LEGISLATIVE COUNCIL BRIEF

Land Survey Ordinance (Cap. 473) LAND SURVEY (FEES) (AMENDMENT) REGULATION 2018

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 fixed by subsidiary legislation made by the Chief Executive in Council.

2. In the exercise of this power, the Secretary for Financial Services and the Treasury has made the Land Survey (Fees) (Amendment) Regulation 2018 (the "Amendment Regulation") at <u>Annex A</u> to revise the fees specified in the Schedule (the "Schedule") to the Land Survey (Fees) Regulation (Cap. 473A) (the "Regulation") made under the Land Survey Ordinance (Cap. 473) (the "Ordinance").

BACKGROUND AND ARGUMENT

3. The Regulation sets out fees payable in respect of inspection of land boundary records, supply of copies of plans, deposit of land boundary plans and corresponding survey record plans with the Land Survey Authority, registration as an authorized land surveyor and renewal of registration as an authorized land surveyor under the Ordinance. The fees payable under the Regulation were first introduced in November 1995 and last revised in March 2016.

4. In line with the "user pays" principle, it is the Government's policy that fees charged by the Government should in general be set at levels adequate to recover the full costs of providing the services. The seven fee items concerned are listed below-

 (a) inspection of land boundary record (item 1(a) – for each land boundary plan included in the record and 1(b) – for each survey record plan included in the record);

- (b) supply of copies of plans (item 2(a) for each copy of land boundary plan and 2(b) – for each copy of survey record plan);
- (c) deposit of land boundary plan and corresponding survey record plan with the Land Survey Authority (item 3);
- (d) registration as an authorized land surveyor (item 4); and
- (e) renewal of registration as an authorized land surveyor (item 5).

The seven fee items above do not directly affect the livelihood of the general public or the running of general business activities.

5. A costing exercise at the 2018-19 price level has been carried out to review the costs of providing the services for the seven items as set out in the Schedule. The result reveals that the cost recovery rate at existing fee level ranges from about 76.2% to 101.3%.

6. When formulating the fee revision proposal, relevant matters in addition to full-cost recovery have been taken into consideration, such as the amount of additional revenue that could be generated after the fee revision and the manpower resources required for implementing the fee revision. For items 1(a) and 1(b), we propose their fees should be decreased by about 1.3% to reflect their respective full-cost levels. For items 2(a), 2(b), 3, 4 and 5, we propose to increase the fees to their respective full-cost levels in one go for cost-effectiveness, taking into account the relatively modest magnitude of the increases and the impact on users of the services as set out in paragraph 7 below.

7. It is estimated that the proposed fee revision would have little impact on the daily life of the general public or the running of the general business activity. For fee items 2(a), 2(b) and 3, the proposed fee increases are less than 10%. For fee items 4 and 5, while the fee increases would be more than 20%, the impact of the fee revision on the general public and business environment would be limited because these

two fee items are only levied on authorized land surveyors. Fee item 4 is a one-off expenditure to be incurred by a successful applicant who is newly registered as an authorized land surveyor¹ and fee item 5 is an annual expenditure to be incurred by authorized land surveyors for renewal of registration. The amount of increase of the one-off expenditure (i.e. item 4) is \$1,830, while that of the annual expenditure (i.e. item 5) is \$270, both of which are considered affordable for the aforesaid users. Currently there are 38 authorized land surveyors.

THE AMENDMENT REGULATION

8. The Amendment Regulation at <u>Annex A</u> revises the fees as set out at <u>Annex B</u>. It is proposed that the new fees should come into effect on 31 July 2018.

LEGAL IMPLICATIONS

9. The Amendment Regulation will not affect the current binding effect of the Ordinance. They are in conformity with the Basic Law, including the provisions concerning human rights.

FINANCIAL AND CIVIL SERVICE IMPLICATIONS

10. When the proposed fee revision is implemented, we anticipate an increase of about \$0.3 million in revenue per annum. There are no civil service implications.

ECONOMIC IMPLICATIONS

11. The revision of fee should have minimal cost impact on the concerned parties. There will be negligible impact on consumer prices, as the revision only involves trade-specific items.

¹ In the past 5 years, the average number of newly registered authorized land surveyors was less than 2 per year.

EFFICIENCY INITIATIVES

12. We have been taking measures to contain the cost of our services through implementing efficiency initiatives, reprioritizing service provision and streamlining procedures. Examples of such efficiency measures include the use of standard forms and computer applications for the relevant services. These measures have been factored into the calculation of costs for individual fee items.

PUBLIC CONSULTATION

13. We consulted the Legislative Council Panel on Development on the proposal via an information paper issued on 18 April 2018 (reference: LC Paper No. CB(1)829/17-18(01)). Members noted the proposal and raised no objection at the Panel meeting on 24 April 2018.

PUBLICITY

14. The Amendment Regulation will be published in the Gazette on 18 May 2018 and a press release will be issued on the same date to announce the fee revision. A spokesman will be available to answer enquiries.

ENQUIRIES

15. For any enquiries on this brief, please contact Ms Amy Wong at 3509 8817.

Development Bureau May 2018

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Land Survey (Fees) (Amendment) Regulation 2018

Section 1

Land Survey (Fees) (Amendment) Regulation 2018

(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 37 of the Land Survey Ordinance (Cap. 473))

1. Commencement

This Regulation comes into operation on 31 July 2018.

2. Land Survey (Fees) Regulation amended

The Land Survey (Fees) Regulation (Cap. 473 sub. leg. A) is amended as set out in section 3.

3. Schedule amended

(1) The Schedule, item 1(a) and (b)—

Repeal

"76"

Substitute

"75".

(2) The Schedule, item 2(a) and (b)—

Repeal

"105"

Substitute

"115".

(3) The Schedule, item 3—

Repeal

"3,590"

Substitute

Land Survey (Fees) (Amendment) Regulation 2018

Section 3

"3,920".

- (4) The Schedule, item 4—Repeal"5,850"
 - Substitute

"7,680".

- (5) The Schedule, item 5—
 - Repeal

Substitute "1,290".

Secretary for Financial Services and the Treasury

7 May 2018

[&]quot;1,020"

Explanatory Note

This Regulation amends the Schedule to the Land Survey (Fees) Regulation (Cap. 473 sub. leg. A) to—

(a) decrease the fee payable for the inspection of land boundary record (section 3(1)); and

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- (b) increase the fees payable for—
 - (i) the supply of copies of plans (section 3(2));
 - (ii) the deposit of land boundary plan and corresponding survey record plan with the Land Survey Authority (section 3(3));
 - (iii) the registration as an authorized land surveyor (section 3(4)); and
 - (iv) the renewal of registration as an authorized land surveyor (section 3(5)).

Annex B

Proposed revision of fees under the Schedule to the Land Survey (Fees) Regulation (Cap. 473A)

Item	Description of Matter	Existing Fee (\$)	Existing Cost Recovery Rate at	Proposed Fee (\$)	Percentage Increase/ (Decrease)	Cost Recovery Rate after Fee
			2018-19 Price Level			Revision
1	Inspection of land boundary record- (a) For each land boundary plan included in the record (b) For each survey	76 76	101.3%	75 75	(1.3%)	100.0%
	record plan included in the record	70	101.570	15	(1.570)	100.070
2	Supply of copies of plans- (a) For each copy of land boundary plan	105	92.1%	115	9.5%	100.9%
	(b) For each copy of survey record plan	105	92.1%	115	9.5%	100.9%
3	Deposit of land boundary plan and corresponding survey record plan with the Land Survey Authority	3,590	91.6%	3,920	9.2%	100.0%
4	Registration as an authorized land surveyor	5,850	76.2%	7,680	31.3%	100.0%
5	Renewal of registration as an authorized land surveyor	1,020	79.1%	1,290	26.5%	100.1%