

I. Levies and Comparison of Licensing Fees with Other Jurisdictions

1. Overall, Hong Kong compares favorably in terms of levies and licensing fees with those in other major financial markets.
2. For markets that charge a levy on securities transactions, the rates vary from 0.003% to 0.015%. The rate in Hong Kong currently stands at 0.005%.
3. For small to medium sized firms, licence application fees in Hong Kong are lower than Singapore, the UK, Japan and the USA, but higher than Australia. This is mainly due to the fact that Australian Securities and Investments Commission has delegated its licensing functions of individual representatives to the licensed firms. As such, representatives are not charged.
4. For large firms, Hong Kong's application fees are lower than both Singapore and the UK but higher than Japan and the USA. Application fees in Japan are lower than Hong Kong because the Japan Securities Dealers Association charges its licensed firms a fixed sum regardless of the number of representatives. For the USA, the National Association of Securities Dealers Inc. charges comparatively lower licensing fees for individuals (US\$75 per person)

II. Personnel Expenses for 2002/03

Division in SFC	Staff Establishment	Personnel Expenses (\$m)
Chairman's Office	32	43.33
Corporate Finance	38	47.81
Intermediaries & Investment Products	132	93.27
Enforcement	79	64.19
Supervision of Markets	20	27.87
Legal Services	18	21.65
Corporate Resources	54	30.89
Total	373	329.01

III. Rental for SFC Premises

5. The current monthly rent for the Commission's offices at 9/F to 13/F and 15/F, Edinburgh Tower is \$28.8 per square foot.

Source : Securities and Futures Commission
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