Legislative Council Panel on Constitutional Affairs

Revision of certain fees under the policy areas of the Constitutional and Mainland Affairs Bureau

PURPOSE

This paper seeks Members' views on -

- (a) the proposed revision of 11 fee items under the Registration of Local Newspapers Ordinance, Cap. 268 ("RLNO"); and
- (b) the proposed revision of the fee for making copies of candidates' election returns under the Elections (Corrupt and Illegal Conduct) Ordinance, Cap. 554 ("ECICO").

BACKGROUND

2. In line with the "user pays" principle, it is Government's policy that fees charged of Government services should in general be set at levels adequate to recover the full cost of providing the services. Nevertheless, some fees and charges have not been revised in recent years.

3. In the 2013-14 Budget Speech, the Financial Secretary indicated that we needed a systematic review of fees and charges and should first deal with fees that had not been revised for years and did not directly affect people's livelihood.

4. In order to achieve full cost recovery gradually and to avoid a steep fee increase, the following guidelines for the proposed fee increases have been adopted:

- (a) for those fees with an existing cost recovery rate of less than 40%, adopt an increase of about 20%;
- (b) for those fees with an existing cost recovery rate of between 40% and 70%, adopt an increase of about 15%; and
- (c) for those fees with an existing cost recovery rate of over 70%,

adopt an increase of 10% or lower.

FEE REVISION PROPOSALS

(A) Revision of fees under the RLNO

5. Under the RLNO, the Office for Film, Newspaper and Article Administration ("OFNAA") registers local newspapers and news agencies, and issues licences for newspaper distributors. Fees are levied for providing these services and for searching, inspecting and obtaining certified extracts from the registers of local newspapers and news agencies. 11 kinds of fees are payable under the News Agencies Registration Regulations, Cap. 268A and Newspapers Registration and Distribution Regulations, Cap. 268B.

6. The 11 fee items under the RLNO were last revised on 1 December 2005. The OFNAA has recently reviewed all of them. The outcome of the review as well as the proposed fee increases which are in line with the guidelines in paragraph 4 above, are set out at <u>Annex</u>.

(B) Revision of copying fee for election returns under the ECICO

7. In accordance with the ECICO, election returns lodged by candidates setting out election expenses and election donations are required to be made available for public inspection for a period of 12 months after publication of the election result. If a person asks for a copy of an election return or part of an election return, the Registration and Electoral Office ("REO") must provide the person with such a copy, subject to payment of a copying fee with a rate approved by the Financial Secretary and published in the Gazette. The existing photocopying fee for election return is \$0.5 per copy, which was first adopted in 1998 and has remained unchanged since then.

8. The REO has recently reviewed the photocopying services provided in connection with the making of copies of election returns in the last election cycle, and considered that the services are very similar in nature to the general photocopying services provided by other Government bureaux/departments to the public. At present, the standard fee for general photocopying services in the Government is \$1.1.

9. The REO recommends that:

(a) the copying fee for election returns under the ECICO be revised

to \$1.1 per copy¹; and

(b) the copying fee for election returns should in future follow the prevailing standard rate set for general photocopying services in the Government¹, to rationalize the charging mechanism.

EFFICIENCY INITIATIVES

10. Both OFNAA and REO regularly review the concerned work procedures and wherever possible implement efficiency initiatives with a view to reducing or containing the cost of providing services.

FINANCIAL IMPLICATIONS

11. It is estimated that the proposed fee revisions under the RLNO will bring an increase of about \$85,000 in revenue per annum.

12. It is difficult to estimate the additional election returns photocopying fee that will be collected per year because for any particular year, it depends on whether it covers the 12-month post-election period after a change-of-term election or by-election, and whether the photocopying service is actually required. From past experience, the need for such photocopying service can vary a lot between elections. In any event, we expect the additional fee collected will be insignificant.

IMPLEMENTATION PLAN

13. Subject to any views Members may have, we intend to amend the subsidiary legislations under the RLNO by tabling the amended regulations at the Legislative Council within the 2013-14 legislative session. For the election returns copying fee under the ECICO, no legislative amendments are required for its adjustment; we plan to implement the proposed revision with effect from 1 April 2014.

ADVICE SOUGHT

14. Members are invited to provide their views on the fee revision

¹ To avoid causing unwarranted confusion to members of the public, the adjustment will apply to election returns the public inspection period of which begins on or after the effective date of fee adjustment.

proposals mentioned above.

Constitutional and Mainland Affairs Bureau Registration and Electoral Office Office for Film, Newspaper and Article Administration February 2014

Annex

Fee Item	Existing fee	Full cost	Existing cost recovery rate	Proposed fee	Proposed amount of increase (% increase)	Cost recovery rate after the proposed fee revision
(1) First registration of local newspaper	\$905	\$1,511	60%	\$1,040	\$135 (15%)	69%
(2) Annual renewal of registration of local newspaper	\$680	\$1,300	52%	\$780	\$100 (15%)	60%
(3) Change of particulars of local newspaper registration	\$100	\$278	36%	\$120	\$20 (20%)	43%
(4) Search for a newspaper register	\$33	\$81	41%	\$38	\$5 (15%)	47%
(5) Certified true copy of a newspaper register	\$130	\$313	42%	\$150	\$20 (15%)	48%
(6) Newspaper distributor's licence	\$865	\$1,123	77%	\$950	\$85 (10%)	85%
(7) First registration of a news agency	\$905	\$1,252	72%	\$995	\$90 (10%)	79%
(8) Annual renewal of registration of news agency	\$725	\$1,042	70%	\$835	\$110 (15%)	80%
(9) Change of particulars of a news agency	\$100	\$278	36%	\$120	\$20 (20%)	43%
(10) Search for a news agency register	\$32	\$81	40%	\$37	\$5 (16%)	46%
(11) Certified true copy of a news	\$125	\$263	48%	\$145	\$20 (16%)	55%

Proposed Fee Revisions under the Registration of Local Newspapers Ordinance (Cap. 268)

agency register