

## **LEGISLATIVE COUNCIL BRIEF**

### **Amusement Rides (Safety) Ordinance (Cap. 449)**

#### **AMUSEMENT RIDES (SAFETY)(FEES) (AMENDMENT) REGULATION 2000**

### **INTRODUCTION**

Section 48(1) of the Amusement Rides (Safety) Ordinance (the Ordinance) empowers the Financial Secretary to make regulations prescribing fees payable under the Ordinance. By virtue of section 3 of the Interpretation and General Clauses Ordinance (Cap.1), the Financial Secretary means also the Secretary for the Treasury.

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 Amusement Rides (Safety)(Fees) Regulation made pursuant to the Ordinance.

### **BACKGROUND AND ARGUMENT**

3. 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 during the economic downturn. 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. In view of the current state of economic recovery, 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. Taking into account 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.

4. We then consulted the LegCo Panel on Home Affairs on 2 June 2000 on our proposals to revise, among others, fees related to operation of amusement rides and registration of persons to operate amusement rides, which are prescribed under the Amusement Rides (Safety) (Fees) Regulation. The fees were last revised in March 1997. Based on the latest costing exercise, we propose to increase most of the existing fees by 4% to 7% with a view to achieving full-cost recovery at 2000-01

prices. The cost computations are shown at Annex B. Members of the Panel did not raise objection to the proposed fee revision.

5. The costing review also reveals that there is a scope for reduction of six fee items. We therefore propose to reduce their fee levels by about 1% to reflect the full costs of providing the services at 2000-01 prices.

6. Details of the existing and proposed fees are shown at Annex C.

## **THE REGULATION**

7. The Amendment Regulation revises the fees as set out at Annex C. We propose that the new fees should come into effect on 8 December 2000.

## **BINDING EFFECT**

8. The Amendment Regulation does not affect the current binding effect of the Ordinance.

## **EFFICIENCY INITIATIVES**

9. The services provided under the Ordinance are of relatively small scale with a total annual cost of about \$150,000. The scope for cost cutting is limited.

## **FINANCIAL AND STAFFING IMPLICATIONS**

10. The overall revenue implication of the fee proposal is neutral. There are no staffing implications.

## **ECONOMIC IMPLICATIONS**

11. As the proposed increase in fees would represent only a very small proportion of the annual operating cost of the trade, and given that all the fees are one-off in nature, and that some fee items will be adjusted downward at the same time, the impact of the proposed fee revision on the amusement rides business in Hong Kong will be very minor.

## **PUBLIC CONSULTATION**

12. Major amusement ride operators and registered professionals have been consulted on the fee proposal. They have no strong objection to the proposal.

**PUBLICITY**

13. The Amendment Regulation will be published in the Gazette on 27 October 2000 and a press release will be issued on the same day. EMSD will inform amusement ride operators and registered professionals of the effect of the Amendment Regulation separately.

**ENQUIRIES**

14. For any enquiries on this brief, please contact Mr. Jonathan McKinley, Principal Assistant Secretary (Recreation and Sport) of the Home Affairs Bureau (Tel : 2594 6613; e-mail : habpasrs@hkstar.com) or Mr. CHUI Mow-wah, Gregory, Acting Chief Electrical and Mechanical Engineer/ General Legislation of the Electrical and Mechanical Services Department (Tel : 2808 3861).

Home Affairs Bureau  
October 2000

**AMUSEMENT RIDES (SAFETY) (FEES) (AMENDMENT)  
REGULATION 2000**

(Made under section 48 of the Amusement Rides  
(Safety) Ordinance (Cap. 449))

**1. Commencement**

This Regulation shall come into operation on 8 December 2000.

**2. Fee payable under section 21 of the Ordinance  
for the designation by name of persons who  
may exercise powers conferred by sections  
19 and 20 of the Ordinance**

Section 4 of the Amusement Rides (Safety) (Fees) Regulation (Cap. 449 sub. leg.) is amended by repealing "\$385" and substituting "\$400".

**3. Fees payable under sections 4 and 5(6) of the  
Amusement Rides (Safety) (Operation and  
Maintenance) Regulation**

Section 5 is amended -

- (a) in subsection (1) (a), by repealing "\$5,100" and substituting "\$5,455";
- (b) in subsection (1) (b), by repealing "\$2,765" and substituting "\$2,750";
- (c) in subsection (1) (c), by repealing "\$1,155" and substituting "\$1,225";
- (d) in subsection (2) (a), by repealing "\$5,100" and substituting "\$5,455";

(e) in subsection (2) (b), by repealing "\$2,765" and substituting "\$2,750";

(f) in subsection (2) (c), by repealing "\$1,155" and substituting "\$1,225".

**4. Fees payable under section 10 of the Ordinance for approval of commencement of operation of amusement ride**

Schedule 1 is amended by repealing "2,825" and "5,410" and substituting "2,800" and "5,340" respectively.

**5. Fees payable under section 15 of the Ordinance for permitting the use and operation of amusement ride to be resumed**

Schedule 2 is amended by repealing "2,825" and "5,410" and substituting "2,800" and "5,340" respectively.

Secretary for the Treasury

20 Oct 2000

**Explanatory Note**

This Regulation revises the fees payable under the Amusement Rides (Safety) Ordinance (Cap. 449) and the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub. leg.).

**COST COMPUTATION**  
**Electrical & Mechanical Services Department**  
**Fees payable under the Amusement Rides (Safety) (Fees) Regulation**  
**Costs at 2000-01 Prices**  
**(for processing one application)**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	For Approval			For Amendment to a Limited Certificate of Approval Held by			
	For the Designation by Name \$	As a Surveyor \$	As a Competent Person \$	As a Qualified Person \$	A Surveyor \$	A Competent Person \$	A Qualified Person \$
Staff Costs	364	5,009	2,518	1,120	5,009	2,518	1,120
Departmental Expenses	5	66	33	15	66	33	15
Accommodation Costs	8	84	48	22	84	48	22
Central Administrative Overhead	22	298	150	67	298	150	67
<b>Unit Cost</b>	<b>399</b>	<b>5,457</b>	<b>2,749</b>	<b>1,224</b>	<b>5,457</b>	<b>2,749</b>	<b>1,224</b>
Existing fee with effect from 8 March 1997	385	5,100	2,765	1,155	5,100	2,765	1,155
Proposed fee with effect from 8 December 2000	<b>400</b>	<b>5,455</b>	<b>2,750</b>	<b>1,225</b>	<b>5,455</b>	<b>2,750</b>	<b>1,225</b>

**COST COMPUTATION**  
**Electrical & Mechanical Services Department**  
**Fees payable under the Amusement Rides (Safety) (Fees) Regulation**  
**Costs at 2000-01 Prices**  
**(for processing one application)**

	(8)	(9)	(10)	(11)
	For Approval of the Commencement of Operation of an Amusement Ride in		For Permission to Resume Operation of an Amusement Ride in	
	Category C \$	Category D \$	Category C \$	Category D \$
Staff Costs	2,562	4,894	2,562	4,894
Departmental Expenses	33	64	33	64
Accommodation Costs	49	93	49	93
Central Administrative Overhead	153	291	153	291
<b>Unit Cost</b>	<b>2,797</b>	<b>5,342</b>	<b>2,797</b>	<b>5,342</b>
Existing fee with effect from 8 March 1997	2,825	5,410	2,825	5,410
Proposed fee with effect from 8 December 2000	<b>2,800</b>	<b>5,340</b>	<b>2,800</b>	<b>5,340</b>

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**Revision of Fees under the  
Amusement Rides (Safety) (Fees) Regulation**

<b>Item No.</b>	<b>Fee Description</b>	<b>Existing Fee \$</b>	<b>Proposed Fee \$</b>
1.	Fee payable under section 21 of the Ordinance for the designation by name of persons who may exercise powers conferred by sections 19 and 20 of the Ordinance	385	<b>400</b>
2.	Fee payable under section 4 of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub.leg.) for the approval of a person as a surveyor within the meaning of that Regulation	5,100	<b>5,455</b>
3.	Fee payable under section 4 of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub.leg.) for the approval of a person as a competent person within the meaning of that Regulation	2,765	<b>2,750</b>
4.	Fee payable under section 4 of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub.leg.) for the approval of a person as a qualified person within the meaning of that Regulation	1,155	<b>1,225</b>
5.	Fee payable under section 5(6) of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub.leg.) for an amendment to a limited certificate of approval held by a surveyor within the meaning of that Regulation	5,100	<b>5,455</b>
6.	Fee payable under section 5(6) of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub.leg.) for an amendment to a limited certificate of approval held by a competent person within the meaning of that Regulation	2,765	<b>2,750</b>

**Revision of Fees under the  
Amusement Rides (Safety) (Fees) Regulation**

<b>Item No.</b>	<b>Fee Description</b>	<b>Existing Fee \$</b>	<b>Proposed Fee \$</b>
7.	Fee payable under section 5(6) of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub.leg.) for an amendment to a limited certificate of approval held by a qualified person within the meaning of that Regulation	1,155	<b>1,225</b>
8.	Fee payable for approval under section 10 of the Amusement Rides (Safety) Ordinance (Cap. 449) for commencement of operation of an amusement ride in Category C	2,825	<b>2,800</b>
9.	Fee payable for approval under section 10 of the Amusement Rides (Safety) Ordinance (Cap. 449) for commencement of operation of an amusement ride in Category D	5,410	<b>5,340</b>
10.	Fee payable for permission under section 15 of the Amusement Rides (Safety) Ordinance (Cap. 449) for resumption of use and operation of an amusement ride in Category C	2,825	<b>2,800</b>
11.	Fee payable for permission under section 15 of the Amusement Rides (Safety) Ordinance (Cap. 449) for resumption of use and operation of an amusement ride in Category D	5,410	<b>5,340</b>