## 立法會 Legislative Council

LC Paper No. CB(1)2647/01-02 (These minutes have been seen by the Administration)

Ref: CB1/PL/CI/1

### **Panel on Commerce and Industry**

Minutes of Special Meeting held on Tuesday, 25 June 2002, at 2:30 pm in the Chamber of the Legislative Council Building

**Members present**: Hon Kenneth TING Woo-shou, JP (Chairman)

Hon HUI Cheung-ching, JP (Deputy Chairman)

Dr Hon LUI Ming-wah, JP

Hon Mrs Selina CHOW LIANG Shuk-yee, JP

Hon CHAN Kam-lam

Hon Henry WU King-cheong, BBS

Hon MA Fung-kwok

**Members absent**: Hon NG Leung-sing, JP

Hon CHEUNG Man-kwong

Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Hon SIN Chung-kai Hon CHOY So-yuk

Public officer attending

For Item I

Mr Kenneth MAK

Deputy Secretary for Commerce and Industry

**Clerk in attendance**: Ms Connie SZETO

Chief Assistant Secretary (1)4

**Staff in attendance**: Mr TSANG Siu-cheung

Senior Assistant Secretary (1)7

Action - 2 -

# I Extension of the suspension period of the Copyright (Suspension of Amendments) Ordinance 2001

(LC Paper No. CB(1) 2081/01-02)

The Deputy Secretary for Commerce and Industry (DSCI) explained to members the rationale of the Government's proposal to extend the validity period of the relevant provisions of the Copyright (Suspension of Amendments) Ordinance 2001 ("the Suspension Ordinance") by 12 months, and reported on the progress in drafting the amendment bill on end-user criminal liability. Details were set out in the information paper provided by the Administration.

#### Rationale for extending the suspension period

- 2. <u>DSCI</u> advised that after reporting the outcome of the consultation on the document on "Review of Certain Provisions of Copyright Ordinance" and the Government's specific proposals at the Panel meeting held on 4 February 2002, the Administration had been actively drafting the amendment bill on end-user criminal liability with a view to introducing it to the Legislative Council (LegCo) before the expiry of the Suspension Ordinance on 31 July 2002. To facilitate LegCo's scrutiny of the bill, the Administration also proposed to extend the validity period of the Suspension Ordinance for another six months until the end of January 2003.
- 3. <u>DSCI</u> supplemented that given the complexity of the issue and concern of the public, the amendment bill had to be drafted meticulously. As such, the time required was longer than expected. At present, the drafting process was almost completed. The Administration intended to present the draft amendment bill to the Panel on 8 July 2002 to seek members' views. This would expedite its introduction into LegCo early in the next legislative session. To ensure that LegCo would have sufficient time to scrutinize the bill, the Administration now proposed to extend the validity period of the Suspension Ordinance for 12 months until 31 July 2003.
- 4. Mr MA Fung-kwok was concerned about whether the delay in introducing the bill to LegCo was attributed to the difficulties encountered by the Administration during the drafting process. DSCI pointed out that no big problems had been encountered. It was the Administration's intention to study the issue more carefully to ensure that the contents of the bill would be in public interest so as to avoid unnecessary misunderstanding and confusion. For example, on the supply of infringing copies of copyright works to employees by employers for use in business, the Administration needed to consider the provisions concerned in detail to provide employees with appropriate defence.
- 5. In response to Mr MA Fung-kwok's enquiry, <u>DSCI</u> advised that a clause would be added to the amendment bill to stipulate that subject to the passage of the bill by LegCo, the Suspension Ordinance would lapse.

Action - 3 -

#### Public consultation

- 6. Mr CHAN Kam-lam enquired whether the Administration had consulted the industry when drafting the bill. DSCI replied that the Administration only invited public views on the consultation document in November 2001. It had not consulted the industry on the various provisions of the bill. Notwithstanding, the Administration maintained contacts with the industry during the drafting process and made reference to further submissions from individual organizations. Mr CHAN Kam-lam urged the Administration to consider consulting the industry and organizations concerned on the draft amendment bill. This would avoid unnecessary disputes and expedite LegCo's scrutiny of the bill.
- 7. Responding to Mr HUI Cheung-ching's enquiry, <u>DSCI</u> said that after the public consultation period ended in November 2001, submissions had been received from local and international publishers requesting the Administration to re-consider applying end-user criminal liability on copyright works such as books and magazines. He advised that the Administration had already exchanged views with the organizations concerned. <u>Mr HUI Cheung-ching</u> requested the Administration to provide the submissions for the Panel's reference. <u>DSCI</u> undertook to follow up his request with the Secretariat.
- 8. Mrs Selina CHOW opined that the Administration should introduce the bill to LegCo expeditiously so that Members could have sufficient time to consult the industry and scrutinize the bill. DSCI reiterated that the Administration would present the draft amendment bill to the Panel at its meeting on 8 July 2002 to seek members' views. He welcomed views on the draft bill from the public and the organizations concerned.
- 9. In reply to the Chairman's enquiry, <u>DSCI</u> said that the draft amendment bill would provide a feasible solution to the issue of end-user criminal liability and the relevant principles had been generally accepted by the community. To allow sufficient time for LegCo to scrutinize the bill, <u>the Chairman</u> urged the Administration to introduce the bill expeditiously and request the House Committee to accord priority to its scrutiny.

#### II Any other business

10. There being no other business, the meeting ended at 2:55 pm.

Legislative Council Secretariat 7 October 2002

CIB