

LEGISLATIVE COUNCIL BRIEF

Amusement Rides (Safety) Ordinance (Cap. 449)

**AMUSEMENT RIDES (SAFETY) (FEES)
(AMENDMENT) REGULATION 2015**

INTRODUCTION

Section 48(1) of the Amusement Rides (Safety) Ordinance (the “Ordinance”) empowers the Financial Secretary to make regulations prescribing fees payable under the Ordinance. By virtue of section 3 of the Interpretation and General Clauses Ordinance (Cap. 1), the Financial Secretary means also the Secretary for Financial Services and the Treasury.

2. In exercise of this power, the Secretary for Financial Services and the Treasury has made the Amendment Regulation at **Annex A** to revise the fees specified in the Amusement Rides (Safety) (Fees) Regulation (Cap. 449 sub. leg. A) made pursuant to the Ordinance.

BACKGROUND AND ARGUMENTS

3. It is government policy that fees charged by the Government should in general be set at levels sufficient to recover the full cost of providing the services. In the 2013-14 Budget Speech, the Financial Secretary emphasized the need to review fees and charges systematically for upholding the “user pays” principle, with priority given to those fees that had not been revised for years and did not directly affect people’s livelihood, as well as items which had low cost recovery rates.

4. The 15 fee items specified in the Amusement Rides (Safety) (Fees) Regulation (Cap. 449 sub. leg. A) are payable for -

(a) designation of persons who may exercise the powers under sections 19 and

20 of the Ordinance;

- (b) approval of persons as surveyors, competent persons and qualified persons under section 4 of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub. leg. B);
- (c) amendment to certificates of approval held by surveyors, competent persons and qualified persons under section 5(6) of the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub. leg. B);
- (d) approval of commencing the operation of amusement rides under section 10 of the Ordinance; and
- (e) approval of resuming the operation of amusement rides under section 15(2) of the Ordinance.

_____ Details of the 15 fee items are set out at **Annex B**. Of the 15 fee items, 11 of them were last revised on 8 December 2000 and the other 4 items on 8 March 1997.

5. Based on the latest costing review, we propose to increase the existing fees by 5.8% to 20.0% with a view to achieving full cost recovery at 2014-15 price level. Details of the existing and proposed fees are shown at **Annex B**.

AMENDMENT REGULATION

6. The Amendment Regulation that **Annex A** will give effect to the proposed increase in fees as set out at **Annex B**. We propose that the new fees will come into effect on 26 March 2015.

BINDING EFFECT

7. The Amendment Regulation does not affect the current binding effect of the Ordinance and its subsidiary legislation.

EFFICIENCY IMPROVEMENT MEASURES

8. The Electrical and Mechanical Services Department regularly

reviews the work procedures with a view to reducing the cost of its services through efficiency improvement measures, including streamlining work procedures, facilitating electronic submission of documents, enhancing staff training and conducting risk-based inspections. Efficiency savings from these efforts have been factored into the calculation of the costing review.

FINANCIAL AND STAFF IMPLICATIONS

9. If the proposed fee revision is implemented, there will be an estimated increase in revenue of about \$17,000 per annum. There are no staff implications.

ECONOMIC IMPLICATIONS

10. The proposed fee revisions have no direct impact on the daily life of the general public and may only mildly affect owners/operators of amusement rides (e.g. theme park operators). Moreover, as owners of amusement rides only have to pay a **one-off fee for installation/alternation** of the rides (i.e. no regular renewal fee is needed), the proposed revision should have negligible impact on the operating cost of the trade.

PUBLIC CONSULTATION

11. We have consulted all existing amusement ride owners on the proposed fee revision. We have received only one objection from a ride owner on the proposed fee revisions in relation to Categories A and B rides, which will be increased from \$200 to \$240 and from \$355 to \$425 respectively. In response, we have clarified with the ride owner the basis and reasons for the adjustment, highlighting that the fees concerned have not been adjusted for over a decade. We have not received any further comment from the ride owner concerned.

12. The Legislative Council Panel on Home Affairs noted our proposal in December 2014. Members of the Panel did not raise objection to the proposed fee revision.

PUBLICITY

13. A press release will be issued on the day when the Amendment Regulation is published in the Gazette on 16 January 2015. A spokesman will be made available to answer public enquiries.

ENQUIRIES

14. For any enquires on this brief, please contact Mr William LEUNG, Assistant Secretary for Home Affairs (3)2 of the Home Affairs Bureau (Tel: 3509 8049) or Mr K.C. CHEUNG, Chief Electrical and Mechanical Engineer/General Legislation of the Electrical and Mechanical Services Department (Tel: 2808 3861).

Home Affairs Bureau

Electrical and Mechanical Services Department

14 January 2015

**Amusement Rides (Safety) (Fees) (Amendment)
Regulation 2015**

(Made by the Secretary for Financial Services and the Treasury under section 48 of the Amusement Rides (Safety) Ordinance (Cap. 449))

1. Commencement

This Regulation comes into operation on 26 March 2015.

2. Amusement Rides (Safety) (Fees) Regulation amended

The Amusement Rides (Safety) (Fees) Regulation (Cap. 449 sub. leg. A) is amended as set out in sections 3 to 6.

3. Section 4 amended (fee payable under section 21 of the Ordinance for the designation by name of persons who may exercise powers conferred by sections 19 and 20 of the Ordinance)

Section 4—

Repeal

“400”

Substitute

“425”.

4. Section 5 amended (fees payable under sections 4 and 5(6) of the Amusement Rides (Safety) (Operation and Maintenance) Regulation)

(1) Section 5(1)(a)—

Repeal

“5,455”

Substitute

“5,780”.

(2) Section 5(1)(b)—

Repeal

“2,750”

Substitute

“2,910”.

(3) Section 5(1)(c)—

Repeal

“1,225”

Substitute

“1,300”.

(4) Section 5(2)(a)—

Repeal

“5,455”

Substitute

“5,780”.

(5) Section 5(2)(b)—

Repeal

“2,750”

Substitute

“2,910”.

(6) Section 5(2)(c)—

Repeal

“1,225”

Substitute

“1,300”.

5. **Schedule 1 amended (fees payable under section 10 of the Ordinance for approval of commencement of operation of amusement ride)**

(1) Schedule 1—

Repeal

“200”

Substitute

“240”.

(2) Schedule 1—

Repeal

“355”

Substitute

“425”.

(3) Schedule 1—

Repeal

“2,800”

Substitute

“3,230”.

(4) Schedule 1—

Repeal

“5,340”

Substitute

“6,140”.

6. **Schedule 2 amended (fees payable under section 15 of the Ordinance for permitting the use and operation of amusement ride to be resumed)**

(1) Schedule 2—

Repeal

“200”

Substitute

“240”.

(2) Schedule 2—

Repeal

“355”

Substitute

“425”.

(3) Schedule 2—

Repeal

“2,800”

Substitute

“3,230”.

(4) Schedule 2—

Repeal

“5,340”

Substitute

“6,140”.



Secretary for Financial Services and
the Treasury

2 January 2015

Explanatory Note

This Regulation revises the fees payable under the Amusement Rides (Safety) Ordinance (Cap. 449) and the Amusement Rides (Safety) (Operation and Maintenance) Regulation (Cap. 449 sub. leg. B).

**Proposed Fee Revision under the
Amusement Rides (Safety) (Fees) Regulation (Cap. 449A)**

Item no.	Fee Description	Last revision	Current fee	Cost recovery rate at 2014-15 price level	Proposed percentage increase	Proposed fee	Cost recovery rate after the proposed increase*
1	Fee payable under section 21 of Cap. 449 for the designation by name of persons who may exercise powers conferred by sections 19 and 20 of the Ordinance	8.12.2000	\$400	93.7%	+6.3%	\$425	99.5%
2	Fee payable under section 4 of Cap. 449B for approval of a person as a surveyor	8.12.2000	\$5,455	94.4%	+6.0%	\$5,780	100.1%
3	Fee payable under section 4 of Cap. 449B for approval of a person as a competent person	8.12.2000	\$2,750	94.4%	+5.8%	\$2,910	99.9%
4	Fee payable under section 4 of Cap. 449B for approval of a person as a qualified person	8.12.2000	\$1,225	94.1%	+6.1%	\$1,300	99.8%
5	Fee payable under section 5(6) of Cap. 449B for an amendment to a limited certificate of approval held by a surveyor	8.12.2000	\$5,455	94.4%	+6.0%	\$5,780	100.1%
6	Fee payable under section 5(6) of Cap. 449B for an amendment to a limited certificate of approval held by a competent person	8.12.2000	\$2,750	94.4%	+5.8%	\$2,910	99.9%
7	Fee payable under section 5(6) of Cap. 449B for an amendment to a limited certificate of approval held by a qualified person	8.12.2000	\$1,225	94.1%	+6.1%	\$1,300	99.8%

Item no.	Fee Description	Last revision	Current fee	Cost recovery level at 2014-15 price level	Proposed percentage increase	Proposed fee	Cost recovery level after the proposed increase*
8	Fee payable under section 10 of Cap. 449 for approval of commencement of operation of an amusement ride in (a) category A	8.3.1997	\$200	83.1%	+20.0%	\$240	99.7%
9	(b) category B	8.3.1997	\$355	83.8%	+19.7%	\$425	100.4%
10	(c) category C	8.12.2000	\$2,800	86.7%	+15.4%	\$3,230	100.0%
11	(d) category D	8.12.2000	\$5,340	87.0%	+15.0%	\$6,140	100.0%
12	Fee payable under section 15(2) of Cap. 449 for permitting the resumption of use and operation of amusement ride in (a) category A	8.3.1997	\$200	83.1%	+20.0%	\$240	99.7%
13	(b) category B	8.3.1997	\$355	83.8%	+19.7%	\$425	100.4%
14	(c) category C	8.12.2000	\$2,800	86.7%	+15.4%	\$3,230	100.0%
15	(d) category D	8.12.2000	\$5,340	87.0%	+15.0%	\$6,140	100.0%

Note:

An amusement ride in –

- (a) category A means any amusement ride which is permitted to carry not more than 2 persons;
- (b) category B means any amusement ride which is permitted to carry not more than 5 persons;
- (c) category C means any amusement ride which is permitted to carry not more than 20 persons; and
- (d) category D means any amusement ride which is permitted to carry 21 or more persons.

* Percentages may not exactly be 100% due to rounding of the proposed fees.