

Legislative Council Panel on Constitutional Affairs

Revision of Fees under the Registration of Local Newspapers Ordinance

PURPOSE

This paper seeks Members' views on the proposed revision of 11 fee items under the Registration of Local Newspapers Ordinance ("RLNO") (Cap. 268).

BACKGROUND

"User pays" principle

2. In line with the "user pays" principle, it is Government's policy that fees charged for services provided by the Government should in general be set at levels adequate to recover the full cost of providing the services. To this end, a system has been put in place to review the relevant fees and charges from time to time.

Fees under RLNO

3. 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 the aforementioned services and for searching, inspecting and obtaining certified extracts from the registers of local newspapers and news agencies. There are a total of 11 fee items specified in the subsidiary legislation under the RLNO. These items were last revised on 1 November 2014 following a review and under a phased approach to achieve full cost recovery (the Panel's views were sought vide LC Paper No. CB(2)850/13-14(03)).

FEE REVISION PROPOSAL

4. The latest costing review of the 11 fee items under the RLNO shows that their cost recovery rates are between 45% and 93%. In order to achieve full cost recovery gradually and to avoid a steep fee increase, we propose to

increase the fees following the fee revision guidelines for Government services

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- (a) seven fee items with existing cost recovery rates of 40% to 70% will be increased by about 15%; and
- (b) four fee items with existing cost recovery rates of over 70% will be increased by 10% or less.

5. The cost recovery rates as well as the proposed revisions for the individual fee items are set out at Annex.

EFFICIENCY INITIATIVES

6. OFNAA regularly reviews the work procedures concerned and where possible, implements suitable efficiency initiatives with a view to reducing or containing the cost of providing services.

FINANCIAL IMPLICATIONS

7. It is estimated that the proposed fee revisions in paragraph 5 above would bring an increase of about \$92,000 in revenue per annum.

IMPLEMENTATION PLAN

8. Subject to Members' views, we plan to amend the News Agencies Registration Regulations (Cap. 268A) and the Newspapers Registration and Distribution Regulations (Cap. 268B) by tabling amendment regulations at the Legislative Council in December 2016 for negative vetting. We intend to implement the proposed fee revisions within the 2016-17 financial year.

ADVICE SOUGHT

9. Members are invited to offer views on the fee revision proposal in paragraph 5 above.

Constitutional and Mainland Affairs Bureau
Office for Film, Newspaper and Article Administration
November 2016

Annex

**Proposed Revision of fees under the Registration
of Local Newspapers Ordinance (Cap. 268)**

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) Registration of local newspaper	\$1,040	\$1,432	73%	\$1,140	\$100 (10%)	80%
(2) Annual renewal of registration of local newspaper	\$780	\$1,242	63%	\$895	\$115 (15%)	72%
(3) Change of particulars of local newspaper	\$120	\$266	45%	\$140	\$20 (17%)	53%
(4) Search and inspection of register of local newspaper	\$38	\$83	46%	\$44	\$6 (16%)	53%
(5) Certified extract from register of local newspaper	\$150	\$299	50%	\$175	\$25 (17%)	59%
(6) Newspaper distributor's licence	\$950	\$1,025	93%	\$1,025	\$75 (8%)	100%
(7) Registration of news agency	\$995	\$1,147	87%	\$1,090	\$95 (10%)	95%
(8) Annual renewal of registration of news agency	\$835	\$957	87%	\$920	\$85 (10%)	96%
(9) Change of particulars of news agency	\$120	\$266	45%	\$140	\$20 (17%)	53%
(10) Search and inspection of news agency register	\$37	\$83	45%	\$43	\$6 (16%)	52%
(11) Certified extract from news agency register	\$145	\$254	57%	\$165	\$20 (14%)	65%