

## **LEGISLATIVE COUNCIL BRIEF**

### **Port Control (Cargo Working Areas) Ordinance (Chapter 81)**

### **Port Control (Cargo Working Areas) (Amendment) Regulation 1999**

#### **INTRODUCTION**

At the meeting of the Executive Council on 9 March 1999, the Council ADVISED and the Chief Executive ORDERED that the Port Control (Cargo Working Areas) (Amendment) Regulation 1999, at the *Annex*, should be introduced into the Legislative Council.

#### **BACKGROUND AND ARGUMENT**

2. PCWAs are water-front areas managed by Marine Department (MD) for use by cargo operators for loading or unloading cargoes from barges. Currently, there are eight PCWAs in various locations in the harbour. The berths of PCWAs used to be allocated to cargo barges on a “first-come-first-served” basis. This berth allocation system was inefficient and had brought about many management problems. To improve the productivity of PCWAs and bring the charges gradually up to market levels, MD has been implementing a management reform programme in PCWAs. The first phase of reform involved the allocation of the berths to the existing operators by way of a restricted tender for a period of three years. This was completed on 1 February 1998.

3. The next phase of the reform involves simplifying the management and fee system for regulating cargo handling activities on the landside of PCWAs. Following extensive consultation and discussions with the operators, we propose to rent out a small piece of

land behind each berth in the PCWA for use as operation area by the operators. An operation area permit will be issued and a monthly rent will be charged to replace the various fees the operators are required to pay at the moment. It is estimated that a total of 96 600 square meters will be rented out under the proposal.

### **The Proposal**

4. At present, operators in PCWAs are required to pay up to seven different fees, including the storage of cargoes, the use of forklift truck, etc. within the PCWAs. This is cumbersome to the operators and creates a lot of unnecessary administrative work to the department. Under the new proposal, each operator will be given the option of renting a small area (about 500 sq. m., depending on the space available in each PCWA) behind his berth for carrying out permitted cargo handling related activities without the need to pay individual fees. This operation area will give the operators more control and flexibility in carrying out their business and reduce the administrative work of the department.

5. To introduce this new system, we need to amend the Port Control (Cargo Working Area) Regulations. The opportunity will also be taken to simplify the fee structure. Currently vehicle drivers entering the PCWA to perform cargo loading or unloading activities and parking are required to buy “working area tickets” and “parking area tickets” respectively. The two tickets will be replaced by a new “vehicle entry ticket”.

### **THE REGULATION**

6. The main provisions of the Regulation are as follows -
- (a) Sections 3 to 7 repeal certain obsolete provisions in the existing regulations.
  - (b) Sections 8 to 11 make necessary amendments to the existing provisions to enable the introduction of the operation area arrangement.

- (c) Section 12 provides for the issue of operation area permits and prescribes the activities that a permit holder may carry out within the operation area.
- (d) Section 16 and 17 repeal “working area tickets” and “parking area tickets” and substitute “vehicle entry tickets”.
- (e) Section 18 enables the Director of Marine to cancel an operation area permit if a condition of the permit is contravened.
- (f) Section 20 repeals certain obsolete terminology in the existing regulations and provides for the fee payable in respect of operation area permits and vehicle entry tickets.

## **BILL OF RIGHTS IMPLICATIONS**

7. The Department of Justice advises that the proposed Regulation has no human rights implications.

## **BINDING EFFECT**

8. The amendments will not affect the current binding effect of the existing provisions of the principal Regulations.

## **FINANCIAL AND STAFFING IMPLICATIONS**

9. The proposal of giving PCWA operator an option to pay a fixed rental for operation area permit instead of paying individual fees will result in a revenue forgone of about \$12.3 million per annum. Replacing the ‘working area tickets’ and ‘parking area tickets’ with ‘vehicle entry tickets’ will be revenue neutral. The current proposal will give rise to a realisable saving of \$1.7 million annually as a result of the deletion of eight posts which are no longer required under the new arrangement.

## **ECONOMIC IMPLICATIONS**

10. The proposal will enhance the productivity of public cargo working areas.

## **PUBLIC CONSULTATION**

11. The MD has consulted the PCWA operators extensively through the relevant trade associations and the proposal has their support.

## **PUBLICITY**

12. A press release will be issued on 17 March 1999. A spokesman will be available to handle media enquiries.

## **ENQUIRY**

13. Any enquiry on this brief can be addressed to Mr H P Liu, Assistant Director of Marine (2852 4541) or Mr Peter Kwok, Assistant Secretary for Economic Services (2537 2842).

Economic Services Bureau

Date : 16 March 1999

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**Annex**

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Port Control (Cargo Working Areas)  
(Amendment) Regulation 1999

## **PORT CONTROL (CARGO WORKING AREAS) (AMENDMENT) REGULATION 1999**

(Made by the Chief Executive in Council under section 6 of the Port Control (Cargo Working Areas) Ordinance (Cap. 81))

### **1. Commencement**

This Regulation shall come into operation on a day to be appointed by the Secretary for Economic Services by notice in the Gazette.

### **2. Interpretation**

Regulation 2 of the Port Control (Cargo Working Areas) Regulations (Cap. 81 sub. leg.) is amended -

- (a) by repealing the definitions of “cargo transfer permit”, “crane barge”, “crane barge permit”, “parking area ticket” and “working area ticket”;
- (b) by adding -

““operation area permit” (操作區許可證) means an operation area permit issued under regulation 7D;

“vehicle entry ticket” (車輛通行票證) means a vehicle entry ticket issued under regulation 14;”.

### **3. Entry of vessels**

Regulation 5A is amended -

- (a) in paragraphs (1) and (2), by repealing “Subject to paragraph (3), the” and substituting “The”;
- (b) by repealing paragraph (3).

### **4. Berthing permits**

Regulation 5B is amended -

- (a) in paragraph (4), by repealing “Subject to paragraph (5), the” and substituting “The”;
- (b) by repealing paragraph (5).

**5. Allocation of cargo working berths**

Regulation 5C is amended -

- (a) in paragraph (7), by repealing “Subject to paragraph (8), a” and substituting “A”;
- (b) by repealing paragraph (8).

**6. Crane barge permits**

Regulation 5D is repealed.

**7. Cargo transfer permits**

Regulation 6B is repealed.

**8. Cargo depositing permits**

Regulation 7 is amended -

- (a) in paragraph (4) -
  - (i) by repealing “Any” and substituting “Subject to paragraph (5), any”;
  - (ii) in subparagraph (a), by adding “任何” before “公眾貨物裝卸區”;
- (b) by adding -
  - “(5) Paragraph (4) shall not apply to a person who has been issued with an operation area permit which is valid in respect of the public cargo working area or public water-front.”.

## **9. Mobile crane permits**

Regulation 7A is amended -

- (a) in paragraph (2)(b), by repealing “發出的月份最後一天” and substituting “有效月份的最後一天終結時”;
- (b) in paragraph (6) -
  - (i) by repealing “Any” and substituting “Subject to paragraph (7), any”;
  - (ii) by adding before “公眾貨物裝卸區”;
- (c) by adding -
  - “(7) Paragraph (6) shall not apply to a person who has been issued with an operation area permit which is valid in respect of the public cargo working area or public water-front.”.

## **10. Fork lift truck permits**

Regulation 7B is amended -

- (a) in paragraph (6) -
  - (i) by repealing “Any” and substituting “Subject to paragraph (7), any”;
  - (ii) by adding “任何” before “公眾貨物裝卸區”;
- (b) by adding -
  - “(7) Paragraph (6) shall not apply to a person who has been issued with an operation area permit which is valid in respect of the public cargo working area or public water-front.”.

## **11. Mobile office and mobile shelter permits**

Regulation 7C is amended -



- (a) in paragraph (2)(b), by repealing “發出的月份最後一天” and substituting “有效月份的最後一天終結時”;
- (b) in paragraph (7) -
  - (i) by repealing “Any” and substituting “Subject to paragraph (7A), any”;
  - (ii) in subparagraph (a), by adding (任何) before “公眾貨物裝卸區”;
- (c) by adding -

“(7A) Paragraph (7) shall not apply to a person who has been issued with an operation area permit which is valid in respect of the public cargo working area or public water-front.”.

## 12. Section added

The following is added -

### “7D. Operation area permits

(1) The Director may, upon application and on payment of the fee prescribed in the Schedule by any person, issue to the person an operation area permit to permit him to -

- (a) deposit any cargo or cargo container;
- (b) operate a mobile crane;
- (c) operate a fork lift truck; and
- (d) keep a mobile office or mobile shelter,

within the area specified in the permit forming part of a public cargo working area or public water-front.

- (2) An operation area permit -
  - (a) shall be valid only in respect of the public cargo working area or public water-front specified in the permit; and

(b) shall, unless earlier cancelled under regulation 21, be valid for a period not exceeding 1 calendar month, expiring on the last day of the month for which it is issued; and

(c) may from time to time be renewed.

(3) An application for the issue or renewal of an operation area permit shall be made to the Director in such manner as he may specify.”.

### **13. Prohibition of certain vehicles at public water-fronts**

Regulation 10(1A) is repealed and the following substituted -

“(1A) Paragraph (1) shall not apply to a mobile crane or fork lift truck.”.

### **14. Movement of vessels or vehicles**

Regulation 11(1) is amended -

(a) by repealing “在以不損害本規例的任何其他條文為原則下,”;

(b) by adding “。本款並不損害本規例的任何其他條文的效力” after “別處”.

### **15. Removal of vessels**

Regulation 11A(1) is amended -

(a) by repealing “在以不損害本規例的任何其他條文為原則下,”;

(b) by adding “。本款並不損害本規例的任何其他條文的效力” after “移走”.

### **16. Entry of vehicles, etc.**

Regulation 13 is amended -

(a) in paragraph (1), by repealing “either a valid working

area ticket or a valid parking area ticket issued in respect of the vehicle under regulation 14” and substituting “a valid vehicle entry ticket issued in respect of the vehicle”;

- (b) by repealing paragraph (2A) and substituting -

“(2A) Paragraph (2) shall not apply to a mobile crane or fork lift truck.”;

- (c) in paragraph (3), by repealing “working area ticket” and substituting “vehicle entry ticket”.

## **17. Vehicle entry tickets**

Regulation 14 is amended -

- (a) by repealing paragraph (1) and substituting -

“(1) Subject to paragraph (2), a supervisor in a public cargo working area may issue to the driver of a goods vehicle a vehicle entry ticket entitling the driver, subject to these regulations -

- (a) to use the vehicle in the loading or unloading of cargo or cargo containers;  
and

- (b) to keep the vehicle parked or waiting in parking and waiting facilities,

in the public cargo working area.”;

- (b) in paragraph (2), by repealing “parking area ticket” and substituting “vehicle entry ticket”;

- (c) by repealing paragraph (3) and substituting -

“(3) A vehicle entry ticket shall be endorsed

with the date and time of issue.”;

- (d) by repealing paragraph (4);
- (e) in paragraph (5), by repealing “working area ticket or parking area ticket issued in respect of the vehicle and not previously presented under paragraph (4)” and substituting “vehicle entry ticket issued in respect of the vehicle”;
- (f) in paragraph (8), by repealing “working area ticket or parking area ticket” and substituting “vehicle entry ticket”;
- (g) in paragraph (10), by repealing “working area ticket and any parking area ticket” and substituting “vehicle entry ticket”.

**18. Form, conditions and cancellation of permits, etc.**

Regulation 21 is amended -

- (a) in paragraph (3) -
  - (i) by repealing “在以不損害第 (2) 款為原則下,”;
  - (ii) by adding “。本款並不損害第 (2) 款的效力” after “取消有關許可證”;
- (b) by adding -

“(4) Without prejudice to paragraph (2), the Director may at any time, where in his opinion a condition of an operation area permit is contravened, by notice in writing to the person to whom the permit is issued, cancel the permit.”.

**19. Fees and charges**

Regulation 22(3)(c) is amended by repealing “a crane barge permit”

and substituting “an operation area permit”.

## 20. Fees and charges

The Schedule is amended -

- (a) by repealing “[regs. 5C & 22]” and substituting “[regs. 5C, 7D & 22]”;
- (b) in item 1 -
  - (i) in paragraph (a)(i) and (b)(i), by repealing “or secured alongside a crane barge”;
  - (ii) in paragraph (a)(ii) and (b)(ii), by repealing “or secured end on to a crane barge”;
- (c) by repealing items 2, 8 and 9;
- (d) by adding -
  - “15. Vehicle entry ticket -
    - (a) for each hour during the period from 8.00 a.m.  
to 6.00 p.m. .... 33
    - (b) for each hour during the period from 6.00 p.m.  
to 8.00 a.m. .... 33
    - but each ticket is subject to a maximum of ... 85
  - 16. Operation area permit  
per m<sup>2</sup> of area per month ..... 10”.

Clerk to the Executive Council

COUNCIL CHAMBER

1999

Explanatory Note

The main purposes of this Regulation are to -

- (a) introduce the operation area permit system, under which the holder of an operation area permit is entitled to carry out certain activities in a public cargo working area or public water-front without the need to make separate applications for a permit for each of the activities;
- (b) replace working area tickets and parking area tickets by vehicle entry tickets; and
- (c) delete references to “cargo transfer permit”, “crane barge” and “crane barge permit”, which have become obsolete.