

## **LEGISLATIVE COUNCIL BRIEF**

### **Mining Ordinance (Cap. 285) and Dangerous Goods Ordinance (Cap. 295)**

#### **MINES (SAFETY) (AMENDMENT) REGULATION 2014**

#### **DANGEROUS GOODS (GENERAL) (AMENDMENT) (No. 2) REGULATION 2014**

#### **DANGEROUS GOODS (GOVERNMENT EXPLOSIVES DEPOTS) (AMENDMENT) REGULATION 2014**

### **INTRODUCTION**

Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) empowers the Financial Secretary (which means also the Secretary for the Financial Services and the Treasury by virtue of section 3 of Cap. 1) to vary fees which have previously been fixed 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 Mines (Safety) (Amendment) Regulation 2014, the Dangerous Goods (General) (Amendment) (No. 2) Regulation 2014 and the Dangerous Goods (Government Explosives Depots) (Amendment) Regulation 2014 (“the Regulations”) to revise 27 items of fees and charges specified in the Mines (Safety) Regulations (Cap. 285B), the Dangerous Goods (General) Regulations (Cap. 295B) and the Dangerous Goods (Government Explosives Depots) Regulations (Cap. 295D) made pursuant to the Mining Ordinance (Cap. 285) and the Dangerous Goods Ordinance (Cap. 295) respectively.

### **BACKGROUND AND JUSTIFICATIONS**

3. In line with the “user pays” principle, it is Government’s policy that fees and charges should in general be set at levels sufficient to recover the full cost of providing the services. The 27 items of fees and charges concerned are prescribed in Schedule 3 to the Mines (Safety) Regulations (Cap. 285B) under the Mining Ordinance (Cap. 285), Regulation 183 of the Dangerous Goods (General) Regulations (Cap. 295B) and the Schedule to the Dangerous Goods (Government Explosives Depots) Regulations (Cap. 295D) under the Dangerous Goods Ordinance (Cap. 295). Out of these items, 25 items were last revised on 28 November 1997 and 2 items were last revised on 1 March 1994. They include -

- (a) fees relating to mine blasting certificate;
- (b) dangerous goods licence fees;
- (c) permit fees for moving and discharging explosives;
- (d) fees for storage of explosives in Government depots; and
- (e) fees for delivery of explosives from a depot to any other place by the Government.

4. A review of the cost of providing the relevant services at the 2014-15 price level has been carried out recently. The result shows that the cost recovery rates at existing fee levels range from 22.8% to 94.4%. In order to achieve full cost recovery gradually and to avoid a steep fee increase, we propose to adopt the following guidelines for fee revision in our proposal -

- (a) for existing cost recovery rate of less than 40%, adopt an increase of about 20%;
- (b) for existing cost recovery rate of between 40% and 70%, adopt an increase of about 15%; and
- (c) for existing cost recovery rate of over 70%, adopt an increase of about 10% or lower.

5. Details of the fees and charges revision proposal with upward adjustments ranging from 5.9% to 20.5%, are at **Annex 1**. The impact of the fees and charges revision on persons affected should not be significant.

## THE REGULATIONS

6. The Regulations at **Annexes 2a, 2b** and **2c** revise the fees and charges concerned. It is proposed that the new fees and charges will come into effect on 1 January 2015.

## LEGAL IMPLICATIONS

7. The proposed amendments do not affect the current binding effect of the Mining Ordinance and the Dangerous Goods Ordinance and the subsidiary legislation. They are in conformity with the Basic Law, including the provisions concerning human rights.

## **FINANCIAL AND STAFFING IMPLICATIONS**

8. When the proposed fees and charges adjustments are implemented, the estimated increase in revenue is about \$5.5 million per annum. There are no staffing implications.

## **ECONOMIC IMPLICATIONS**

9. There are no significant economic implications.

## **EFFICIENCY INITIATIVES**

10. The Administration will continue to enhance efficiency and streamline procedures so as to contain the costs of providing these public services.

## **PUBLIC CONSULTATION**

11. We consulted the Legislative Council Panel on Development on 7 July 2014 regarding the revision of fees and charges as outlined in paragraphs 3 to 5. Members did not object to the proposal.

## **PUBLICITY**

12. The Regulation will be published in the Gazette on 24 October 2014 and a press release will be issued. A spokesman will be available to answer enquiries on the subject.

## **ENQUIRIES**

13. For enquires on this brief, please contact Mr WONG Chung-leung, Principal Assistant Secretary (Works)<sup>3</sup> of the Development Bureau at 3509 8277.

**Development Bureau**  
**October 2014**

**Proposed Revision of Fees and Charges under  
Mines (Safety) Regulations, Cap 285B,  
Dangerous Goods (General) Regulations, Cap 295B,  
and Dangerous Goods (Government Explosives Depots) Regulations, Cap 295D**

Item	Fee Description	Last Revision	Existing Fee (\$) (a)	Updated Cost Recovery Level at 2014-15 Price Level	Proposed Fee (\$) (b)	Proposed Amount of Increase (\$) (b) – (a)	Proposed Percentage Increase [(b)-(a)]/(a)	Cost Recovery Rate after Fee Adjustment
Schedule 3 to the Mines (Safety) Regulations (Cap 285B)								
1	Issue of mine blasting certificate under regulation 22(4)(a)	1997	2,710	45.1%	3,120	410	15.1%	52.0%
2	Renewal of mine blasting certificate under regulation 22(5)(a)	1997	2,180	79.4%	2,400	220	10.1%	87.4%
3	Replacement of worn or defaced mine blasting certificate under regulation 22(5)(c)	1994	120	47.1%	140	20	16.7%	54.9%
4	Endorsement of mine blasting certificate under regulation 22(6)(b)	1997	2,570	93.6%	2,750	180	7.0%	100.1%
5	Replacement of lost mine blasting certificate under regulation 22(10)	1994	120	47.1%	140	20	16.7%	54.9%
Regulation 183 of the Dangerous Goods (General) Regulations (Cap 295B)								
6	Dangerous goods licence for manufacture of dangerous goods in category 1 (explosives)	1997	41,900	86.8%	46,100	4,200	10.0%	95.5%
7	Dangerous goods licence for storage of dangerous goods in category 1 (explosives), other than class 6 (ammunition) and class 7, division 2 (manufactured fireworks)	1997	29,700	61.6%	34,150	4,450	15.0%	70.8%
8	Dangerous goods licence for storage of dangerous goods in category 1, class 6 (ammunition) in a Mode A store	1997	40,500	94.4%	42,900	2,400	5.9%	100.0%
9	Dangerous goods licence for storage of dangerous goods in category 1, class 6 (ammunition) in a Mode B store	1997	7,370	77.8%	8,110	740	10.0%	85.6%

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10	Dangerous goods licence for storage of dangerous goods in category 1, class 7, division 2 (manufactured fireworks) in quantities not exceeding 200 kg	1997	10,300	80.6%	11,350	1,050	10.2%	88.8%
11	Dangerous goods licence for storage of dangerous goods in category 1, class 7, division 2 (manufactured fireworks) in quantities exceeding 200 kg	1997	13,000	67.7%	14,950	1,950	15.0%	77.8%
12	Permit fee to discharge dangerous goods in category 1 (explosives), other than class 6 (ammunition) and class 7, division 2 (manufactured fireworks)	1997	44,300	57.9%	50,950	6,650	15.0%	66.6%
13	For issue of duplicate of licence or permit	1997	600	92.9%	645	45	7.5%	99.8%
14	For making of alteration or addition to, or endorsement on, a licence or permit	1997	995	22.8%	1,190	195	19.6%	27.2%
15	For making alteration or addition to, or endorsement on, a licence or permit involving relocation of an explosive store, or a change of the licensed blasting area	1997	2,560	24.5%	3,070	510	19.9%	29.4%
16	For permit to move dangerous goods in category 1 (explosives)	1997	195	73.3%	215	20	10.3%	80.8%
Schedule to the Dangerous Goods (Government Explosives Depots) Regulations (Cap 295D)								
17	Charges for the storage of explosives and explosive accessories in Government depots where the amount of the explosives or explosive accessories (including the weight of any inner and outer packages) does not exceed 50 kg (per consignment) (per month or part of a month)	1997	220	36.2%	265	45	20.5%	43.7%

Item	Fee Description	Last Revision	Existing Fee (\$) (a)	Updated Cost Recovery Level at 2014-15 Price Level	Proposed Fee (\$) (b)	Proposed Amount of Increase (\$) (b) – (a)	Proposed Percentage Increase [(b)-(a)]/(a)	Cost Recovery Rate after Fee Adjustment
18	Charges for the storage of explosives and explosive accessories in Government depots where the amount of the explosives or explosive accessories (including the weight of any inner and outer packages) exceeds 50 kg (per consignment) (per month or part of a month for every 25 kg or fractional part of 25 kg)	1997	110	36.2%	130	20	18.2%	42.8%
19	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is not exceeding 50 kg	1997	3,490	68.2%	4,010	520	14.9%	78.4%
20	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 50 kg but not exceeding 100 kg	1997	5,520	76.8%	6,070	550	10.0%	84.4%
21	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 100 kg but not exceeding 250 kg	1997	7,060	60.2%	8,120	1,060	15.0%	69.2%
22	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 250 kg but not exceeding 500 kg	1997	9,430	52.1%	10,850	1,420	15.1%	60.0%
23	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 500 kg but not exceeding 1000 kg	1997	14,200	47.6%	16,350	2,150	15.1%	54.9%

Item	Fee Description	Last Revision	Existing Fee (\$)  (a)	Updated Cost Recovery Level at 2014-15 Price Level	Proposed Fee (\$)  (b)	Proposed Amount of Increase (\$)  (b) – (a)	Proposed Percentage Increase  [(b)-(a)]/(a)	Cost Recovery Rate after Fee Adjustment
24	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 1000 kg but not exceeding 1500 kg	1997	21,300	51.8%	24,500	3,200	15.0%	59.6%
25	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 1500 kg but not exceeding 2000 kg	1997	26,600	51.2%	30,600	4,000	15.0%	58.9%
26	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 2000 kg but not exceeding 2500 kg	1997	33,300	52.3%	38,300	5,000	15.0%	60.2%
27	Explosive delivery permit fee for delivery of explosives from a depot to any other place by the Government where the quantity is exceeding 2500 kg	1997	39,900	49.1%	45,900	6,000	15.0%	56.4%

## Mines (Safety) (Amendment) Regulation 2014

(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 67 of the Mining Ordinance (Cap. 285))

### 1. Commencement

This Regulation comes into operation on 1 January 2015.

### 2. Mines (Safety) Regulations amended

The Mines (Safety) Regulations (Cap. 285 sub. leg. B) are amended as set out in section 3.

### 3. Third Schedule amended (fees in respect of mine blasting certificates)

(1) Third Schedule, item 1—

#### Repeal

“2,710”

#### Substitute

“3,120”.

(2) Third Schedule, item 2—

#### Repeal

“2,180”

#### Substitute

“2,400”.

(3) Third Schedule, item 3—

#### Repeal

“120”

### Substitute

“140”.

(4) Third Schedule, item 4—

### Repeal

“2,570”

### Substitute

“2,750”.

(5) Third Schedule, item 5—

### Repeal

“120”

### Substitute

“140”.



Secretary for Financial Services and  
the Treasury

20 October 2014



**Explanatory Note**

This Regulation amends the Mines (Safety) Regulations (Cap. 285 sub. leg. B) to increase the fees payable for—

- (a) the issue, renewal and endorsement of mine blasting certificates; and
- (b) the replacement of worn, defaced or lost mine blasting certificates.

## Dangerous Goods (General) (Amendment) (No. 2) Regulation 2014

(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 comes into operation on 1 January 2015.
2. **Dangerous Goods (General) Regulations amended**  
The Dangerous Goods (General) Regulations (Cap. 295 sub. leg. B) are amended as set out in section 3.
3. **Regulation 183 amended (licences and permits)**
  - (1) Regulation 183(1), Table, item 1—  
**Repeal**  
“41,900”  
**Substitute**  
“46,100”.
  - (2) Regulation 183(1), Table, item 1—  
**Repeal**  
“600”  
**Substitute**  
“645”.
  - (3) Regulation 183(1), Table, item 1—  
**Repeal**  
“995”

- Substitute**  
“1,190”.
- (4) Regulation 183(1), Table, item 2—  
**Repeal**  
“29,700”  
**Substitute**  
“34,150”.
- (5) Regulation 183(1), Table, item 2—  
**Repeal**  
“600”  
**Substitute**  
“645”.
- (6) Regulation 183(1), Table, item 2—  
**Repeal**  
“995”  
**Substitute**  
“1,190”.
- (7) Regulation 183(1), Table, item 3—  
**Repeal**  
“600”  
**Substitute**  
“645”.
- (8) Regulation 183(1), Table, item 3—  
**Repeal**  
“995”  
**Substitute**

- “1,190”.
- (9) Regulation 183(1), Table, item 3—  
**Repeal**  
“\$2,560”  
**Substitute**  
“\$3,070”.
- (10) Regulation 183(1), Table, item 3(a)—  
**Repeal**  
“40,500”  
**Substitute**  
“42,900”.
- (11) Regulation 183(1), Table, item 3(b)—  
**Repeal**  
“7,370”  
**Substitute**  
“8,110”.
- (12) Regulation 183(1), Table, item 4—  
**Repeal**  
“600”  
**Substitute**  
“645”.
- (13) Regulation 183(1), Table, item 4—  
**Repeal**  
“995”  
**Substitute**  
“1,190”.

- (14) Regulation 183(1), Table, item 4—  
**Repeal**  
“\$2,560”  
**Substitute**  
“\$3,070”.
- (15) Regulation 183(1), Table, item 4(a)—  
**Repeal**  
“10,300”  
**Substitute**  
“11,350”.
- (16) Regulation 183(1), Table, item 4(b)—  
**Repeal**  
“13,000”  
**Substitute**  
“14,950”.
- (17) Regulation 183(1), Table, item 5—  
**Repeal**  
“195”  
**Substitute**  
“215”.
- (18) Regulation 183(1), Table, item 6—  
**Repeal**  
“44,300”  
**Substitute**  
“50,950”.
- (19) Regulation 183(1), Table, item 6—

**Repeal**

“600”

**Substitute**

“645”.

(20) Regulation 183(1), Table, item 6—

**Repeal**

“995”

**Substitute**

“1,190”.

(21) Regulation 183(1), Table, item 6—

**Repeal**

“\$2,560”

**Substitute**

“\$3,070”.



Secretary for Financial Services and  
the Treasury

20 October 2014

**Explanatory Note**

This Regulation amends 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 manufacture, storage, movement and discharge of certain dangerous goods in category 1;
- (b) the issue of a duplicate of those licences or permits; and
- (c) the making of an alteration or addition to, or endorsement on those licences or permits.

## Dangerous Goods (Government Explosives Depots) (Amendment) Regulation 2014

(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 13E of the Dangerous Goods Ordinance (Cap. 295))

### 1. Commencement

This Regulation comes into operation on 1 January 2015.

### 2. Dangerous Goods (Government Explosives Depots) Regulations amended

The Dangerous Goods (Government Explosives Depots) Regulations (Cap. 295 sub. leg. D) are amended as set out in section 3.

### 3. Schedule amended (fees)

(1) The Schedule, Part I, paragraph 1(a)—

**Repeal**

“\$220”

**Substitute**

“\$265”.

(2) The Schedule, Part I, paragraph 1(b)—

**Repeal**

“\$110”

**Substitute**

“\$130”.

(3) The Schedule, Part II, paragraph 1, Table, item 1—

**Repeal**

“3,490”

**Substitute**

“4,010”.

(4) The Schedule, Part II, paragraph 1, Table, item 2—

**Repeal**

“5,520”

**Substitute**

“6,070”.

(5) The Schedule, Part II, paragraph 1, Table, item 3—

**Repeal**

“7,060”

**Substitute**

“8,120”.

(6) The Schedule, Part II, paragraph 1, Table, item 4—

**Repeal**

“9,430”

**Substitute**

“10,850”.

(7) The Schedule, Part II, paragraph 1, Table, item 5—

**Repeal**

“14,200”

**Substitute**

“16,350”.

(8) The Schedule, Part II, paragraph 1, Table, item 6—

**Repeal**

“21,300”

**Substitute**

“24,500”.

- (9) The Schedule, Part II, paragraph 1, Table, item 7—

**Repeal**

“26,600”

**Substitute**

“30,600”.

- (10) The Schedule, Part II, paragraph 1, Table, item 8—

**Repeal**

“33,300”

**Substitute**

“38,300”.

- (11) The Schedule, Part II, paragraph 1, Table, item 9—

**Repeal**

“39,900”

**Substitute**

“45,900”.



Secretary for Financial Services and  
the Treasury

20 October 2014

**Explanatory Note**

This Regulation amends the Dangerous Goods (Government Explosives Depots) Regulations (Cap. 295 sub. leg. D) to increase the fees payable for—

- (a) the storage of explosives and explosive accessories in a Government Explosives Depot (*the Depot*); and
- (b) the delivery of explosives and explosive accessories from the Depot to any other place by the Government.