(8) in SEC 9/6/12 Pt.5

CB2/PL/SE **By fax 2509 0775**

Tel. No.: 2810 2906 Fax No.: 2804 6931

28 October 2005

Clerk to Panel Legislative Council Legislative Council Building 8 Jackson Road, Central Hong Kong

Attn.: Mrs Sharon TONG

Dear Mrs Tong,

Panel on Security Revision of Certain Fees and Charges for Services Not Directly Affecting People's Livelihood

Thank you for your letter ref. CB2/PL/SE of 28 September 2005 and we spoke (Tong/Wong) on 27 October 2005.

Please find at the Annex the Administration's response to Members' enquiry on the factors/principles adopted in determining that the fee revision proposals do not directly affect people's livelihood.

We note Members' intention to discuss those fees and charges revision proposals set out in your letter. If Members see fit, we would be happy to discuss those proposals at the December Panel meeting, or any later meeting that Members find convenient. In parallel, we will proceed to implement the revision proposals for those fees and charges that do not require further discussions at the Panel.

Yours sincerely,

(Michael WONG) for Secretary for Security

The Administration's response on the factors/principles adopted in determining that the fee revision proposals do not directly affect people's livelihood.

We normally consider a fee as "not directly affecting people's livelihood or general business activities" when it is assessed that the increase/decrease of such fee will not directly affect people's livelihood or general business activities and will have little impact on the daily life of the general public or the running cost of business operators. Generally, such fees will have one or more of the following characteristics –

- the number of people/business being affected by the revision is limited;
- the fees are not related to services absolutely required by people in their daily life;
- the usage of the service may only be occasional or even one-off; and
- the actual monetary impact is not significant compared with other costs of the business.