Cap. 211 sub. leg.).

7. The fees were last revised in March 1997. Based on a recent costing review conducted in 2000-01, the existing fees can only recover 81% to 87% of the full cost of providing the services. The cost computation is shown at Annex B. To minimize the impact of the fee increase, we propose to increase the existing fees by 10% with a view to achieving full-cost recovery within two to three years. Members of the Panel did not raise objection to this proposal. Details of the existing and proposed fees are set out at Annex C.

## **THE AMENDMENT REGULATION**

8. The Amendment Regulation revises the fees as set out at Annex C.

## **LEGISLATIVE TIMETABLE**

9. The legislative timetable will be –

Publication in the Gazette	13 October 2000
Tabling at the Legislative Council	18 October 2000

## **COMMENCEMENT**

10. We propose that the new fees should be effective from **24 November 2000**.

## **PUBLIC CONSULTATION**

11. In August 2000, we consulted the Ocean Park Corporation, which is currently the only establishment in Hong Kong with aerial ropeways operations. The fee proposal will not have any adverse impact on the Corporation.

## **BASIC LAW IMPLICATIONS**

12. The Department of Justice advises that the Amendment Regulation is consistent with the Basic Law.

## **HUMAN RIGHTS IMPLICATIONS**

13. The Department of Justice advises that the Amendment Regulation has no human rights implications.

## **BINDING EFFECT OF THE LEGISLATION**

14. The amendments will not affect the current binding effect of the principal Ordinance.

## **FINANCIAL AND STAFFING IMPLICATIONS**

15. The additional revenue generated is estimated to be small. There are no staffing implications.

## **ECONOMIC IMPLICATIONS**

16. The proposed upward revision of the fees for the said Ordinance would not directly affect the livelihood of the general public and the impact on the trade is also minimal as there is only one ropeway operating in Hong Kong and the fees payable by the operator are one-off.

## **PRODUCTIVITY**

17. The registration service provided under the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) is a relatively small activity incurring a total annual cost of only about \$12,000. The scope for cost cutting is limited.

## **PUBLICITY**

18. The Amendment Regulation will be published in the Gazette on 13 October 2000.

## **ENQUIRIES**

19. For enquiries, please contact Mr. Geoffrey Woodhead, Principal Assistant Secretary (Buildings)/Planning and Lands Bureau (tel: 2848 6288).

Planning and Lands Bureau  
October 2000

**AERIAL ROPEWAYS (FEES)(AMENDMENT) REGULATION  
2000**

(Made under section 28(1A) of the Aerial Ropeways (Safety)  
Ordinance (Cap. 211) and section 29A of the Interpretation and  
General Clauses Ordinance (Cap. 1))

**1. Commencement**

This Regulation shall come into operation on 24 November 2000.

**2. Nature of application**

The Schedule to the Aerial Ropeways (Fees) Regulation (Cap. 211 sub. leg.) is amended -

- (a) in paragraph 1(a), by repealing "3,340" and substituting "3,675";
- (b) in paragraph 1(b) and (c), by repealing "1,870" and substituting "2,055";
- (c) in paragraph 1(d), by repealing "1,270" and substituting "1,395";
- (d) in paragraph 2, by repealing "1,270" and substituting "1,395".

Secretary for the Treasury

4 October 2000

## **Explanatory Note**

This Regulation increases, with effect from 24 November 2000, the fees payable on an application under the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) for the approval of any person as a surveyor, competent person, controller or operator and for the amendment of an operator's limited certificate of approval.

## COST COMPUTATION

### Electrical & Mechanical Services Department

#### Fees payable under the Aerial Ropeways (Fees) Regulation

**Costs at 2000-01 Prices**  
(for processing one application)

	Approval of person as a surveyor \$	Approval of person as a competent person \$	Approval of person as a controller \$	Approval of person as an operator \$	Amendment to a limited certificate of approval held by an operator \$
Staff Costs	3,723	1,951	1,951	1,371	1,371
Accommodation Costs	62	33	33	23	23
Departmental Expenses	97	51	51	36	36
Central Administrative Overhead	222	117	117	82	82
<b>Unit Cost</b>	<b>4,104</b>	<b>2,152</b>	<b>2,152</b>	<b>1,512</b>	<b>1,512</b>
Existing fee with effect from 8 March 1997	3,340	1,870	1,870	1,270	1,270
Proposed fee with effect from 24 November 2000 *	<b>3,675</b>	<b>2,055</b>	<b>2,055</b>	<b>1,395</b>	<b>1,395</b>

\*Derived by multiplying the existing fee by an increase of 10%.

**Revision of Fees under the  
Aerial Ropeways (Fees) Regulation**

Item	Description of Fee Item	Existing Fee (\$)	Proposed Fee (\$)
1.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) for approval of a person as a surveyor	3,340	<b>3,675</b>
2.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) for approval of a person as a competent person	1,870	<b>2,055</b>
3.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) for approval of a person as a controller	1,870	<b>2,055</b>
4.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) for approval of a person as an operator	1,270	<b>1,395</b>
5.	Fee payable under regulation 5(7) of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg.) for amendment of a limited certificate of approval	1,270	<b>1,395</b>