

LEGISLATIVE COUNCIL BRIEF

Road Traffic Ordinance
(Chapter 374)

ROAD TRAFFIC ORDINANCE (AMENDMENT OF SCHEDULE 5 – CHARGE REVISION) ORDER 2005

ROAD TRAFFIC (DRIVING LICENCES) (FEE REDUCTION) REGULATION 2005

ROAD TRAFFIC (REGISTRATION AND LICENSING OF VEHICLES) (FEE REDUCTION) REGULATION 2005

ROAD TRAFFIC (VILLAGE VEHICLES) (FEE REDUCTION) REGULATION 2005

INTRODUCTION

Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) stipulates that, where a fee is for the time being specified in subsidiary legislation made by the Chief Executive in Council, the Secretary for Financial Services and the Treasury may by similar subsidiary legislation vary the fee.

2. The Secretary for Financial Services and the Treasury has now exercised this power by making:

- (a) the Road Traffic Ordinance (Amendment of Schedule 5 – Charge Revision) Order 2005;
- (b) the Road Traffic (Driving Licences)(Fee Reduction) Regulation 2005;
- (c) the Road Traffic (Registration and Licensing of Vehicles)(Fee Reduction) Regulation 2005; and

- (d) the Road Traffic (Village Vehicles)(Fee Reduction) Regulation 2005.

The four Order and Regulations are at **Annex A**. The amendment exercise aims to revise 15 transport-related fees and charges payable under the Road Traffic Ordinance (Cap. 374) and its subsidiary legislations.

JUSTIFICATIONS

3. It is Government's policy that fees and charges charged by the Government should in general be set at a level sufficient to recover the full cost of providing the services. In the 2004-05 Budget Speech, the Financial Secretary indicated the need to resume the revision of Government fees and charges. We have carried out a costing exercise to review the costs of providing certain transport-related services.

4. Based on the outcome of the costing review, we propose to adjust the fees and charges of 15 transport related services being provided by the Transport Department and Hong Kong Police Force. We propose to raise one fee and decrease the other 14 to full cost level¹. The proposed adjustments range from -61% to +10%. Details are set out at **Annex B**.

5. We regularly review and streamline the relevant work procedures and implement efficiency initiatives to reduce or contain costs in providing the services. Such efficiency savings have been reflected in the proposed fee adjustments.

THE ORDER AND THE REGULATIONS

6. The Order and the Regulations at **Annex A** seek to revise the fees under the Road Traffic Ordinance and its subsidiary legislations set out at **Annex B**. We propose that the new fees should come into effect on 16 December 2005.

¹ In accordance with the principles set by the Financial Services and the Treasury Bureau, for fees with existing cost recovery rate of over 70% of target, the fee increase would be implemented in a phased manner to achieve full-cost recovery within 3 years through an annual increase of 10%. Fee reductions to full-cost recovery level will be implemented in one go.

LEGISLATIVE TIMETABLE

7. The legislative timetable is as follows -

Publication in the Gazette	21 October 2005
Tabling at the Legislative Council	26 October 2005
Commencement	16 December 2005

IMPLICATIONS OF THE PROPOSAL

8. The proposed legislative amendments are in conformity with the Basic Law, including the provisions concerning human rights, and do not affect the binding effect of the legislations to be amended. The proposed fee revisions have no staffing implications. They would result in a net reduction of around \$0.92 million in Government revenue per year.

PUBLIC CONSULTATION

9. We consulted the Legislative Council Panel on Transport on 24 June 2005 regarding the proposed fee revisions. Members had no objection to the proposal.

PUBLICITY

10. A spokesman will be available to answer media and public enquiries.

ENQUIRIES

11. Enquiries about this brief could be addressed to Mr Donald Ng, Principal Assistant Secretary for the Environment, Transport and Works at 2189 2186.

Environment, Transport and Works Bureau
19 October 2005

Annex A

**ROAD TRAFFIC ORDINANCE (AMENDMENT OF SCHEDULE 5 -
CHARGE REVISION) ORDER 2005**

(Made by the Secretary for Financial Services and the
Treasury under section 29A of the Interpretation
and General Clauses Ordinance (Cap. 1) by
virtue of section 105(2) of the Road
Traffic Ordinance (Cap. 374))

1. Commencement

This Order shall come into operation on 16 December 2005.

2. Removal and storage charges

Schedule 5 to the Road Traffic Ordinance (Cap. 374) is amended -

- (a) in item 1(a) by repealing "440" and substituting "485";
- (b) in item 1(c) by repealing "2,960" and substituting "2,790";
- (c) in item 2 by repealing "175" and substituting "160".

Secretary for Financial Services
and the Treasury

2005

Explanatory Note

This Order -

- (a) increases the removal charge for a vehicle having a permitted gross vehicle weight not exceeding 5.5 tonnes from \$440 to \$485;
- (b) reduces the removal charge for a vehicle having a permitted gross vehicle weight exceeding 24 tonnes from \$2,960 to \$2,790; and
- (c) reduces the storage charge for a vehicle detained under the Road Traffic Ordinance (Cap. 374) from \$175 to \$160 per day.

**ROAD TRAFFIC (DRIVING LICENCES)
(FEE REDUCTION) REGULATION 2005**

(Made by the Secretary for Financial Services and the
Treasury under section 29A of the Interpretation
and General Clauses Ordinance (Cap. 1)
by virtue of section 8(1A) of the
Road Traffic Ordinance (Cap. 374))

1. Commencement

This Regulation shall come into operation on 16 December 2005.

2. Fees

The Second Schedule to the Road Traffic (Driving Licences) Regulations (Cap. 374 sub. leg. B) is amended -

- (a) in item 2(i) by repealing "97" and substituting "50";
- (b) in item 2(j) by repealing "97" and substituting "50".

Secretary for Financial Services
and the Treasury

2005

Explanatory Note

This Regulation reduces the fees for the issue of the record of convictions and certificate of no recorded convictions from \$97 to \$50.

**ROAD TRAFFIC (REGISTRATION AND LICENSING
OF VEHICLES)(FEE REDUCTION)
REGULATION 2005**

(Made by the Secretary for Financial Services and the
Treasury under section 29A of the Interpretation
and General Clauses Ordinance (Cap. 1) by
virtue of section 6(2) of the Road
Traffic Ordinance (Cap. 374))

1. Commencement

This Regulation shall come into operation on 16 December 2005.

2. Fees

Schedule 2 to the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374 sub. leg. E) is amended -

- (a) in the second item, by repealing "100" and substituting "83";
- (b) under the subheading "Permit and Certificate Fees" -
 - (i) in item 8, by repealing "175" and substituting "155";
 - (ii) in item 10, by repealing "220" and substituting "200";
 - (iii) in item 11, by repealing "220" and substituting "200";
 - (iv) in item 12, by repealing "130" and substituting "110";
 - (v) in item 13, by repealing "185" and substituting "145".

Secretary for Financial Services
and the Treasury

2005

Explanatory Note

This Regulation reduces the fees payable for -

- (a) the registration of motor vehicle from \$100 to \$83;
- (b) the issue of the excess passengers permit from \$175 to \$155;
- (c) the issue of the long load permit from \$220 to \$200;
- (d) the issue of the wide load permit from \$220 to \$200;
- (e) the issue of the advertising vehicle permit from \$130 to \$110; and
- (f) the issue of the expressway permit from \$185 to \$145,

under the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374 sub. leg. E).

**ROAD TRAFFIC (VILLAGE VEHICLES)
(FEE REDUCTION) REGULATION 2005**

(Made by the Secretary for Financial Services and the
Treasury under section 29A of the Interpretation
and General Clauses Ordinance (Cap. 1)
by virtue of section 12A(1A) of the
Road Traffic Ordinance (Cap. 374))

1. Commencement

This Regulation shall come into operation on 16 December 2005.

2. Permit fees

Schedule 2 to the Road Traffic (Village Vehicles) Regulations (Cap. 374 sub. leg. N) is amended -

- (a) in item 1, by repealing "\$250" and substituting "\$98";
- (b) in item 2, by repealing "\$250" and substituting "\$98";
- (c) in item 2A, by repealing "\$250" and substituting "\$98";
- (d) in item 3, by repealing "\$70" and substituting "\$56".

Secretary for Financial Services
and the Treasury

2005

Explanatory Note

This Regulation reduces the fees payable for -

- (a) the issue or renewal of a permit for driver operated village vehicle from \$250 to \$98;
- (b) the issue or renewal of a permit for a pedestrian controlled village vehicle from \$250 to \$98;
- (c) the issue or renewal of a permit for a golf cart from \$250 to \$98; and
- (d) a duplicate permit in respect of a village vehicle from \$70 to \$56.

Transport Department Fee Revision 2005/06

Item	Existing fee \$	Proposed fee \$	Fee change amount \$	Fee change percentage %	Percentage of full cost recovery after revision in 05/06 %
<u>I. Registration fee of Motor Vehicle</u>					
1. Registration fee of motor vehicle	100	83	(17)	(17%)	100%
<u>II. Permit Fees</u>					
2. Excess passengers permit	175	155	(20)	(11%)	100%
3. Long load permit	220	200	(20)	(9%)	100%
4. Wide load permit	220	200	(20)	(9%)	100%
5. Advertising vehicle permit	130	110	(20)	(15%)	100%
6. Expressway permit	185	145	(40)	(22%)	100%
<u>III. Village Vehicle Permit</u>					
Issue or renewal of a permit -					
7. For driver operated village vehicle	250	98	(152)	(61%)	100%
8. For pedestrian controlled village vehicle	250	98	(152)	(61%)	100%
9. For golf cart	250	98	(152)	(61%)	100%
10. Fee for a duplicate permit	70	56	(14)	(20%)	100%

Hong Kong Police Force Fee Revision 2005/06

Item	Existing fee \$	Proposed fee \$	Fee change amount \$	Fee change percentage %	Percentage of full cost recovery after revision in 05/06 %
<u>I. Record of Convictions</u>					
1. Record of convictions (traffic convictions)	97	50	(47)	(48%)	100%
2. Certificate of no recorded convictions (traffic convictions)	97	50	(47)	(48%)	100%
<u>II. Charges for Storage and Removal of Vehicles</u>					
3. Storage charge in respect of vehicles detained under section 103 and section 104 of Cap 374	175	160	(15)	(9%)	100%
Removal charge for a vehicle having a permitted gross vehicle weight -					
4. not exceeding 5.5 tonnes	440	485	45	10%	85%
5. exceeding 24 tonnes	2,960	2,790	(170)	(6%)	100%