

Bills Committee on Revenue Bill 1999

**Proposed Regulation-Making Power for
the Secretary for Transport under Clause 48
of the Revenue Bill 1999**

Purpose

This paper sets out the background of including the regulation-making power for the Secretary for Transport under Clause 48 of the Revenue Bill 1999.

Background

2. In the 1999-2000 Budget, it is proposed, among other things, that as from 1 September 1999 the Cross-Harbour Tunnel (CHT) tolls for private cars and motor cycles should be increased from \$10 and \$4 to \$20 and \$8 respectively. At the same time, the present tunnel tax will be abolished. Legislative amendments are required to implement the proposals.

3. The Cross-Harbour Tunnel Ordinance (Cap. 203) is not the appropriate legislative instrument to implement the above-mentioned revenue proposals as the provisions of the Ordinance will no longer be applicable when the Tunnel reverts to Government ownership on 1 September 1999. CHT will be a Government tunnel as from that date onwards and it will come under the Road Tunnels (Government) Ordinance (Cap. 368) subject to legislative amendments.

4. The amendments included in the Revenue Bill 1999 in respect of the Cross-Harbour Tunnel tolls are the essential amendments which will enable Government to collect the revised tolls as from 1 September 1999. They include the repeal of the Cross-Harbour Tunnel Ordinance, its subsidiary legislation and the Cross-Harbour Tunnel (Passage Tax) Ordinance (Cap. 274). There are other consequential amendments etc. required to be done following the repeal of these legislation. It is necessary to provide a regulation-making power for the Secretary for Transport in order to enable him to prepare the necessary consequential amendments.

Annex

Clause 48 of the Revenue Bill 1999 serves such a purpose. The Transport Bureau is preparing the draft regulations to be made under clause 48 of the Revenue Bill 1999. These consequential amendments are set out in the information paper prepared by the Transport Bureau at Annex. The Bureau has also been consulting the Transport Panel of the Legislative Council of the proposed regulations.

Finance Bureaus
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For Information

Legislative Council Panel on Transport

**Regulations for the Cross-Harbour Tunnel
made under section 48 of the Revenue Bill 1999**

Purpose

This paper informs Members of the regulations the Government will introduce in pursuance of the powers to be conferred on the Secretary for Transport by section 48 of the Revenue Bill 1999. The objectives of these regulations are to facilitate the vesting of the Cross-Harbour Tunnel (CHT) in Government on 1 September 1999.

Background

2. The Cross-Harbour Tunnel (CHT) was awarded to the Cross-Harbour Tunnel Company Limited as a build, operate and transfer project with a franchise period of 30 years from the beginning of construction. The franchise will expire on 31 August 1999, whereupon under section 52 of the Cross-Harbour Tunnel Ordinance (Cap. 203) the assets of the Company, including the CHT, will vest in Government.

3. The 1999 - 2000 Budget proposes to increase the Cross-Harbour Tunnel tolls for motor cycles and private cars and to abolish the present passage tax. Pursuant to the Revenue Bill 1999, the CHT will be incorporated into the Road Tunnels (Government) Ordinance (Cap. 368) to provide for the collection of toll and the abolition of the passage tax from 1 September 1999 onwards. The Cross-Harbour Tunnel Ordinance (Cap. 203), its subsidiary legislation and the Cross-Harbour Tunnel (Passage Tax) Ordinance (Cap. 274) will be repealed. The Revenue Bill 1999 also seeks to empower the Secretary for Transport to make regulations to provide for the consequential amendments as well as the necessary savings and transitional arrangements arising from the repeal of the Cross-Harbour Tunnel Ordinance (Cap. 203), its subsidiary legislation and the Cross-Harbour Tunnel (Passage Tax) Ordinance (Cap. 274).

Consequential amendments to references to CHT in other legislation

4. Subsequent to the repeal of the Cross-Harbour Tunnel Ordinance (Cap. 203), its subsidiary legislation and the Cross-Harbour Tunnel (Passage Tax) Ordinance (Cap. 274), the following legislation has to be amended by repealing or amending the references to the Cross-Harbour Tunnel Ordinance (Cap. 203), its subsidiary legislation, the Cross-Harbour Tunnel (Passage Tax) Ordinance (Cap. 274) and the Cross-Harbour Tunnel Company Limited -

- (a) Specification of Public Offices (Cap. 1 sub. leg. C);
- (b) Schedule of Public **Bodies** under the Prevention of Bribery Ordinance (Cap. 201);
- (c) Metrication Amendments (Miscellaneous Provisions) Order (Cap. 214 sub. leg. D);
- (d) Magistrates Ordinance (Cap. 227);
- (e) Motor Vehicles Insurance (Third Party Risks) Ordinance (Cap. 272);
- (f) Road Traffic (Public Service Vehicles) Regulations (Cap. 374 sub. leg. D);
- (g) Road Traffic (Driving-Offence Points) Ordinance (Cap. 375); and
- (h) Oil (Conservation and Control) Ordinance (Cap. 264).

The amendments or repeal of these references will be effected through the Regulations to be made pursuant to section 48 of the Revenue Bill 1999.

Savings and Transitional Arrangements

5. Similarly, regulations will be introduced to ensure that the repeal of the Cross-Harbour Tunnel Ordinance (Cap. 203), its subsidiary legislation and the Cross-Harbour Tunnel (Passage Tax) Ordinance (Cap. 274) would not affect any right, privilege or liability under Cap. 203 and Cap. 274 in respect of the following -

- (a) outstanding legal actions on traffic-related and toll (including passage tax) matters; and
- (b) outstanding rent, royalty payment and passage tax payment as well as the Company's responsibility to keep proper records for inspection by Government.

6. A regulation would also be introduced to enable the continued use of certain traffic signs at the CHT after it becomes a government tunnel. Action will be taken to replace the signs with those conforming to the standards of the Road Tunnels (Government) Regulations in due course.

Conclusion

7. Members' attentions are drawn to the proposed regulations to be made by the Secretary for Transport under section 48 of the Revenue Bill.

8. In accordance with section 34 of the Interpretation and General Clauses Ordinance (Cap. 1), which provides for the laying of subsidiary legislation before the Legislative Council, the proposed regulations will be tabled after the enactment of section 48 of the Revenue Bill.

Transport Bureau
4 June 1999