

## **LEGISLATIVE COUNCIL BRIEF**

Road Traffic Ordinance  
(Chapter 374)

### **ROAD TRAFFIC ORDINANCE (AMENDMENT OF SCHEDULE 5) ORDER 2014**

### **ROAD TRAFFIC (DRIVING LICENCES) (AMENDMENT) REGULATION 2014**

#### **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 Financial Secretary (which means also the Secretary for Financial Services and the Treasury by virtue of section 3 of Cap.1) 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) Order 2014 (“the Order”); and
- (b) the Road Traffic (Driving Licences) (Amendment) Regulation 2014 (“the Regulation”).

**A** The Order and the Regulation are at **Annex A**. This amendment exercise aims to revise the fee of six items relating to the provision of road traffic services under the Road Traffic Ordinance (Cap. 374) and its subsidiary legislation.

## JUSTIFICATIONS

3. In line with the “user pays” principle, it is Government’s policy that fees and charges of Government services should in general be set at a level sufficient to recover the full cost of providing the services. However, some fees and charges have not been revised in recent years.

4. In the 2013-14 Budget Speech, the Financial Secretary indicated that we needed a systematic review of fees and charges and should first deal with fees which had not been revised for years and did not directly affect people’s livelihood.

5. In order to achieve full cost recovery gradually and to avoid a steep fee increase, the following guidelines for the proposed fee increases have been adopted:

- (a) for existing cost recovery rate of less than 40%, adopt an increase of about 20%;
- (b) for existing cost recovery rate between 40% to 70%, adopt an increase of about 15%; and
- (c) for existing cost recovery rate of over 70%, adopt an increase of about 10% or lower.

6. Based on the outcome of a costing review, we propose to increase the fees of six items relating to road traffic services provided by the Hong Kong Police Force (HKPF). All these fee items have not been revised for seven years or more. The proposed increases range from +7.5% to +15%. Details are set out at **Annex B**.

B

7. We will ensure that the costs of all fee and charge items related to road traffic will be reviewed regularly and fee revision proposals introduced as and when necessary. HKPF will continue to enhance working efficiency and streamline procedures so as to contain the costs of the fee items concerned.

## **THE ORDER AND THE REGULATION**

8. The Order and the Regulation at **Annex A** seek to revise the fees under the Road Traffic Ordinance and its subsidiary legislation set out at **Annex B**. We propose that the fee revisions should come into effect on 9 June 2014.

## **LEGISLATIVE TIMETABLE**

9. The legislative timetable is set out below –

Publication in the Gazette	11 April 2014
Tabling at the Legislative Council	16 April 2014
Commencement	9 June 2014

## **IMPLICATIONS OF THE PROPOSAL**

10. The proposed fee revisions will result in a net increase in revenue of about \$0.46 million per annum. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It does not affect the current binding effect of the Road Traffic Ordinance. The proposal has no civil service, family, sustainability, productivity, economic and environmental implications.

## **PUBLIC CONSULTATION**

11. We consulted the Legislative Council Panel on Transport on 17 January 2014 regarding the proposed fee revisions. Members supported them.

## **PUBLICITY**

12. A spokesperson will be available to answer media and public enquiries.

## **ENQUIRIES**

13. Enquiries about this brief could be addressed to Miss Amy Chan, Principal Assistant Secretary for Transport at 3509 8196.

**Transport and Housing Bureau**

**9 April 2014**

## Road Traffic Ordinance (Amendment of Schedule 5) Order 2014

(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 comes into operation on 9 June 2014.

### 2. Road Traffic Ordinance amended

The Road Traffic Ordinance (Cap. 374) is amended as set out in section 3.

### 3. Schedule 5 amended (removal and storage charges)

(1) Schedule 5, item 1(a)—

#### Repeal

“485”

#### Substitute

“560”.

(2) Schedule 5, item 1(b)—

#### Repeal

“1,110”

#### Substitute

“1,280”.

(3) Schedule 5, item 1(c)—

#### Repeal

“2,790”

#### Substitute

“3,210”.

(4) Schedule 5, item 2—

#### Repeal

“160”

#### Substitute

“172”.

Secretary for Financial Services and  
the Treasury

2014

**Explanatory Note**

This Order—

- (a) increases the removal charge for a vehicle having a permitted gross vehicle weight not exceeding 5.5 tonnes from \$485 to \$560;
- (b) increases the removal charge for a vehicle having a permitted gross vehicle weight exceeding 5.5 tonnes but not exceeding 24 tonnes from \$1,110 to \$1,280;
- (c) increases the removal charge for a vehicle having a permitted gross vehicle weight exceeding 24 tonnes from \$2,790 to \$3,210; and
- (d) increases the storage charge for a vehicle detained under the Road Traffic Ordinance (Cap. 374) from \$160 to \$172 per day.

## Road Traffic (Driving Licences) (Amendment) Regulation 2014

(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 comes into operation on 9 June 2014.

2014

### 2. Road Traffic (Driving Licences) Regulations amended

The Road Traffic (Driving Licences) Regulations (Cap. 374 sub. leg. B) are amended as set out in section 3.

### 3. Second Schedule amended (fees)

(1) Second Schedule, item 2(i)—

**Repeal**

“50”

**Substitute**

“55”.

(2) Second Schedule, item 2(j)—

**Repeal**

“50”

**Substitute**

“55”.

Secretary for Financial Services and  
the Treasury

**Explanatory Note**

This Regulation increases the fee for the issue of a record of convictions or a certificate of no recorded convictions under section 75(5) of the Road Traffic Ordinance (Cap. 374) from \$50 to \$55.



## Annex B

### Proposed revision to fees and charges relating to road traffic

	<b>Fees with brief descriptions</b>	<b>Existing fee level (\$)</b>	<b>Existing cost recovery rate (%)</b>	<b>Proposed fee level (\$) (Proposed change in percentage)</b>
1	<p>Fee for record of convictions (traffic convictions) (under Second Schedule to the Road Traffic (Driving Licences) Regulations (Cap. 374B))</p> <p><i>Brief description:</i> Fee for the issue of a record of convictions under section 75(5) of the Road Traffic Ordinance (Cap. 374) (the Ordinance)</p>	50	78	55 (+10%)
2	<p>Fee for certificate of no recorded convictions (traffic convictions) (under Second Schedule to Cap. 374B)</p> <p><i>Brief description:</i> Fee for the issue of a certificate of no recorded conviction under section 75(5) of the Ordinance</p>	50	78	55 (+10%)
3	<p>Removal charge - for a vehicle having a permitted gross vehicle weight not exceeding 5.5 tonnes (under Schedule 5 to the Ordinance)</p> <p><i>Brief description:</i> Charge for removal of vehicles which were seized by a police officer under sections 95 or 103 of the Ordinance</p>	485	59	560 (+15%)
4	<p>Removal charge - for a vehicle having a permitted gross vehicle weight exceeding 5.5 tonnes but not exceeding 24 tonnes (under Schedule 5 to the Ordinance)</p> <p><i>Brief description:</i> Charge for removal of vehicles which were seized by a police officer under sections 95 or 103 of the Ordinance</p>	1,110	51	1,280 (+15%)

	<b>Fees with brief descriptions</b>	<b>Existing fee level (\$)</b>	<b>Existing cost recovery rate (%)</b>	<b>Proposed fee level (\$) (Proposed change in percentage)</b>
5	<p>Removal charge - for a vehicle having a permitted gross vehicle weight exceeding 24 tonnes (under Schedule 5 to the Ordinance)</p> <p><i>Brief description:</i> Charge for removal of vehicles which were seized by a police officer under sections 95 or 103 of the Ordinance</p>	2,790	61	3,210 (+15%)
6	<p>Storage Charge (per day) (under Schedule 5 to the Ordinance)</p> <p><i>Brief description:</i> Charge for storage of vehicles detained under sections 103 or 104 of the Ordinance</p>	160	93	172 (+7.5%)