Legislative Council Panel on Economic Development

Pilotage (Dues) (Amendment) Order 2011

INTRODUCTION

This paper briefs Members on the proposed Pilotage (Dues) (Amendment) Order 2011 (the Order), which seeks to increase specified items of pilotage dues as agreed between the providers and users of pilotage services.

BACKGROUND

- 2. Pilotage dues are commercial fees charged by licensed pilots for the provision of pilotage services. The fee levels are reviewed from time to time by the Hong Kong Liner Shipping Association (HKLSA) and the Hong Kong Pilots Association (HKPA) representing the service users and service providers respectively. Having regard to the current market environment and operating conditions, the latest review recommends increases in certain items of pilotage dues.
- 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 (PAC).

PROPOSALS

4. The proposed revision of pilotage dues are set out at <u>Annex</u>. They reflect the agreement reached between HKLSA and HKPA during the latest review in May 2011. The fee revision proposals were considered and endorsed by PAC in June 2011 which comprises representatives from the Hong Kong Shipowners Association, HKLSA, HKPA, container terminal operators, bulk cargo operators, oil terminal operators, tug operators, dockyard industry and master mariners.

5. We plan to gazette the Order and table it at the Legislative Council in December 2011 for negative vetting. Subject to the approval of the Legislative Council, we envisage that the Order will take effect on 3 February 2012.

ADVICE SOUGHT

6. Members are invited to note the proposed revisions and support the making of the Order.

Transport and Housing Bureau November 2011

Annex

Proposed Revision of Pilotage Dues

| Item | Existing dues | Proposed dues | Percentage increase |
|---|---|---|---------------------|
| (a) basic pilotage due | \$4,100 | \$4,400 | 7.3% |
| (b) additional pilotage due for boarding or disembarking from a ship west of a straight line drawn from Pearl Island to East Brother Island | | | |
| (i) from 3 February 2012 | \$2,000 | \$2,300 | 15% |
| (ii) from 1 January 2013 | - | \$2,600 | 13% |
| (c) due for cancellation of engagement | | | |
| (i) for service at Tolo Harbour or at the west of East Brother Island | \$4,100 (charged if cancellation is done within 1.5 hours before the last stated time of requirement) | \$4,400 (charged if cancellation is done within 1.5 hours before the last stated time of requirement) | 7.3% |
| (ii) for service elsewhere | \$4,100 (charged if cancellation is done within 1 hour before the last stated time of requirement) | \$4,400 (charged if cancellation is done within 1 hour before the last stated time of requirement) | 7.3% |

 $^{^{}Note}$ The proposed increase will be implemented in phases. The pilotage due will be increased to \$2,300 by 3 February 2012 and then \$2,600 by 1 January 2013.