

File Ref: SEC 9/6/10

LEGISLATIVE COUNCIL BRIEF

Fire Services Ordinance (Chapter 95)

FIRE SERVICE (INSTALLATION CONTRACTORS)
(FEE REVISION) REGULATION 2006

FIRE SERVICES DEPARTMENT (REPORTS AND CERTIFICATES) (FEE
REVISION) REGULATION 2006

Dangerous Goods Ordinance (Chapter 295)

DANGEROUS GOODS (GENERAL) (FEE REVISION) REGULATION 2006

Timber Stores Ordinance (Chapter 464)

TIMBER STORES (FEE REVISION) REGULATION 2006

INTRODUCTION

Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) empowers the Financial Secretary (which means also the Secretary for Financial Services and the Treasury by virtue of section 3 of Cap. 1) to vary fees which have previously been set by subsidiary legislation made by the Chief Executive in Council.

2. In exercise of this power, the Secretary for Financial Services and the Treasury has made the Regulations, as set out at **Annexes A to D**, to revise the fees specified in the following subsidiary legislation -

- (a) Fire Service (Installation Contractors) Regulations (Cap. 95 sub. leg. A) made pursuant to the Fire Services Ordinance (Cap. 95);
- (b) Fire Services Department (Reports and Certificates) Regulations (Cap. 95 sub. leg. C) made pursuant to the Fire Services Ordinance (Cap. 95);

(c) Dangerous Goods (General) Regulations (Cap. 295 sub. leg. B) made pursuant to the Dangerous Goods Ordinance (Cap. 295); and

(d) Timber Stores Regulation (Cap. 464 sub. leg. A) made pursuant to the Timber Stores Ordinance (Cap. 464).

BACKGROUND AND JUSTIFICATIONS

3. Any person may apply to the Director of Fire Services (D of FS) for registration as fire service installation contractors. Applicants have to pay the appropriate fees in accordance with the Second Schedule to the Fire Service (Installation Contractors) Regulations. These fees were last revised in February 2001.

4. Any person may apply to D of FS for reports and certificates regarding fires or other calamities attended by the Fire Services Department (FSD); premises, vessels or other property damaged by fire; and matters relating to fire risks or fire precautions in or connected with any premises, vessel or other property. Applicants have to pay the appropriate fees in accordance with the table in regulation 3 of the Fire Services Department (Reports and Certificates) Regulations. These fees were last revised in April 1997.

5. Any person who manufactures, stores, conveys or uses dangerous goods is required to apply to D of FS for a licence. Fees are charged for the grant or renewal of, issue of a duplicate of, or making of an alteration or addition to, or endorsement on, a licence. Applicants have to pay the appropriate fees in accordance with the table in regulation 183 of the Dangerous Goods (General) Regulations. These fees were last revised in March 1995.

6. Any person who operates a timber store is required to apply to D of FS. Fees are charged for the grant, renewal, transfer, amendment of the conditions and the particulars, and issue of a duplicate of a licence. Applicants have to pay the appropriate fees in accordance with the Schedule to the Timber Stores Regulation. These fees were last revised in February 2001.

7. It is Government policy that fees should in general be set at levels sufficient to recover the full costs of providing the services. In line with this

“user pays” principle, the Financial Secretary, in the 2004-2005 Budget Speech, indicated the need to resume the revision of government fees and charges. A recent costing review shows that most of the fees payable under the aforesaid Regulations are not adequate to recover the full costs of providing the services. Details of the cost recovery positions are set out at **Annex E**.

8. To alleviate the impact of the fee increases on the users of the services concerned, we propose to increase most of the fees by 1% to 20% with a view to achieving full cost recovery within three to seven years. In the case of the making and issue of report on fire or other calamity attended by FSD under Item 1 of the table in regulation 3 of the Fire Services Department (Reports and Certificates) Regulations and the renewal of timber stores licence under Item 2 of the Schedule to the Timber Stores Regulation, we propose to reduce the fees by 22% and 10% respectively to reflect the reduced cost of providing the service. Details of the existing and proposed fees are set out at **Annex E**.

THE REGULATIONS

9. The Regulations revise the fees as set out at **Annex E**. We propose that the new fees should come into effect on 7 July 2006.

EFFICIENCY INITIATIVES

10. FSD regularly reviews the arrangements for handling applications of various licensing activities under its purview with a view to improving efficiency and effectiveness. The Department has developed an information system which enables staff to retrieve information electronically, on matters such as the registration of fire service installation contractors, licensing of timber stores and dangerous goods, and processing of licence applications referred from other licensing authorities. It has also issued comprehensive guidance notes on the application procedures and requirements for different licences and the registration as fire service installation contractors. In addition, the Department has streamlined the inspection procedures for application of licensed / registered premises with a view to reducing the processing time of applications.

BASIC LAW AND HUMAN RIGHTS IMPLICATIONS

11. The proposal is in conformity with the Basic Law, including the provisions concerning human rights.

BINDING EFFECT OF THE LEGISLATION

12. The Regulations do not affect the current binding effect of the respective principal Ordinances and Regulations referred to in paragraph 2 above.

FINANCIAL AND STAFFING IMPLICATIONS

13. Additional revenue to be generated from the proposed fee revision is estimated to be \$1.92 million per annum. There are no staffing implications.

ECONOMIC IMPLICATIONS

14. Given that the fee adjustments are small in dollar terms, the impact on the operating costs of the persons or businesses concerned should be small. Therefore, the overall economic impact is expected to be insignificant.

PUBLIC CONSULTATION

15. We issued to the Panel on Security of the Legislative Council on 27 June 2005 a paper explaining the proposals for these and other fees. The Panel raised no questions on the fee proposals included in this brief.

PUBLICITY

16. The Regulations will be published in the Gazette on 12 May 2006. A spokesman will be available to answer any enquiries on this subject.

ENQUIRIES

17. For enquiries relating to this brief, please contact Miss Queenie LEE, Assistant Secretary for Security, at telephone number 2810 3948.

Security Bureau
May 2006

**FIRE SERVICE (INSTALLATION CONTRACTORS)
(FEE REVISION) REGULATION 2006**

(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 25 of
the Fire Services Ordinance (Cap. 95))

1. Commencement

This Regulation shall come into operation on 7 July 2006.

2. Fees

The Second Schedule to the Fire Service (Installation Contractors)
Regulations (Cap. 95 sub. leg. A) is amended –

- (a) in item 1, by repealing “1,575” and substituting “1,810”;
- (b) in item 2, by repealing “925” and substituting “1,110”;
- (c) in item 3, by repealing “960” and substituting “1,100”;
- (d) in item 4, by repealing “795” and substituting “915”;
- (e) in item 5, by repealing “795” and substituting “915”;
- (f) in item 6, by repealing “795” and substituting “915”;
- (g) in item 7, by repealing “795” and substituting “915”;
- (h) in item 8, by repealing “385” and substituting “425”;
- (i) in item 9, by repealing “480” and substituting “530”.

Secretary for Financial Services and
the Treasury

3 May 2006

Explanatory Note

This Regulation amends the Fire Service (Installation Contractors) Regulations (Cap. 95 sub. leg. A) to increase the fees payable for –

- (a) the registration of fire service installation contractors and written examinations and interviews for them;
- (b) the inspection and re-inspection of workshops and new workshops used by them; and
- (c) the change of their registered names or addresses and notification of change of qualified persons.

**FIRE SERVICES DEPARTMENT (REPORTS AND
CERTIFICATES)(FEE REVISION)
REGULATION 2006**

(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 25 of the Fire Services
Ordinance (Cap. 95))

1. Commencement

This Regulation shall come into operation on 7 July 2006.

2. Fees

Regulation 3 of the Fire Services Department (Reports and Certificates)
Regulations (Cap. 95 sub. leg. C) is amended, in the Table –

- (a) in item 1, by repealing “\$380” and substituting “\$295”;
- (b) in item 2(a), by repealing “\$345” and substituting “\$350”;
- (c) in item 2(b)(i), by repealing “\$1,650” and substituting
“\$1,980”;
- (d) in item 2(b)(ii), by repealing “\$2,590” and substituting
“\$3,110”;
- (e) in item 2(b)(iii), by repealing “\$2,870” and substituting
“\$3,440”;
- (f) in item 2(b)(iv), by repealing “\$7,060” and substituting
“\$8,470”;
- (g) in item 3(a), by repealing “\$1,260” and substituting
“\$1,510”;
- (h) in item 3(b), by repealing “\$1,500” and substituting
“\$1,800”;
- (i) in item 3(c), by repealing “\$1,640” and substituting
“\$1,970”;

- (j) in item 3(d), by repealing “\$1,060” and substituting “\$1,270”;
- (k) in item 3(e), by repealing “\$1,300” and substituting “\$1,560”;
- (l) in item 3(f), by repealing “\$1,440” and substituting “\$1,730”;
- (m) in item 4(a), by repealing “\$1,140” and substituting “\$1,370”;
- (n) in item 4(b), by repealing “\$825” and substituting “\$990”;
- (o) in item 5, by repealing “\$1,040” and substituting “\$1,250”;
- (p) in item 6, by repealing “\$1,040” and substituting “\$1,250”;
- (q) in item 7, by repealing “\$1,040” and substituting “\$1,250”.

Secretary for Financial Services and
the Treasury

3 May 2006

Explanatory Note

This Regulation amends the Table to regulation 3 of the Fire Services Department (Reports and Certificates) Regulations (Cap. 95 sub. leg. C) –

- (a) to reduce the fee payable on a report on fire or other calamity attended by the Fire Services Department; and
- (b) to increase the fees payable to the Director of Fire Services in respect of the making or issue of certificates.

**DANGEROUS GOODS (GENERAL) (FEE REVISION)
REGULATION 2006**

(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 5 of the Dangerous Goods Ordinance (Cap. 295))

1. Commencement

This Regulation shall come into operation on 7 July 2006.

2. Licences and permits

Regulation 183(1) of the Dangerous Goods (General) Regulations (Cap. 295 sub. leg. B) is amended, in the Table –

- (a) in item 8, by repealing “200” where it twice appears and substituting “230”;
- (b) in item 8(a), by repealing “210” and substituting “250”;
- (c) in item 8(b), by repealing “400” and substituting “480”;
- (d) in item 8(c), by repealing “605” and substituting “725”;
- (e) in item 8(d), by repealing “2,000” and substituting “2,300”;
- (f) in item 8(e), by repealing “5,980” and substituting “6,580”;
- (g) in item 9, by repealing “200” where it twice appears and substituting “230”;
- (h) in item 9(a), by repealing “905” and substituting “1,090”;
- (i) in item 9(b)(i), by repealing “365” and substituting “440”;
- (j) in item 9(b)(ii), by repealing “725” and substituting “870”;
- (k) in item 9(b)(iii), by repealing “1,810” and substituting “2,170”;
- (l) in item 10, by repealing “200” where it twice appears and substituting “230”;
- (m) in item 10(a), by repealing “400” and substituting “480”;
- (n) in item 10(b), by repealing “800” and substituting “960”;

- (o) in item 10(c), by repealing “2,000” and substituting “2,200”;
- (p) in item 11, by repealing “200” where it twice appears and substituting “230”;
- (q) in item 11, by repealing “1,080” and substituting “1,300”;
- (r) in item 12, by repealing “200” where it twice appears and substituting “230”;
- (s) in item 12, by repealing “725” and substituting “835”.

Secretary for Financial Services and
the Treasury

3 May 2006

Explanatory Note

This Regulation amends the Table to regulation 183(1) of the Dangerous Goods (General) Regulations (Cap. 295 sub. leg. B) to increase the fees payable for –

- (a) the grant or renewal of licences or permits relating to the storage, manufacture and conveyance of various categories of dangerous goods; and
- (b) the issue of duplicates of and the making of alterations or additions to, or endorsements on, such licences or permits.

TIMBER STORES (FEE REVISION) REGULATION 2006

(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 12 of the Timber Stores Ordinance (Cap. 464))

1. Commencement

This Regulation shall come into operation on 7 July 2006.

2. Fees

The Schedule to the Timber Stores Regulation (Cap. 464 sub. leg. A) is amended –

- (a) in item 1, by repealing “2,345” and substituting “2,700”;
- (b) in item 2, by repealing “970” and substituting “870”;
- (c) in item 3, by repealing “230” and substituting “255”;
- (d) in item 4, by repealing “230” and substituting “255”;
- (e) in item 5, by repealing “230” and substituting “255”.

Secretary for Financial Services and
the Treasury

3 May 2006

Explanatory Note

This Regulation amends the Schedule to the Timber Stores Regulation (Cap. 464 sub. leg. A) –

- (a) to reduce the fees payable for the renewal of licences under the Timber Stores Ordinance (Cap. 464); and
- (b) to increase the fees payable for the grant, transfer or issue of a duplicate of those licences and the amendment of their conditions or particulars.

Existing and Proposed Fees

Item		Last Revision	Existing Fee Level	Cost Recovery Level at 2005-06 Price Level	Proposed Fee Level	Proposed Percentage Increase / Decrease
<u>Fire Service (Installation Contractors) Regulations (Cap. 95A)</u>						
1	Fire Service Installation (FSI) contractor Class 1, Class 2 or Classes 1 & 2 – Registration (including production of evidence and initial workshop inspection)	Feb 2001	\$1,575	62%	\$1,810	15%
2	FSI contractor Class 3 – Written examination	Feb 2001	\$925	36%	\$1,110	20%
3	FSI contractor Class 3 – Interview	Feb 2001	\$960	54%	\$1,100	15%
4	FSI contractor Class 3 – Workshop inspection	Feb 2001	\$795	45%	\$915	15%
5	FSI contractor Class 1, Class 2, Classes 1 & 2 or Class 3 – Workshop re-inspection	Feb 2001	\$795	45%	\$915	15%
6	FSI contractor Class 1, Class 2, Classes 1 & 2 or Class 3 – New workshop inspection	Feb 2001	\$795	45%	\$915	15%
7	FSI contractor Class 1, Class 2, Classes 1 & 2 or Class 3 – New workshop re-inspection	Feb 2001	\$795	45%	\$915	15%
8	FSI contractor Class 1, Class 2, Classes 1 & 2 or Class 3 – Change of registered name or registered address	Feb 2001	\$385	92%	\$425	10%
9	FSI contractor Class 1, Class 2, Classes 1 & 2 – Change of qualified person	Feb 2001	\$480	86%	\$530	10%

Item		Last Revision	Existing Fee Level	Cost Recovery Level at 2005-06 Price Level	Proposed Fee Level	Proposed Percentage Increase / Decrease
<u>Fire Services Department (Reports & Certificates) Regulations (Cap. 95C)</u>						
10	Report on fire or other calamity attended by the Fire Services Department	Apr 1997	\$380	129%	\$295	-22%
11	Certificate required for compliance with section 16(1)(b) of the Buildings Ordinance (Cap. 123)	Apr 1997	\$345	99%	\$350	1%
12	Certificate required for compliance with section 21(6)(d) of the Buildings Ordinance (Cap. 123) – domestic building not exceeding 20 000 m ² in gross floor area	Apr 1997	\$1,650	16%	\$1,980	20%
13	Certificate required for compliance with section 21(6)(d) of the Buildings Ordinance (Cap. 123) – domestic building exceeding 20 000 m ² in gross floor area	Apr 1997	\$2,590	16%	\$3,110	20%
14	Certificate required for compliance with section 21(6)(d) of the Buildings Ordinance (Cap. 123) – non-domestic building not exceeding 20 000 m ² in gross floor area	Apr 1997	\$2,870	17%	\$3,440	20%
15	Certificate required for compliance with section 21(6)(d) of the Buildings Ordinance (Cap. 123) – non-domestic building exceeding 20 000 m ² in gross floor area	Apr 1997	\$7,060	17%	\$8,470	20%
16	Certificate required for compliance with section 33B of the Food Business Regulation (Cap. 132 sub. leg.) – general restaurant or light refreshment restaurant not exceeding 230 m ² in gross floor area	Apr 1997	\$1,260	23%	\$1,510	20%
17	Certificate required for compliance with section 33B of the Food Business Regulation (Cap. 132 sub. leg.) – general restaurant or light refreshment restaurant exceeding 230 m ² but not exceeding 2 000 m ² in gross floor area	Apr 1997	\$1,500	24%	\$1,800	20%

Item		Last Revision	Existing Fee Level	Cost Recovery Level at 2005-06 Price Level	Proposed Fee Level	Proposed Percentage Increase / Decrease
18	Certificate required for compliance with section 33B of the Food Business Regulation (Cap. 132 sub. leg.) – general restaurant or light refreshment restaurant exceeding 2 000 m ² in gross floor area	Apr 1997	\$1,640	22%	\$1,970	20%
19	Certificate required for compliance with section 33B of the Food Business Regulation (Cap. 132 sub. leg.) – bakery, food factory or factory canteen not exceeding 230 m ² in gross floor area	Apr 1997	\$1,060	23%	\$1,270	20%
20	Certificate required for compliance with section 33B of the Food Business Regulation (Cap. 132 sub. leg.) – bakery, food factory or factory canteen exceeding 230 m ² but not exceeding 2 000 m ² in gross floor area	Apr 1997	\$1,300	25%	\$1,560	20%
21	Certificate required for compliance with section 33B of the Food Business Regulation (Cap. 132 sub. leg.) – bakery, food factory or factory canteen exceeding 2 000 m ² in gross floor area	Apr 1997	\$1,440	23%	\$1,730	20%
22	Certificate required for compliance with regulation 3(3)(b) of the Places of Public Entertainment Regulations (Cap. 172 sub. leg.)	Apr 1997	\$1,140	23%	\$1,370	20%
23	Certificate required for compliance with regulation 162(9)(c) of the Places of Public Entertainment Regulations (Cap. 172 sub. leg.)	Apr 1997	\$825	24%	\$990	20%
24	Certificate required for compliance with section 7(1)(b)(ii) of the Child Care Services Ordinance (Cap. 243)	Apr 1997	\$1,040	24%	\$1,250	20%
25	Certificate required for compliance with section 12(1)(c) of the Education Ordinance (Cap. 279)	Apr 1997	\$1,040	25%	\$1,250	20%

Item		Last Revision	Existing Fee Level	Cost Recovery Level at 2005-06 Price Level	Proposed Fee Level	Proposed Percentage Increase / Decrease
26	Certificate required for compliance with any of the provisions of any other enactment	Apr 1997	\$1,040	28%	\$1,250	20%

Dangerous Goods (General) Regulations (Cap. 295B)

27	Grant or renewal of licence for storage, for each store, of dangerous goods in category 5, class 1, 2 or 3 (substances giving off inflammable vapour) – in quantities not exceeding 500 L	Mar 1995	\$210 per annum	8%	\$250 per annum	19%
28	Grant or renewal of licence for storage, for each store, of dangerous goods in category 5, class 1, 2 or 3 (substances giving off inflammable vapour) – in quantities exceeding 500 L but not exceeding 2 500 L	Mar 1995	\$400 per annum	13%	\$480 per annum	20%
29	Grant or renewal of licence for storage, for each store, of dangerous goods in category 5, class 1, 2 or 3 (substances giving off inflammable vapour) – in quantities exceeding 2 500 L but not exceeding 5 000 L	Mar 1995	\$605 per annum	14%	\$725 per annum	20%
30	Grant or renewal of licence for storage, for each store, of dangerous goods in category 5, class 1, 2 or 3 (substances giving off inflammable vapour) – in quantities exceeding 5 000 L but not exceeding 25 000 L	Mar 1995	\$2,000 per annum	44%	\$2,300 per annum	15%
31	Grant or renewal of licence for storage, for each store, of dangerous goods in category 5, class 1, 2 or 3 (substances giving off inflammable vapour) – in quantities exceeding 25 000 L	Mar 1995	\$5,980 per annum	81%	\$6,580 per annum	10%
32	Grant or renewal of licence for storage of dangerous goods in category 2, other than liquefied petroleum gas – for each tank	Mar 1995	\$905 per annum	19%	\$1,090 per annum	20%

33	Grant or renewal of licence for storage of dangerous goods in category 2, other than liquefied petroleum gas – for each store for not more than 10 cylinders	Mar 1995	\$365 per annum	11%	\$440 per annum	21%
34	Grant or renewal of licence for storage of dangerous goods in category 2, other than liquefied petroleum gas – for each store for more than 10 but not more than 50 cylinders	Mar 1995	\$725 per annum	23%	\$870 per annum	20%
35	Grant or renewal of licence for storage of dangerous goods in category 2, other than liquefied petroleum gas – for each store for more than 50 cylinders	Mar 1995	\$1,810 per annum	39%	\$2,170 per annum	20%
36	Grant or renewal of licence for storage, for each store, of dangerous goods in categories 3 to 10 other than category 5, class 1, 2 or 3 or category 9A – not exceeding 25 kg	Mar 1995	\$400 per annum	16%	\$480 per annum	20%
37	Grant or renewal of licence for storage, for each store, of dangerous goods in categories 3 to 10 other than category 5, class 1, 2 or 3 or category 9A – exceeding 25 kg but not exceeding 100 kg	Mar 1995	\$800 per annum	34%	\$960 per annum	20%
38	Grant or renewal of licence for storage, for each store, of dangerous goods in categories 3 to 10 other than category 5, class 1, 2 or 3 or category 9A – exceeding 100 kg	Mar 1995	\$2,000 per annum	81%	\$2,200 per annum	10%
39	Grant or renewal of licence for manufacture of dangerous goods of any category other than category 1 or 9A	Mar 1995	\$1,080 per annum for each category of goods manufactured	20%	\$1,300 per annum for each category of goods manufactured	20%
40	Grant or renewal of licence for conveyance of dangerous goods in category 2 or 5	Mar 1995	\$725 per annum	65%	\$835 per annum	15%
41	Fee for the issue of a duplicate of, or making of an alteration or addition to, or endorsement on, a licence (for items 27 to 40 above).	Mar 1995	\$200	61%	\$230	15%

Timber Stores Regulation (Cap. 464A)

42	Grant of a licence	Feb 2001	\$2,345	57%	\$2,700	15%
43	Renewal of a licence	Feb 2001	\$970	111%	\$870	-10%
44	Transfer of an existing licence to another person	Feb 2001	\$230	85%	\$255	11%
45	Amendment of the conditions or the particulars of a licence	Feb 2001	\$230	85%	\$255	11%
46	Issue of a duplicate of a licence	Feb 2001	\$230	85%	\$255	11%