

**立法會**  
**Legislative Council**

LC Paper No. LS11/15-16

**Paper for the House Committee Meeting  
on 27 November 2015**

**Legal Service Division Report on  
Subsidiary Legislation Gazetted on 20 November 2015**

**Tabling in LegCo** : Council meeting of 25 November 2015

**Amendment to be made by** : Council meeting of 16 December 2015 (or that of 13 January 2016 if extended by resolution)

**Interpretation and General Clauses Ordinance (Amendment of Schedule 6) Order 2015** (L.N. 227)

**Declaration of Change of Titles (Communications and Technology Branch and Secretaries of Communications and Technology Branch) Notice 2015** (L.N. 230)

Section 62(1) of the Interpretation and General Clauses Ordinance (Cap. 1) provides, amongst other things, that where any Ordinance empowers or requires the Chief Executive (CE) to make any subsidiary legislation or to authorize anything or matter to be done, the exercise of such power or the performance of such duty may be signified under the hand of any public officer specified in Schedule 6 to Cap. 1.

2. L.N. 227 is made by the CE in Council under section 62(3) of Cap. 1 to amend Schedule 6 to Cap. 1 by adding the new Secretary for Innovation and Technology (S for IT) to the list of public officers empowered to signify the exercise of statutory powers and the performance of statutory duties by the CE.

3. L.N. 230 is made by the Chief Secretary for Administration under section 55 of Cap. 1 to:-

- (a) declare that the title of the Communications and Technology Branch (CTB) of the Commerce and Economic Development Bureau is changed to the Communications and Creative Industries Branch (CCIB);

- (b) declare that references to Communications and Technology in the titles of Secretaries of CTB<sup>1</sup> are changed to Communications and Creative Industries; and
- (c) consequentially substitute references to the titles of CTB and the Secretaries of CTB wherever occurring in any instruments, contracts or legal proceedings made or commenced before 20 November 2015.

4. L.N. 227 and L.N. 230 came into operation on the date of publication in the Gazette on 20 November 2015, i.e. the same date on which the Resolution made and passed by the Legislative Council (LegCo) under section 54A of Cap. 1 on 3 June 2015 (L.N. 120) to effect the transfer of statutory functions for the establishment of the Innovation and Technology Bureau (ITB) came into operation.

5. According to the LegCo Briefs (File Ref: CTB/B480-20-6-6/3/C and CCIB/B480-20-6-6/3/C) issued by the Commerce and Economic Development Bureau on 18 November 2015 and 20 November 2015, the Administration considers it necessary to make L.N. 227 and L.N. 230 as a result of the establishment of ITB on 20 November 2015.

6. As advised by the Clerk to the Panel on Information Technology and Broadcasting, the Panel has not been consulted specifically on L.N. 227 and L.N. 230. However, Panel members were informed of the proposed changes through an information paper provided by the Administration (LC Paper No. CB(4)532/13-14(04)) which was discussed at the Panel meetings held on 14 April 2014 and 3 May 2014. The Panel passed two motions to the effect of urging the Administration to establish ITB expeditiously.

### **Securities and Futures (Contracts Limits and Reportable Positions) (Amendment) Rules 2015**

**(L.N. 228)**

7. Under section 35(1) of the Securities and Futures Ordinance (Cap. 571), the Securities and Futures Commission (SFC) may prescribe limits on the number of futures contracts and options contracts that may be held or controlled by any person. SFC may also prescribe the reportable positions<sup>2</sup> in respect of such contracts. These limits and reportable positions are established and fixed for the stock futures contracts and the stock options contracts specified respectively in Schedules 1 and 2

---

<sup>1</sup> These include the Permanent Secretary for Commerce and Economic Development (Communications and Technology), Deputy Secretary for Commerce and Economic Development (Communications and Technology), two Principal Assistant Secretaries for Commerce and Economic Development (Communications and Technology) and six Assistant Secretaries for Commerce and Economic Development (Communications and Technology).

<sup>2</sup> "Reportable position" is defined in section 35(6) of Cap. 571 as an open position in futures or options contracts the number or total value of which is in excess of the number or total value specified in the relevant rules made under section 35 of Cap. 571.

to the Securities and Futures (Contracts Limits and Reportable Positions) Rules (Cap. 571Y).

8. L.N. 228, made by SFC under section 35(1) of Cap. 571, amends Cap. 571Y by:-

- (a) adding to Schedule 1 three types of London Metal Mini futures contracts and stock futures contracts on shares or units of exchange traded funds (ETFs) together with the respective prescribed limits and reportable positions in respect of such contracts; and
- (b) repealing three existing stock options contracts on individual ETFs set out in items 2 to 4 of Schedule 2 to Cap. 571Y and replacing them with a general item to the effect that all stock options contracts on shares or units of ETFs will be covered by Schedule 2.

9. According to paragraph 12 of the LegCo Brief (with no reference number) issued by SFC on 17 November 2015, SFC considers that public consultation on L.N. 228 is not necessary as the prescribed limits and reportable positions set out in L.N. 228 mirror those that currently apply to the London Metal Mini futures contracts and the stock futures and stock options contracts on ETFs under the rules of the Hong Kong Futures Exchange Limited and the Stock Exchange of Hong Kong Limited.

10. As advised by the Clerk to the Panel on Financial Affairs, the Panel has not been consulted on L.N. 228.

11. L.N. 228 comes into operation on 15 January 2016.

12. No difficulties have been identified in the legal and drafting aspects of the above items of subsidiary legislation.

Prepared by

Joyce CHAN  
Assistant Legal Adviser  
Legislative Council Secretariat  
25 November 2015