

LEGISLATIVE COUNCIL BRIEF

Hotel and Guesthouse Accommodation Ordinance (Chapter 349)

Hotel and Guesthouse Accommodation (Revision of Licence Fees) Regulation 2005

INTRODUCTION

A In exercise of his power under section 29A of the Interpretation and General Clauses Ordinance (Chapter 1)^{Note 1} by virtue of section 22 of the Hotel and Guesthouse Accommodation Ordinance (Chapter 349) (“the Ordinance”)^{Note 2}, the Secretary for Financial Services and the Treasury has made the Hotel and Guesthouse Accommodation (Revision of Licence Fees) Regulation 2005 (Annex A) to revise the fees payable for the issue and renewal of licences as specified in Schedule 1 and Schedule 2 to the Hotel and Guesthouse Accommodation (Fees) Regulations (Chapter 349 sub. leg. B) (“the Regulations”).

Note 1 Section 29A of Chapter 1 provides -
“(1) Where the amount of any fee or charge is for the time being specified in, or otherwise fixed or determined by, subsidiary legislation made by the Chief Executive in Council, subject to subsection (2), the Financial Secretary may by similar subsidiary legislation increase or decrease, or otherwise vary, the amount of the fee or charge.” According to section 3 of Chapter 1, “Financial Secretary” means the Financial Secretary of the Hong Kong Special Administrative Region and the Secretary for Financial Services and the Treasury.

Note 2 Section 22(1) of Chapter 349 provides -
“(1) The Chief Executive in Council may by regulation provide for or in relation to -
(f) the fees to be charged for any matter prescribed or permitted by this Ordinance;”
Section 22(5) of Chapter 349 provides -
“(5) Any regulation made under subsection (1)(f) may provide for -
(a) a different fee to be payable having regard to -
(i) the type or description of a hotel or a guesthouse;
(ii) the number of rooms where accommodation is available in a hotel or a guesthouse;
(iii) the number of guests able to be accommodated in a hotel or a guesthouse;”

BACKGROUND AND ARGUMENT

2. The Ordinance was enacted in 1991 to provide for a statutory licensing scheme to regulate fire and building safety of hotels and guesthouses in Hong Kong. It was amended in 1998 to provide for multiple years of licensing up to seven years (i.e. from 12 months to 84 months). To tie in with the implementation of multiple year licences, the Administration conducted a detailed costing review in 2000-01 prices and the revised fees were implemented in 2001.

3. It is provided under regulation 3 of the Regulations that the fees payable for the issue and renewal of licences be prescribed respectively in two schedules, namely Schedule 1 and Schedule 2 to the Regulations. Schedule 1 specifies the fees payable upon issue of licence under section 8 of the Ordinance ^{Note 3}, and Schedule 2 specifies the fees payable upon renewal of licence under section 9 of the Ordinance ^{Note 4}. The existing and proposed fees of the two schedules are tabled at Annex B.

4. The Government has frozen most fees and charges since the economic downturn as an exceptional measure to alleviate the financial burden on the public in times of economic difficulty. No revision of fees under the Ordinance has been made since 2001. With the economy gradually picking up, and the intended adherence to the “user pays” principle, the Financial Secretary

^{Note 3} Section 8 of Chapter 349 provides -

“(1) An application by a person for a licence in respect of a hotel or a guesthouse shall be made to the Authority in such form and manner as the Authority may determine.

(2) The Authority shall, on receipt of an application under subsection (1), determine the application -

(a) by issuing to and in the name of the applicant, a licence for the hotel or the guesthouse imposing such conditions as he thinks fit; or

(b) by refusing to issue a licence to the applicant.

(5) A licence issued under this section shall -

(c) not take effect except on payment of the prescribed fee;”

^{Note 4} Section 9 of Chapter 349 provides -

“(1) A person holding a licence in respect of a hotel or a guesthouse may, not less than 3 months before the expiration of the licence, apply for the licence to be renewed for a period of time being not more than 84 months.

(2) An application for renewal of a licence shall be made to the Authority in such form and manner as the Authority may determine.

(3) The renewal of a licence under this section shall not take effect except on payment of the prescribed fee and the Authority may in respect of the renewed licence impose any condition in addition to or instead of any condition previously imposed by him under section 8.”

paved the way for the introduction of gradual fees and charges review proposals in his 2004-05 Budget Speech. The level of increase, as advised by the Financial Services and the Treasury Bureau (“FSTB”), should be determined generally in accordance with the following guidelines –

- (a) achieve full-cost recovery within seven years for those fees with existing cost recovery rate of less than 40% below target, through a 20% increase;
- (b) achieve full-cost recovery within three to seven years for those fees with existing cost recovery rate of between 40% and 70% of target, through a 15% increase; and
- (c) achieve full-cost recovery within one to three years for those fees with existing cost recovery rate of over 70% of target, through a 10% or lower increase.

For fee reductions, the fees will be reduced to the full cost level in one go.

5. Subsequently, Home Affairs Bureau (“HAB”) issued a paper on the “Revision of fees and charges for services not directly affecting people’s livelihood under the purview of HAB” to the Legislative Council Panel on Home Affairs on 4 February 2005. The paper sought Members’ views on revising a total of 234 fees under HAB’s purview that have relatively less impact on the daily life of the general public or the running cost of business operators. Fee items under the Regulations were included in the paper. The Panel on Home Affairs endorsed the paper at its meeting on 21 March 2005.

HOTEL AND GUESTHOUSE ACCOMMODATION (REVISION OF LICENCE FEES) REGULATION 2005

6. A costing exercise at 2004-05 price level was carried out to review the costs under the Regulations. The exercise showed that the current fee levels cover 45% to 99% of the full cost of issue of new licences, and 83% to 108% of that of renewal of licences. In accordance with the guidelines provided by FSTB as described in paragraph 4 above, it has been decided to adjust the fees under the Regulations.

7. The proposed fees adjustments in the first year are as follows -
- (a) for hotels and guesthouses with over 100 rooms, an increase in fees of not more than 1% for both issue and renewal of licences;
 - (b) for hotels and guesthouses with 100 rooms or less, the increase in fees for the issue of licences ranges from 10% to 15%;
 - (c) for hotels and guesthouses with one to five rooms, the fees for the renewal of licences will be revised by -7% to +1%; and
 - (d) for hotels and guesthouses with six to 100 rooms, an increase in fees of 10% or less for the renewal of licences.

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8. The Hotel and Guesthouse Accommodation (Revision of Licence Fees) Regulation (Annex A), made by the Secretary for Financial Services and the Treasury, therefore seeks to revise the fees set out in Schedule 1 and Schedule 2 to the Regulation by repealing the old schedules and substituting the new ones.

LEGISLATIVE TIMETABLE

9. The legislative timetable will be –

Publication in the Gazette	28 October 2005
Tabling in the Legislative Council for negative vetting	2 November 2005

10. We propose that the new fees shall take effect on 1 January 2006.

FINANCIAL IMPLICATIONS

11. We estimate that additional revenue arising from the proposed fees revisions is about \$321,000 per annum.

EFFICIENCY INITIATIVES

12. The Office of the Licensing Authority has taken measures to contain costs through implementing efficiency measures and exploring various initiatives. The application of information technology in the operation of the Licensing Authority has enhanced work efficiency. In 2003-04, two Senior Survey Officer posts responsible for licensing of hotels and guesthouses were also downgraded to the rank of Survey Officer. Such efficiency savings and improvement measures have been factored into the calculation of costs for the fee items. Another improvement measure will be to speed up the search for building plans (which are related to the processing of licence applications) through providing staff access to the Web-based Building Record Management System of the Buildings Department.

PUBLIC CONSULTATION

13. We have consulted the Tourist Guest Houses Federation of Hong Kong Limited, the Hong Kong Guesthouses Association and the Federation of Hong Kong Hotel Owners Limited in March 2005 on the proposed fees revision. The majority of guesthouses operators preferred a mild increase in licence fees. Some considered that it would be better to continue to freeze the fees or to introduce fee adjustments two years later. As regards hotel operators, the Federation of Hong Kong Hotel Owners Limited informally advised that they had no objection.

CONSULTATION WITH LEGCO PANEL

14. We have consulted the Legislative Council Panel on Home Affairs on 21 March 2005 (as described in paragraph 5 above).

PUBLICITY

15. A press release will be issued to tie in with the publication of the Hotel and Guesthouse Accommodation (Revision of Licence Fees) Regulation in the Gazette on 28 October 2005.

ENQUIRY

16. For enquiry on this brief, please contact Mr TANG Hung-ki, Chief Officer of the Licensing Authority, on telephone number 2881 7016.

Home Affairs Department
October 2005

**Hotel and Guesthouse Accommodation
(Revision of Licence Fees) Regulation 2005**

ANNEXES

- Annex A – Hotel and Guesthouse Accommodation (Revision of Licence Fees) Regulation 2005
- Annex B – Existing fees specified in Schedule 1 and Schedule 2 to the Hotel and Guesthouse Accommodation (Fees) Regulations (Chapter 349 sub. leg. B)

L.N. 188 of 2005**HOTEL AND GUESTHOUSE ACCOMMODATION (REVISION OF LICENCE FEES) REGULATION 2005**

(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 22 of the Hotel and Guesthouse Accommodation Ordinance (Cap. 349))

1. Commencement

This Regulation shall come into operation on 1 January 2006.

2. Schedules 1 and 2 substituted

Schedules 1 and 2 to the Hotel and Guesthouse Accommodation (Fees) Regulations (Cap. 349 sub. leg. B) are repealed and the following substituted—

“SCHEDULE 1

[ss. 3(a) & 4(b)]

FEE PAYABLE UPON ISSUE OF LICENCE UNDER SECTION 8 OF THE ORDINANCE

Number of rooms in which accommodation is available	Fee for 12 months \$	Fee for 24 months \$	Fee for 36 months \$	Fee for 48 months \$	Fee for 60 months \$	Fee for 72 months \$	Fee for 84 months \$
1– 3	3,970	4,970	5,720	9,650	11,600	13,550	15,500
4– 5	3,970	5,190	6,410	10,250	12,400	14,600	16,750
6– 9	6,000	7,690	9,370	14,150	16,900	18,750	21,350
10– 20	10,950	12,700	14,450	19,350	22,150	24,950	27,750
21– 30	17,100	19,000	20,900	25,900	28,850	31,800	34,750
31– 40	22,650	24,700	26,750	31,850	34,900	38,000	41,050
41– 50	29,450	31,550	33,650	38,900	42,050	45,150	48,300
51–100	35,000	37,250	39,450	44,800	48,050	51,300	54,550
101–200	59,600	61,700	63,750	68,650	71,650	74,700	77,700
201–300	67,100	69,350	71,600	76,750	79,950	83,200	86,400
301–400	74,550	77,100	79,600	85,000	88,500	91,950	95,450
401–500	82,000	84,800	87,600	93,200	96,950	100,700	104,400
over 500	94,050	97,200	100,400	106,400	110,500	114,700	118,800

SCHEDULE 2

[ss. 3(b) & 4(c)]

FEE PAYABLE UPON RENEWAL OF LICENCE UNDER SECTION 9
OF THE ORDINANCE

Number of rooms in which accommodation is available	Fee for 12 months \$	Fee for 24 months \$	Fee for 36 months \$	Fee for 48 months \$	Fee for 60 months \$	Fee for 72 months \$	Fee for 84 months \$
1– 3	2,590	3,450	4,310	8,010	9,820	11,600	13,450
4– 5	3,230	4,280	5,330	9,220	11,200	13,200	15,200
6– 9	5,500	7,120	8,730	13,250	15,650	18,050	20,500
10– 20	9,580	11,100	12,650	17,000	19,450	21,950	24,400
21– 30	14,900	16,550	18,200	22,700	25,300	27,950	30,550
31– 40	18,300	20,050	21,800	26,400	29,100	31,800	34,500
41– 50	20,050	21,900	23,700	28,400	31,200	33,950	36,750
51–100	22,300	24,250	26,150	30,900	33,800	36,650	39,550
101–200	25,050	27,150	29,200	34,100	37,100	40,150	43,150
201–300	27,300	29,550	31,800	36,950	40,150	43,400	46,600
301–400	29,450	32,000	34,500	39,900	43,400	46,850	50,350
401–500	31,800	34,600	37,400	43,000	46,750	50,500	54,250
over 500	36,450	39,650	42,800	48,850	52,950	57,100	61,250”.

Frederick S. MA
Secretary for Financial Services
and the Treasury

17 October 2005

Explanatory Note

This Regulation revises the fees payable upon the issue and renewal of licences under the Hotel and Guesthouse Accommodation Ordinance (Cap. 349).

**Existing and proposed fees under
Hotel and Guesthouse Accommodation (Fees) Regulations (Cap. 349 sub. leg. B)**

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<u>Home Affairs Department</u>							
Hotel and Guesthouse Accommodation (Fees) Regulations							
Issue of Licence							
<i>1-year licence</i>							
1-3 rooms	\$5,483	\$3,450	\$3,970	\$520	15%	\$10,920	4
4-5 rooms	\$6,472	\$3,450	\$3,970	\$520	15%	\$14,040	5
6-9 rooms	\$11,543	\$5,220	\$6,000	\$780	15%	\$25,740	6
10-20 rooms	\$20,164	\$9,520	\$10,950	\$1,430	15%	\$20,020	6
21-30 rooms	\$29,516	\$14,850	\$17,100	\$2,250	15%	\$9,000	5
31-40 rooms	\$37,801	\$19,710	\$22,650	\$2,940	15%	\$8,820	5
41-50 rooms	\$44,041	\$25,590	\$29,450	\$3,860	15%	\$11,580	4
51-100 rooms	\$51,981	\$30,450	\$35,000	\$4,550	15%	\$50,050	4
101-200 rooms	\$59,613	\$58,750	\$59,600	\$850	1%	\$2,550	1
201-300 rooms	\$67,077	\$66,120	\$67,100	\$980	1%	\$980	1
301-400 rooms	\$74,540	\$73,490	\$74,550	\$1,060	1%	\$1,060	1
401-500 rooms	\$82,004	\$80,850	\$82,000	\$1,150	1%	\$1,150	1
>500 rooms	\$94,033	\$92,790	\$94,050	\$1,260	1%	-	1
<i>2-years licence</i>							
1-3 rooms	\$6,341	\$4,320	\$4,970	\$650	15%	\$650	3
4-5 rooms	\$7,520	\$4,510	\$5,190	\$680	15%	\$680	4
6-9 rooms	\$13,001	\$6,690	\$7,690	\$1,000	15%	\$1,000	5
10-20 rooms	\$21,687	\$11,050	\$12,700	\$1,650	15%	-	5
21-30 rooms	\$31,170	\$16,520	\$19,000	\$2,480	15%	-	5
31-40 rooms	\$39,557	\$21,470	\$24,700	\$3,230	15%	-	5
41-50 rooms	\$45,873	\$27,430	\$31,550	\$4,120	15%	-	4
51-100 rooms	\$53,906	\$32,380	\$37,250	\$4,870	15%	-	4
101-200 rooms	\$61,679	\$60,820	\$61,700	\$880	1%	-	1
201-300 rooms	\$69,349	\$68,400	\$69,350	\$950	1%	-	1
301-400 rooms	\$77,076	\$76,030	\$77,100	\$1,070	1%	-	1
401-500 rooms	\$84,794	\$83,650	\$84,800	\$1,150	1%	-	1
>500 rooms	\$97,212	\$95,970	\$97,200	\$1,230	1%	-	1

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<i>3-years licence</i>							
1-3 rooms	\$7,198	\$5,200	\$5,720	\$520	10%	\$,1,560	4
4-5 rooms	\$8,569	\$5,570	\$6,410	\$840	15%	\$2,520	4
6-9 rooms	\$14,460	\$8,150	\$9,370	\$1,220	15%	\$6,100	5
10-20 rooms	\$23,211	\$12,580	\$14,450	\$1,870	15%	\$1,870	5
21-30 rooms	\$32,824	\$18,180	\$20,900	\$2,720	15%	\$2,720	5
31-40 rooms	\$41,313	\$23,240	\$26,750	\$3,510	15%	-	5
41-50 rooms	\$47,705	\$29,270	\$33,650	\$4,380	15%	-	4
51-100 rooms	\$55,830	\$34,310	\$39,450	\$5,140	15%	\$5,140	4
101-200 rooms	\$63,744	\$62,890	\$63,750	\$860	1%	-	1
201-300 rooms	\$71,622	\$70,670	\$71,600	\$930	1%	-	1
301-400 rooms	\$79,611	\$78,570	\$79,600	\$1,030	1%	-	1
401-500 rooms	\$87,584	\$86,440	\$87,600	\$1,160	1%	-	1
>500 rooms	\$100,392	\$99,150	\$100,400	\$1,250	1%	-	1
<i>4-years licence</i>							
1-3 rooms	\$10,902	\$8,770	\$9,650	\$880	10%	-	3
4-5 rooms	\$12,464	\$9,330	\$10,250	\$920	10%	-	4
6-9 rooms	\$18,765	\$12,320	\$14,150	\$1,830	15%	-	4
10-20 rooms	\$27,581	\$16,810	\$19,350	\$2,540	15%	-	4
21-30 rooms	\$37,325	\$22,540	\$25,900	\$3,360	15%	-	4
31-40 rooms	\$45,915	\$27,700	\$31,850	\$4,150	15%	-	4
41-50 rooms	\$52,384	\$33,810	\$38,900	\$5,090	15%	-	4
51-100 rooms	\$60,601	\$38,940	\$44,800	\$5,860	15%	-	4
101-200 rooms	\$68,657	\$67,660	\$68,650	\$990	1%	-	1
201-300 rooms	\$76,741	\$75,650	\$76,750	\$1,100	1%	-	1
301-400 rooms	\$84,993	\$83,810	\$85,000	\$1,190	1%	-	1
401-500 rooms	\$93,220	\$91,930	\$93,200	\$1,270	1%	-	1
>500 rooms	\$106,418	\$105,030	\$106,400	\$1,370	1%	-	1

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<i>5-years licence</i>							
1-3 rooms	\$12,709	\$10,540	\$11,600	\$1,060	10%	-	2
4-5 rooms	\$14,461	\$11,290	\$12,400	\$1,110	10%	-	3
6-9 rooms	\$21,172	\$14,690	\$16,900	\$2,210	15%	-	3
10-20 rooms	\$30,054	\$19,240	\$22,150	\$2,910	15%	-	4
21-30 rooms	\$39,928	\$25,100	\$28,850	\$3,750	15%	-	4
31-40 rooms	\$48,620	\$30,360	\$34,900	\$4,540	15%	-	4
41-50 rooms	\$55,165	\$36,550	\$42,050	\$5,500	15%	-	3
51-100 rooms	\$63,475	\$41,770	\$48,050	\$6,280	15%	-	3
101-200 rooms	\$71,672	\$70,630	\$71,650	\$1,020	1%	-	1
201-300 rooms	\$79,963	\$78,830	\$79,950	\$1,120	1%	-	1
301-400 rooms	\$88,477	\$87,250	\$88,500	\$1,250	1%	-	1
401-500 rooms	\$96,959	\$95,620	\$96,950	\$1,330	1%	-	1
>500 rooms	\$110,546	\$109,110	\$110,500	\$1,390	1%	-	1
<i>6-years licence</i>							
1-3 rooms	\$14,515	\$12,310	\$13,550	\$1,240	10%	-	2
4-5 rooms	\$16,458	\$13,250	\$14,600	\$1,350	10%	-	3
6-9 rooms	\$23,580	\$17,060	\$18,750	\$1,690	10%	-	4
10-20 rooms	\$32,526	\$21,680	\$24,950	\$3,270	15%	-	3
21-30 rooms	\$42,531	\$27,660	\$31,800	\$4,140	15%	-	4
31-40 rooms	\$51,325	\$33,030	\$38,000	\$4,970	15%	-	4
41-50 rooms	\$57,946	\$39,280	\$45,150	\$5,870	15%	-	3
51-100 rooms	\$66,348	\$44,600	\$51,300	\$6,700	15%	-	3
101-200 rooms	\$74,687	\$73,610	\$74,700	\$1,090	1%	-	1
201-300 rooms	\$83,185	\$82,000	\$83,200	\$1,200	1%	-	1
301-400 rooms	\$91,962	\$90,690	\$91,950	\$1,260	1%	-	1
401-500 rooms	\$100,697	\$99,310	\$100,700	\$1,390	1%	-	1
>500 rooms	\$114,675	\$113,190	\$114,700	\$1,510	1%	-	1

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<i>7-years licence</i>							
1-3 rooms	\$16,321	\$14,080	\$15,500	\$1,420	10%	-	2
4-5 rooms	\$18,455	\$15,210	\$16,750	\$1,540	10%	-	3
6-9 rooms	\$25,987	\$19,420	\$21,350	\$1,930	10%	-	4
10-20 rooms	\$34,999	\$24,110	\$27,750	\$3,640	15%	-	3
21-30 rooms	\$45,134	\$30,220	\$34,750	\$4,530	15%	-	3
31-40 rooms	\$54,029	\$35,690	\$41,050	\$5,360	15%	-	3
41-50 rooms	\$60,727	\$42,020	\$48,300	\$6,280	15%	-	3
51-100 rooms	\$69,221	\$47,430	\$54,550	\$7,120	15%	-	3
101-200 rooms	\$77,702	\$76,580	\$77,700	\$1,120	1%	-	1
201-300 rooms	\$86,406	\$85,180	\$86,400	\$1,220	1%	-	1
301-400 rooms	\$95,446	\$94,130	\$95,450	\$1,320	1%	-	1
401-500 rooms	\$104,436	\$103,000	\$104,400	\$1,400	1%	-	1
>500 rooms	\$118,803	\$117,270	\$118,800	\$1,530	1%	-	1
Renewal of Licence							
<i>1-year licence</i>							
1-3 rooms	\$2,590	\$2,790	\$2,590	-\$200	-7%	-\$4,000	1
4-5 rooms	\$3,230	\$3,300	\$3,230	-\$70	-2%	-\$2,800	1
6-9 rooms	\$6,032	\$5,000	\$5,500	\$500	10%	\$38,500	2
10-20 rooms	\$9,583	\$8,720	\$9,580	\$860	10%	\$13,760	1
21-30 rooms	\$14,912	\$14,210	\$14,900	\$690	5%	\$2,070	1
31-40 rooms	\$18,283	\$18,260	\$18,300	\$40	0.2%	\$120	1
41-50 rooms	\$20,056	\$19,990	\$20,050	\$60	0.3%	\$60	1
51-100 rooms	\$22,304	\$22,230	\$22,300	\$70	0.3%	\$630	1
101-200 rooms	\$25,063	\$25,040	\$25,050	\$10	-	\$90	1
201-300 rooms	\$27,277	\$27,260	\$27,300	\$40	0.1%	\$400	1
301-400 rooms	\$29,449	\$29,400	\$29,450	\$50	0.2%	\$250	1
401-500 rooms	\$31,802	\$31,750	\$31,800	\$50	0.2%	\$350	1
>500 rooms	\$36,455	\$36,360	\$36,450	\$90	0.2%	\$1,530	1

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<i>2-years licence</i>							
1-3 rooms	\$3,448	\$3,660	\$3,450	-\$210	-6%	-\$840	1
4-5 rooms	\$4,279	\$4,360	\$4,280	-\$80	-2%	-\$1,200	1
6-9 rooms	\$7,491	\$6,470	\$7,120	\$650	10%	\$8,450	2
10-20 rooms	\$11,107	\$10,260	\$11,100	\$840	8%	\$840	1
21-30 rooms	\$16,566	\$15,870	\$16,550	\$680	4%	-	1
31-40 rooms	\$20,038	\$20,020	\$20,050	\$30	0.1%	\$30	1
41-50 rooms	\$21,888	\$21,830	\$21,900	\$70	0.3%	-	1
51-100 rooms	\$24,228	\$24,160	\$24,250	\$90	0.4%	-	1
101-200 rooms	\$27,129	\$27,110	\$27,150	\$40	0.1%	-	1
201-300 rooms	\$29,550	\$29,540	\$29,550	\$10	-	-	1
301-400 rooms	\$31,984	\$31,940	\$32,000	\$60	0.2%	-	1
401-500 rooms	\$34,591	\$34,540	\$34,600	\$60	0.2%	-	1
>500 rooms	\$39,635	\$39,540	\$39,650	\$110	0.3%	-	1
<i>3-years licence</i>							
1-3 rooms	\$4,305	\$4,530	\$4,310	-\$220	-5%	-\$3,080	1
4-5 rooms	\$5,327	\$5,420	\$5,330	-\$90	-2%	-\$3,690	1
6-9 rooms	\$8,949	\$7,940	\$8,730	\$790	10%	\$80,580	2
10-20 rooms	\$12,630	\$11,790	\$12,650	\$860	7%	\$10,320	1
21-30 rooms	\$18,220	\$17,530	\$18,200	\$670	4%	-	1
31-40 rooms	\$21,794	\$21,780	\$21,800	\$20	0.1%	\$60	1
41-50 rooms	\$23,720	\$23,670	\$23,700	\$30	0.1%	-	1
51-100 rooms	\$26,153	\$26,090	\$26,150	\$60	0.2%	\$60	1
101-200 rooms	\$29,195	\$29,180	\$29,200	\$20	0.1%	-	1
201-300 rooms	\$31,823	\$31,810	\$31,800	-\$10	-	-\$10	1
301-400 rooms	\$34,519	\$34,480	\$34,500	\$20	0.1%	\$20	1
401-500 rooms	\$37,381	\$37,330	\$37,400	\$70	0.2%	\$70	1
>500 rooms	\$42,814	\$42,720	\$42,800	\$80	0.2%	-	1

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<i>4-years licence</i>							
1-3 rooms	\$8,009	\$8,100	\$8,010	-\$90	-1%	-	1
4-5 rooms	\$9,222	\$9,180	\$9,220	\$40	0.4%	-	1
6-9 rooms	\$13,254	\$12,100	\$13,250	\$1,150	10%	-	1
10-20 rooms	\$17,001	\$16,020	\$17,000	\$980	6%	-	1
21-30 rooms	\$22,721	\$21,890	\$22,700	\$810	4%	-	1
31-40 rooms	\$26,397	\$26,250	\$26,400	\$150	1%	-	1
41-50 rooms	\$28,399	\$28,210	\$28,400	\$190	1%	-	1
51-100 rooms	\$30,924	\$30,720	\$30,900	\$180	1%	-	1
101-200 rooms	\$34,107	\$33,950	\$34,100	\$150	0.4%	-	1
201-300 rooms	\$36,942	\$36,790	\$36,950	\$160	0.4%	-	1
301-400 rooms	\$39,901	\$39,720	\$39,900	\$180	0.5%	-	1
401-500 rooms	\$43,017	\$42,820	\$43,000	\$180	0.4%	-	1
>500 rooms	\$48,840	\$48,600	\$48,850	\$250	0.5%	-	1
<i>5-years licence</i>							
1-3 rooms	\$9,816	\$9,870	\$9,820	-\$50	-1%	-	1
4-5 rooms	\$11,219	\$11,140	\$11,200	\$60	1%	-	1
6-9 rooms	\$15,662	\$14,470	\$15,650	\$1,180	8%	-	1
10-20 rooms	\$19,473	\$18,450	\$19,450	\$1,000	5%	-	1
21-30 rooms	\$25,324	\$24,460	\$25,300	\$840	3%	-	1
31-40 rooms	\$29,102	\$28,910	\$29,100	\$190	1%	-	1
41-50 rooms	\$31,180	\$30,940	\$31,200	\$260	1%	-	1
51-100 rooms	\$33,797	\$33,550	\$33,800	\$250	1%	-	1
101-200 rooms	\$37,122	\$36,920	\$37,100	\$180	0.5%	-	1
201-300 rooms	\$40,164	\$39,970	\$40,150	\$180	0.5%	-	1
301-400 rooms	\$43,386	\$43,160	\$43,400	\$240	1%	-	1
401-500 rooms	\$46,756	\$46,510	\$46,750	\$240	1%	-	1
>500 rooms	\$52,969	\$52,680	\$52,950	\$270	1%	-	1

<i>Fee Item</i>	<i>Full cost (at 2004-05 price level) (\$)</i>	<i>Existing fee level (\$)</i>	<i>Proposed fee level (\$)</i>	<i>Amount increase/ decrease (\$)</i>	<i>% increase/ decrease</i>	<i>Annual increase/ decrease in revenue</i>	<i>No. of years for full-cost recovery</i>
<i>6-years licence</i>							
1-3 rooms	\$11,622	\$11,650	\$11,600	-\$50	-0.4%	-	1
4-5 rooms	\$13,216	\$13,100	\$13,200	\$100	1%	-	1
6-9 rooms	\$18,069	\$16,840	\$18,050	\$1,210	7%	-	1
10-20 rooms	\$21,946	\$20,880	\$21,950	\$1,070	5%	-	1
21-30 rooms	\$27,927	\$27,020	\$27,950	\$930	3%	-	1
31-40 rooms	\$31,806	\$31,570	\$31,800	\$230	1%	-	1
41-50 rooms	\$33,961	\$33,680	\$33,950	\$270	1%	-	1
51-100 rooms	\$36,671	\$36,380	\$36,650	\$270	1%	-	1
101-200 rooms	\$40,137	\$39,890	\$40,150	\$260	1%	-	1
201-300 rooms	\$43,386	\$43,140	\$43,400	\$260	1%	-	1
301-400 rooms	\$46,870	\$46,600	\$46,850	\$250	1%	-	1
401-500 rooms	\$50,495	\$50,200	\$50,500	\$300	1%	-	1
>500 rooms	\$57,097	\$56,760	\$57,100	\$340	1%	-	1
<i>7-years licence</i>							
1-3 rooms	\$13,428	\$13,420	\$13,450	\$30	0.2%	-	1
4-5 rooms	\$15,213	\$15,060	\$15,200	\$140	1%	-	1
6-9 rooms	\$20,476	\$19,210	\$20,500	\$1,290	7%	-	1
10-20 rooms	\$24,418	\$23,320	\$24,400	\$1,080	5%	-	1
21-30 rooms	\$30,530	\$29,580	\$30,550	\$970	3%	-	1
31-40 rooms	\$34,511	\$34,240	\$34,500	\$260	1%	-	1
41-50 rooms	\$36,742	\$36,420	\$36,750	\$330	1%	-	1
51-100 rooms	\$39,544	\$39,210	\$39,550	\$340	1%	-	1
101-200 rooms	\$43,152	\$42,870	\$43,150	\$280	1%	-	1
201-300 rooms	\$46,607	\$46,320	\$46,600	\$280	1%	-	1
301-400 rooms	\$50,354	\$50,040	\$50,350	\$310	1%	-	1
401-500 rooms	\$54,233	\$53,890	\$54,250	\$360	1%	-	1
>500 rooms	\$61,225	\$60,840	\$61,250	\$410	1%	\$410	1