

LEGISLATIVE COUNCIL BRIEF

Hong Kong Special Administrative Region Passports Ordinance
(Chapter 539)

**HONG KONG SPECIAL ADMINISTRATIVE REGION
PASSPORTS ORDINANCE
(AMENDMENT OF SCHEDULE – FEES REVISION) NOTICE 2006**

INTRODUCTION

At the meeting of the Executive Council held on 28 March 2006, the Council ADVISED and the Chief Executive ORDERED that the Hong Kong Special Administrative Region Passports Ordinance (Amendment of Schedule – Fees Revision) Notice 2006, at Annex A, should be made under section 12 of the Hong Kong Special Administrative Region Passports Ordinance, to increase the prescribed fees payable on applying for the issuance of, the amendment of and the making of an endorsement on HKSAR passports.

BACKGROUND AND JUSTIFICATIONS

2. Fees are payable for the issue of HKSAR passports under the Hong Kong Special Administrative Region Passports Ordinance (the Ordinance). The fees are set out in the Schedule to the Ordinance and were first introduced in July 1997 upon the introduction of the HKSAR passport. In accordance with section 12 of the Ordinance, the Chief Executive in Council may by notice in the Gazette 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 for the issuance of HKSAR passports were last revised in 2000 while those for amending and making endorsement to HKSAR passports have not been revised since July 1997.

4. A recent costing review conducted at 2005-06 prices shows that some existing fees for HKSAR passports only recover 12% to 72% of the full costs of providing the service. Detailed cost computations are shown in Annex B. Based on the revision guidelines set by the Financial Services and the Treasury Bureau, we intend to increase those fees for HKSAR passports by 16% to 21%. Details are set out below –

| | Existing Fee | Proposed Fee | Proposed Revision | Cost Recovery Rate after Proposed Revision |
|--|---------------------|---------------------|--------------------------|---|
| (a) HKSAR passport (32 pages) valid for ten years, for persons 16 years of age or over | \$320 | \$370 | + \$50 (16%) | 83% |
| (b) HKSAR passport (32 pages) valid for five years, for persons under 16 years of age | \$160 | \$185 | + \$25 (16%) | 41% |
| (c) Amending an existing passport under section 5(1) | \$70 | \$84 | + \$14 (20%) | 14% |
| (d) Making an endorsement under section 6 | \$140 | \$170 | + \$30 (21%) | 19% |

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 fee proposals related to HKSAR passports, should be discussed on 6 December 2005. After discussion at the meeting, the proposed revisions including those relating to the HKSAR passports were considered as acceptable by Legislative Council members.

THE HONG KONG SPECIAL ADMINISTRATIVE REGION PASSPORTS ORDINANCE (AMENDMENT OF SCHEDULE – FEES REVISION) NOTICE 2006

6. The Hong Kong Special Administrative Region Passports Ordinance (Amendment of Schedule – Fees Revision) Notice 2006 amends items 1(a), 2(a), 3 and 4 of the Schedule to the Ordinance to revise the fees which are payable on applying for the issuance of, the amendment of and the making of an endorsement on HKSAR passports.

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. Measures including down grading of posts, streamlining of procedural steps, increasing productivity and scaling down of backroom support have been taken to control the cost and to enhance the efficiency since the last fee revision in 2000.

10. Additional revenue arising from the proposal is estimated to be \$29.2 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 considered that the proposed fee increases related to HKSAR passport were acceptable.

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

**HONG KONG SPECIAL ADMINISTRATIVE
REGION PASSPORTS ORDINANCE (AMENDMENT
OF SCHEDULE - FEES REVISION) NOTICE 2006**

(Made by the Chief Executive in Council under section 12 of the Hong Kong Special Administrative Region Passports Ordinance (Cap. 539))

1. Commencement

This Notice shall come into operation on 19 June 2006.

2. Prescribed fees

The Schedule to the Hong Kong Special Administrative Region Passports Ordinance (Cap. 539) is amended –

- (a) in item 1(a), by repealing “320” and substituting “370”;
- (b) in item 2(a), by repealing “160” and substituting “185”;
- (c) in item 3, by repealing “70” and substituting “84”;
- (d) in item 4, by repealing “140” and substituting “170”.

Clerk to the Executive Council

COUNCIL CHAMBER

28 March 2006

Explanatory Note

The purpose of this Notice is to increase the prescribed fees payable for –

- (a) issuing a Hong Kong Special Administrative Region Passport (“passport”) of 32 pages to a person aged 16 or

above under section 3(1) of the Hong Kong Special Administrative Region Passports Ordinance (Cap. 539) (section 2(a));

- (b) issuing a passport of 32 pages to a person under the age of 16 under section 3(1) of the Ordinance (section 2(b));
- (c) amending an existing passport under section 5(1) of the Ordinance (section 2(c)); and
- (d) making on both a previous passport and a replacement passport an endorsement under section 6 of the Ordinance to the effect that the previous passport bears a visa which is still in force (section 2(d)).

COST COMPUTATION

Immigration Department Fees for HKSAR Passports

Cost at 2005-06 Prices

| | (\$) |
|---|------------|
| 1. Issuing a HKSAR Passport (32 pages) (for persons 16 years of age or over) under section 3(1) of Cap. 539 (per application) | |
| Staff costs | 263 |
| Accommodation costs | 28 |
| Departmental expenses | 41 |
| Depreciation | 52 |
| Central administrative overhead | 7 |
| Sub-total: | 391 |
| Blank Passport Unit Cost (32 pages) | 44 |
| Laminates and substrates | 12 |
| Unit Cost for HKSAR Passport (32 pages) | 447 |
| 2. Issuing a HKSAR Passport (32 pages) (for persons under 16 years of age) under section 3(1) of Cap. 539 (per application) | |
| Staff costs | 263 |
| Accommodation costs | 28 |
| Departmental expenses | 41 |
| Depreciation | 52 |
| Central administrative overhead | 7 |
| Sub-total: | 391 |
| Blank Passport Unit Cost (32 pages) | 44 |
| Laminates and substrates | 12 |
| Unit Cost for HKSAR Passport (32 pages) | 447 |

3. Amending an existing HKSAR passport
under section 5(1) of Cap. 539 (per application)

| | |
|---------------------------------|------------|
| Staff costs | 407 |
| Accommodation costs | 14 |
| Departmental expenses | 103 |
| Depreciation | 51 |
| Central administrative overhead | 11 |
| Total : | <u>586</u> |

4. Making an endorsement under section 6 of Cap. 539
(per application)

| | |
|---------------------------------|------------|
| Staff costs | 774 |
| Accommodation costs | 21 |
| Departmental expenses | 48 |
| Depreciation | 53 |
| Central administrative overhead | 21 |
| Total : | <u>917</u> |