File Ref.: MA 50/1

LEGISLATIVE COUNCIL BRIEF

PILOTAGE ORDINANCE (CHAPTER 84) Pilotage (Dues) (aMENDMENT) OrdEr 2005

INTRODUCTION

This brief explains the Pilotage (Dues) (Amendment) Order 2005 ("the Order") at Annex A.

JUSTIFICATIONS

- 2. Pilotage dues are commercial fees charged by licensed pilots for the provision of pilotage services. The fee levels are periodically reviewed by the Hong Kong Liner Shipping Association (HKLSA) and the Hong Kong Pilots Association (HKPA). The latest review recommends increases in certain pilotage dues. The proposed increases have been agreed between the HKPA as the service provider and HKLSA as service users, and are set out in Annex B.
- 3. Section 22 of the Pilotage Ordinance (Cap. 84) empowers the Pilotage Authority, who is the Director of Marine, to set the amount of pilotage dues by order published in the Gazette after consultation with the Pilotage Advisory Committee.

THE ORDER

4. The Order amends the Schedule to the Pilotage (Dues) Order (Cap. 84D) to give effect to the proposed revision of pilotage dues mentioned in paragraph 2.

LEGISLATIVE TIMETABLE

5. The Order will be gazetted on 30 June 2005 and tabled at the Legislative Council on 6 July 2005.

IMPLICATIONS OF THE PROPOSAL

6. Pilotage due is a relatively minor cost item for international

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shipping. The proposed increases in pilotage dues will not have any significant economic implications.

7. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It will not affect the current binding effect of the Pilotage Ordinance. It has no productivity, financial, civil service, and environmental implications.

PUBLIC CONSULTATION

8. The proposal was endorsed by the Pilotage Advisory Committee in April 2005. We also consulted and obtained support from the Economic Services Panel of the Legislative Council on 27 June 2005.

PUBLICITY

9. A press release will be issued on 29 June 2005 and a spokesman will be available to handle enquiries.

ENQUIRIES

10. Any enquiry on this brief can be addressed to Mr T F LI, Marine Officer (2233 7812) or Miss Florence CHAN, Assistant Secretary (Port, Maritime and Logistics) (2537 2842).

Economic Development and Labour Bureau 29 June 2005

PILOTAGE (DUES) (AMENDMENT) ORDER 2005

(Made under section 22 of the Pilotage Ordinance (Cap. 84) after consultation with the Pilotage Advisory Committee)

1. Commencement

This Order shall come into operation on 18 November 2005.

2. Schedule amended

The Schedule to the Pilotage (Dues) Order (Cap. 84 sub. leg. D) is amended –

- (a) in Part I
 - (i) in paragraph 1, by repealing "\$3,500" and substituting "\$3,650";
 - (ii) in paragraph 1(b), by repealing "6 cents" and substituting "6.25 cents";
 - (iii) in paragraph 1(c), by repealing "5.75 cents" and substituting "6 cents";
 - (iv) in paragraph 1(c), by repealing "\$3,600" and substituting "\$3,750";

(b) in Part II -

- (i) in paragraph 3, by repealing "a local storm signal higher than No. 1 is hoisted" and substituting "any tropical cyclone warning signal other than the Standby Signal No. 1 is issued";
- (ii) in paragraph 5, by repealing "\$1,800" and substituting "\$1,900";
- (iii) in paragraph 5A, by repealing "\$1,900" and substituting "\$2,000";
- (iv) by adding -

- "5B. An additional pilotage due of \$1,250 shall be payable for any pilotage service performed, where a pilot is required to board a ship or disembark from a ship north of a straight line drawn from Black Point to Lung Kwu Chau Light.";
- (v) in paragraph 6, by repealing "\$900" where it twice appears and substituting "\$1,200";
- (vi) in paragraph 6, by repealing "\$950" and substituting "\$1,200";
- (c) in Part III, by repealing paragraph 1 and substituting -
 - "1. If the engagement of a pilot is cancelled, -
 - (a) within 1.5 hours before the last stated time of a requirement for pilotage services at Tolo Harbour or at the west of East Brother Island; or
 - (b) within 1 hour before the last stated time of a requirement for pilotage services elsewhere,

a pilotage due of \$3,650 shall be payable.".

Explanatory Note

Pilotage dues are the charges payable under the Pilotage Ordinance (Cap. 84) in respect of pilotage services. This Order amends the Pilotage (Dues) Order (Cap. 84 sub. leg. D) –

- (a) to increase the standard pilotage dues and some additional pilotage dues;
- (b) to provide for an additional pilotage due, which is payable for any pilotage service that requires a pilot to board or disembark from a ship in a certain part of the waters of Hong Kong (described in the Order);
- (c) to increase the pilotage dues payable on cancelling the engagement of a pilot later than a specified time;
- (d) to update a reference to tropical cyclone warning signal.

Proposed Revision of Pilotage Dues

<u>Item</u>		Existing dues	Proposed dues	Percentage increase
(a) basic p	ilotage due	\$3,500	\$3,650	4.3%
(b) additio of ship	nal due per ton			
	ships of 30000 60000 tons	\$0.06 (subject to minimum charge of \$1,950)	\$0.0625 (subject to minimum charge of \$1,950)	4.2% (minimum charge - no change)
(ii) for ships of more than 60000 tons		\$0.0575 (subject to a minimum charge of \$3,600)	\$0.06 (subject to a minimum charge of \$3,750)	4.4% (minimum charge - 4.2%)
boarding disemb	nal due for ng or parking from a If Ngan Chau or west of Lamma	\$1,800	\$1,900	5.6%
boarding disemb ship we line dra	nal due for ng or parking from a est of a straight awn from Pearl to East Brother	\$1,900	\$2,000	5.3%
(e) new ad boardin	lditional due for	N/A	\$1,250	N/A

		<u>Item</u>	Existing dues	Proposed dues	Percentage increase
	ship line Poir	embarking from a north of a straight drawn from Black at to Lung Kwu u Light			
(f)	(f) additional due for detention of pilots				
	(i)	for the 1 st hour	\$900 per half hour	\$1,200 per half hour	33.3%
	(ii)	for the 2 nd hour	\$900 per hour	\$1,200 per hour	33.3%
	(iii)	for further period of detention	\$950 per hour	\$1,200 per hour	26.3%
(g)	due for cancellation of engagement				
	(i)	for service at Tolo Harbour or at the west of East Brother Island	\$3,500 (charged if cancellation is done within 1 hour before the	\$3,650 (charged if cancellation is done within 1.5 hours before the last stated time of requirement)	4.3% (plus lengthening of notice time required for cancellation)
	(ii)	for service elsewhere	last stated time of requirement)	\$3,650 (charged if cancellation is done within 1 hour before the last stated time of requirement)	4.3%