

LEGISLATIVE COUNCIL BRIEF

Registration of Local Newspapers Ordinance (Cap. 268)

NEWS AGENCIES REGISTRATION (AMENDMENT) REGULATION 2016

NEWSPAPERS REGISTRATION AND DISTRIBUTION (AMENDMENT) REGULATION 2016

INTRODUCTION

Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) empowers the Financial Secretary (which means also the Secretary for Financial Services and the Treasury by virtue of section 3 of Cap. 1) to vary fees which have previously been specified in 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 News Agencies Registration (Amendment) Regulation 2016 and the Newspapers Registration and Distribution (Amendment) Regulation 2016 (“the Amendment Regulations”) as set out at **Annexes A and B** respectively, to vary the fees specified in the following subsidiary legislation made pursuant to section 18 of the Registration of Local Newspapers Ordinance (Cap. 268) –

(a) News Agencies Registration Regulations (Cap. 268A); and

(b) Newspapers Registration and Distribution Regulations (Cap. 268B).

JUSTIFICATIONS

3. 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. The 11 fee items specified in the News Agencies Registration Regulations and the

Newspapers Registration and Distribution Regulations were last revised on 1 November 2014 following a review and under a phased approach to achieve full cost recovery.

4. The latest costing review on the 11 fee items 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, the Amendment Regulations have been made to increase the fees with effect from 31 March 2017 following the fee revision guidelines for Government services –

(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.

The relevant fees and cost recovery rates before and after the revisions are set out at **Annex C**.

THE AMENDMENT REGULATIONS

5. The Amendment Regulations at **Annexes A and B** will give effect to the revision of fees as set out at **Annex C**.

LEGISLATIVE TIMETABLE

6. The legislative timetable is as follows –

Publication in the Gazette	2 December 2016
Tabling at the Legislative Council for negative vetting	7 December 2016

IMPLICATIONS OF THE AMENDMENTS

7. It is estimated that the fee revisions effected by the Amendment Regulations will increase revenue by about \$92,000 per annum. We expect that the insignificant fee increases will have little impact on the daily life of the general public or the operating cost of businesses concerned. The Amendment Regulations are in conformity with the Basic Law, including the provisions concerning human rights. The amendments do not affect the

current binding effect of the Registration of Local Newspapers Ordinance and its subsidiary legislation.

EFFICIENCY INITIATIVES

8. The Office for Film, Newspaper and Article Administration regularly reviews the work procedures concerned and wherever possible, implements efficiency initiatives with a view to reducing or containing the cost of providing services.

PUBLIC CONSULTATION

9. We consulted the Legislative Council Panel on Constitutional Affairs on the proposed fee revisions at its meeting on 21 November 2016. Members generally considered the proposed amount of increase was meagre and did not object to the fee revisions. A few Members suggested achieving the recovery of the full cost of the services through one fee revision exercise. There were also suggestions that the “user pays” principle should not be applied to searches and inspections of registers, and that newspapers of low circulation should be exempted from paying registration fees.

PUBLICITY

10. A press release will be issued on 2 December 2016 when the Amendment Regulations are published in the Gazette. We shall also notify the newspapers, news agencies and newspaper distributors of the revised fees after the end of the vetting period.

ENQUIRY

11. For enquiries on this brief, please contact Miss Phidias Tam, Principal Assistant Secretary for Constitutional and Mainland Affairs at 2810 2681.

**Constitutional and Mainland Affairs Bureau
November 2016**

News Agencies Registration (Amendment) Regulation 2016

(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 18 of the Registration of Local Newspapers Ordinance (Cap. 268))

1. Commencement

This Regulation comes into operation on 31 March 2017.

2. News Agencies Registration Regulations amended

The News Agencies Registration Regulations (Cap. 268 sub. leg. A) are amended as set out in sections 3 and 4.

3. Regulation 11 amended (fees for search inspection and extract from news agency register)

(1) Regulation 11—

Repeal

“\$37”

Substitute

“\$43”.

(2) Regulation 11—

Repeal

“\$145”

Substitute

“\$165”.

4. Regulation 13 amended (registration fees, etc.)

(1) Regulation 13(1)—

Repeal

“\$995”

Substitute

“\$1,090”.

(2) Regulation 13(2)—

Repeal

“\$835”

Substitute

“\$920”.

(3) Regulation 13(3)—

Repeal

“\$120”

Substitute

“\$140”.

Secretary for Financial Services and
the Treasury

2016

Explanatory Note

The purpose of this Regulation is to increase the following fees payable under the News Agencies Registration Regulations (Cap. 268 sub. leg. A)—

- (a) the fee for searching and inspecting the news agency register;
- (b) the fee for obtaining a certified extract from the news agency register;
- (c) the fee for registering a news agency;
- (d) the annual fee in respect of a registered news agency; and
- (e) the fee for furnishing substituted particulars of a news agency.

Newspapers Registration and Distribution (Amendment) Regulation 2016

(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 18 of the Registration of Local Newspapers Ordinance (Cap. 268))

1. **Commencement**
This Regulation comes into operation on 31 March 2017.
2. **Newspapers Registration and Distribution Regulations amended**
The Newspapers Registration and Distribution Regulations (Cap. 268 sub. leg. B) are amended as set out in sections 3, 4 and 5.
3. **Regulation 10 amended (fees for search inspection and extract from register of local newspaper)**
 - (1) Regulation 10—
Repeal
“\$38”
Substitute
“\$44”.
 - (2) Regulation 10—
Repeal
“\$150”
Substitute
“\$175”.

4. **Regulation 12 amended (registration fees, etc.)**
 - (1) Regulation 12(1)—
Repeal
“\$1,040”
Substitute
“\$1,140”.
 - (2) Regulation 12(2)—
Repeal
“\$780”
Substitute
“\$895”.
 - (3) Regulation 12(3)—
Repeal
“\$120”
Substitute
“\$140”.
5. **Regulation 13 amended (distributor to be licensed)**
Regulation 13(2)—
Repeal
“\$950”
Substitute
“\$1,025”.

Secretary for Financial Services and
the Treasury

2016

Explanatory Note

The purpose of this Regulation is to increase the following fees payable under the Newspapers Registration and Distribution Regulations (Cap. 268 sub. leg. B)—

- (a) the fee for searching and inspecting the register of local newspapers;
- (b) the fee for obtaining a certified extract from the register of local newspapers;
- (c) the fee for registering a local newspaper;
- (d) the annual fee in respect of a registered local newspaper;
- (e) the fee for furnishing substituted particulars of a local newspaper; and
- (f) the fee for obtaining a licence of newspaper distributor.

**Revision of Fees under the News Agencies Registration
Regulations (Cap. 268A)**

Fee Item	Existing fee	Full cost	Existing cost recovery rate	Revised fee	Amount of increase (% increase)	Cost recovery rate after the fee revision
(1) Registration of news agency [reg. 13(1)]	\$995	\$1,147	87%	\$1,090	\$95 (10%)	95%
(2) Annual renewal of registration of news agency [reg. 13(2)]	\$835	\$957	87%	\$920	\$85 (10%)	96%
(3) Change of particulars of news agency [reg. 13(3)]	\$120	\$266	45%	\$140	\$20 (17%)	53%
(4) Search and inspection of news agency register [reg. 11]	\$37	\$83	45%	\$43	\$6 (16%)	52%
(5) Certified extract from news agency register [reg. 11]	\$145	\$254	57%	\$165	\$20 (14%)	65%

Revision of Fees under the Newspapers Registration and Distribution Regulations (Cap. 268B)

Fee Item	Existing fee	Full cost	Existing cost recovery rate	Revised fee	Amount of increase (% increase)	Cost recovery rate after the fee revision
(1) Registration of local newspaper [reg. 12(1)]	\$1,040	\$1,432	73%	\$1,140	\$100 (10%)	80%
(2) Annual renewal of registration of local newspaper [reg. 12(2)]	\$780	\$1,242	63%	\$895	\$115 (15%)	72%
(3) Change of particulars of local newspaper [reg. 12(3)]	\$120	\$266	45%	\$140	\$20 (17%)	53%
(4) Search and inspection of register of local newspaper [reg. 10]	\$38	\$83	46%	\$44	\$6 (16%)	53%
(5) Certified extract from register of local newspaper [reg. 10]	\$150	\$299	50%	\$175	\$25 (17%)	59%
(6) Newspaper distributor's licence [reg. 13(2)]	\$950	\$1,025	93%	\$1,025	\$75 (8%)	100%