

For discussion on
18 March 2002

Legislative Council Panel on Food and Environmental Hygiene

Animal Trader Licence Fee Review

PURPOSE

This paper briefs Members on the proposed reduction of fee for issue of an animal trader licence.

BACKGROUND

2. Any person who carries on business as an animal trader has to have a valid licence issued by the Director of Agriculture, Fisheries and Conservation (DAFC) under regulation 5 of the Public Health (Animals and Birds) (Animal Traders) Regulations. The animals covered by the Regulations are all animals except cattle, sheep, goats and swine and all birds except domestic fowls, turkeys, ducks, pigeons and geese.

3. As of 1 March 2002, there were 672 animal trader licenses granted by DAFC, out of which 142 licences were specified for selling reptiles for human consumption, 256 licences for selling birds except poultry for human consumption, and the remaining 274 licences for selling birds, reptiles or mammals (e.g. dogs and cats) for purpose other than human consumption.

4. The animal trader licence fee as per regulation 5(5) of Cap. 139B was last adjusted in 1997 from \$ 3,126 to the current amount of \$ 3,235 per year.

REVIEW OF LICENCE FEE

5. At the Legislative Council meeting on 5 December 2001, the Secretary for the Environment and Food informed Members of the Administration's intention to review the costing for issuing licences for animal traders and explore the possibility of a fee adjustment. Since Agriculture,

Fisheries and Conservation Department has streamlined procedures and improved efficiency, the costing review shows room for reduction in fee for animal trader licences. The average cost of processing an application for an animal trader licence has been reduced from the current amount of \$ 3,235 to \$ 2,670.

WAY FORWARD

6. As the fee for issue of an animal trader licence is set on a cost recovery basis, we will propose to amend the animal trader licence fee set out in the Public Health (Animals and Birds) (Animal Traders) Regulations to \$2,670. Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) empowers the Financial Secretary to vary fees that have previously been fixed by subsidiary legislation made by the Chief Executive in Council. By virtue of section 3 of Cap. 1, the Financial Secretary also means the Secretary for Treasury. In exercise of this power, the Secretary for Treasury will make an amendment regulation to effect the proposed fee adjustment. We intend to introduce the fee amendment regulation to the Legislative Council within this legislative session.

FINANCIAL IMPLICATIONS

7. If the proposed fee adjustment is implemented, we estimate that an annual revenue loss of about \$ 380,000 will arise.

**Environment and Food Bureau/
Agriculture, Fisheries and Conservation Department
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