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LEGISLATIVE COUNCIL BRIEF

Chinese Nationality (Miscellaneous Provisions) Ordinance
(Chapter 540)

CHINESE NATIONALITY (MISCELLANEOUS PROVISIONS) ORDINANCE (AMENDMENT OF SCHEDULE – FEES REVISION) ORDER 2006

INTRODUCTION

At the meeting of the Executive Council held on 28 March 2006, the Council ADVISED and the Chief Executive ORDERED that the Chinese Nationality (Miscellaneous Provisions) Ordinance (Amendment of Schedule – Fees Revision) Order 2006, at Annex A, should be made under section 7 of the Chinese Nationality (Miscellaneous Provisions) Ordinance, to increase the prescribed fees payable on making nationality applications.

BACKGROUND AND JUSTIFICATIONS

2. Fees are payable for making nationality applications under the Chinese Nationality (Miscellaneous Provisions) Ordinance (the Ordinance). The fees set out in the Schedule to the Ordinance were first introduced in July 1997 when the Ordinance came into force. In accordance with section 7 of the Ordinance, the Chief Executive in Council may by order amend the Schedule.

3. It is Government policy that fees should in general be set at levels sufficient to recover the full cost of providing the services. The Administration has frozen most fees and charges since February 1998 as an exceptional measure to alleviate the financial burden on the public in times of economic difficulty. In line with the “user pays” principle, the Financial Secretary, in the 2004-05 Budget Speech, indicated the need to resume the revision of Government fees and charges. The fees payable for making nationality applications have not been revised since their introduction in 1997.

4. A recent costing review conducted at 2005-06 prices shows that the existing fees for processing nationality applications only recover 17% to 66% of the full costs of providing the service. Detailed cost computations are shown in Annex B. We intend to increase the fees payable for these applications by 15% to 20% with a view to achieving the full-cost recovery by phases. Details are set out below –

	Existing Fee \$	Proposed Fee \$	Proposed Revision	Cost Recovery Rate after Proposed Revision
(a) Application for naturalization as a Chinese national – on application	1,365	1,570	+ \$205 (15%)	76%
(b) Application for naturalization as a Chinese national – on demand for a certificate	1,365	1,570	+ \$205 (15%)	76%
(c) Application for renunciation of Chinese nationality	480	575	+ \$95 (20%)	21%
(d) Application for restoration of Chinese nationality	960	1,150	+ \$190 (20%)	28%
(e) Application for supply of a certified copy of any certificate issued under Article 16 of the Nationality Law	155	185	+ \$30 (19%)	36%

Legislative Council Discussions

5. The Administration issued a paper to the Legislative Council Panel on Security in June 2005 on proposals to revise the fees and charges for services under the purview of the Security Bureau that would not directly affect people's livelihood or general business activities. The Panel on Security decided that a list of 20 fee items collected by the Immigration Department, which included the proposals to increase the fees payable for making nationality applications, should be discussed at its meeting on 6 December 2005. The Panel raised no question on the nationality-related fee proposals during the meeting.

THE CHINESE NATIONALITY (MISCELLANEOUS PROVISIONS) ORDINANCE (AMENDMENT OF SCHEDULE – FEES REVISION) ORDER 2006

6. The Chinese Nationality (Miscellaneous Provisions) Ordinance (Amendment of Schedule – Fees Revision) Order 2006 (“the Order”) amends items 1, 2, 3 and 4 of the Schedule to the Ordinance to revise the fees payable for making the nationality applications set out under those items. The fees payable under paragraph (b), column 3 of item 1 of the Schedule is not payable on application, but payable on demand. Words have been added in that paragraph to provide that the existing fee is to apply if the relevant application is made before the commencement of the Order.

LEGISLATIVE TIMETABLE

7. The legislative timetable will be –

Publication in the Gazette	7 April 2006
Tabling at the Legislative Council	26 April 2006
Commencement	19 June 2006

IMPLICATIONS OF THE PROPOSAL

8. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no economic, environmental or sustainability implications, and will not affect the current binding effect of the Ordinance.

9. The Immigration Department regularly reviews its operational systems to enhance cost-effectiveness as well as the quality of services since the nationality-related applications were first introduced in July 1997. Active measures include simplifying application procedures and streamlining the work flow with a view to controlling the cost of processing nationality applications effectively.

10. Additional revenue arising from the fee increase is estimated to be \$0.6 million per annum. There are no civil service or staffing implications.

PUBLIC CONSULTATION

11. The Administration issued a paper to the Legislative Council Panel on Security in June 2005 on the proposal, amongst other proposed revision of fees and charges for services under the purview of the Security Bureau. At the Panel meeting held on 6 December 2005, Members raised no question on the proposed fee increases related to nationality applications.

PUBLICITY

12. A press release will be issued on 4 April 2006 and a spokesman will be available for answering media enquiries.

ENQUIRIES

13. Enquiries about this brief can be made to Ms Anita LI, Assistant Secretary for Security at 2810 2699.

Security Bureau
3 April 2006

**CHINESE NATIONALITY (MISCELLANEOUS
PROVISIONS) ORDINANCE (AMENDMENT OF
SCHEDULE - FEES REVISION) ORDER 2006**

(Made by the Chief Executive in Council under section 7 of the Chinese Nationality (Miscellaneous Provisions) Ordinance (Cap. 540))

1. Commencement

This Order shall come into operation on 19 June 2006.

2. Fees

The Schedule to the Chinese Nationality (Miscellaneous Provisions) Ordinance (Cap. 540) is amended –

- (a) in item 1, in paragraph (a) in column 3, by repealing “\$1,365” and substituting “\$1,570”;
- (b) in item 1, in paragraph (b) in column 3, by repealing “\$1,365” and substituting “\$1,570 (or, in the case of an application made before 19 June 2006, \$1,365)” ;
- (c) in item 2, in column 3, by repealing “\$480” and substituting “\$575”;
- (d) in item 3, in column 3, by repealing “\$960” and substituting “\$1,150”;
- (e) in item 4, in column 3, by repealing “\$155” and substituting “\$185”.

Clerk to the Executive Council

COUNCIL CHAMBER

28 March 2006

Explanatory Note

The purpose of this Order is to increase the fees payable for an application for –

- (a) naturalization as a Chinese national under Article 7 of the Nationality Law of the People’s Republic of China (“Nationality Law”) (section 2(a) and (b));
- (b) renunciation of Chinese nationality under Article 10 of the Nationality Law (section 2(c));
- (c) restoration of Chinese nationality under Article 13 of the Nationality Law (section 2(d)); and
- (d) supply of a certified copy of any certificate issued under Article 16 of the Nationality Law (section 2(e)).

COST COMPUTATION

Immigration Department Fees for Applications under Chinese Nationality (Miscellaneous Provisions) Ordinance

Cost at 2005-06 Prices

	(\$)
1. Application for naturalization as a Chinese national	
Cost comprises two components :	
Cost for initial application + Cost for grant of a certificate	
Staff costs	3,081
Accommodation costs	79
Departmental expenses	57
Depreciation	820
Cost of services provided by other Departments	1
Central administrative overhead	84
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Total :	4,122
1.1 Application for naturalization as a Chinese national - on application (per application)	2,061
1.2 Application for naturalization as a Chinese national - on demand for a certificate (per application)	2,061

(\$)

2. Application for renunciation of Chinese nationality
(per application)

Staff costs	1,779
Accommodation costs	47
Departmental expenses	59
Depreciation	808
Cost of services provided by other Departments	1
Central administrative overhead	49
Total :	2,743

3. Application for restoration of Chinese nationality
(per application)

Staff costs	3,032
Accommodation costs	77
Departmental expenses	56
Depreciation	820
Cost of services provided by other Departments	1
Central administrative overhead	83
Total :	4,069

4. Application for supply of a certified copy of any
certificate issued under Article 16 (per application)

Staff costs	488
Accommodation costs	12
Departmental expenses	7
Depreciation	1
Central administrative overhead	13
Total :	521