

LEGISLATIVE COUNCIL BRIEF

HONG KONG SPORTS DEVELOPMENT BOARD (REPEAL) BILL

INTRODUCTION

At the meeting of the Executive Council on 4 November 2003, the Council ADVISED and the Chief Executive ORDERED that the Hong Kong Sports Development Board Ordinance (Cap. 1149) be repealed and that the Hong Kong Sports Development Board (Repeal) Bill, at Annex A, should be introduced into the Legislative Council.

JUSTIFICATIONS

2. The Hong Kong Sports Development Board (SDB) was set up in 1990 under the Hong Kong Sports Development Board Ordinance (Cap.1149) (the SDB Ordinance) for the promotion and development of sport and recreation. In 1994, the SDB merged with the Hong Kong Sports Institute (HKSI) and took over responsibility for the elite training programme through an amendment to the SDB Ordinance. Members of the SDB are appointed by the Chief Executive. The SDB receives an annual subvention from the Government as well as income from a Trust Fund set up with donation from the Hong Kong Jockey Club. It also receives other private donations and commercial sponsorship.

3. The existing administrative structure is considered unsatisfactory for the effective delivery and development of sports in Hong Kong. On 8 July 2003, the Executive Council decided that: -

- (a) the SDB should be dissolved;
- (b) the HKSI should be re-constituted to become an incorporated body to undertake matters pertaining to high performance sports training currently under the auspices of the SDB; and

- (c) a new Sports Commission (SC) should be established to advise Government on all matters pertaining to sports development in Hong Kong.

4. It is necessary to repeal the SDB Ordinance in order to implement the new administrative structure for sports development.

THE BILL

5. The main provisions of the Bill are related to :

- (a) the repeal of the SDB Ordinance and the dissolution of the SDB (Clauses 3 and 4)
- (b) the vesting of all assets, liabilities, rights and obligations of the SDB in the Government (Clause 7)
- (c) the legal effect of agreements, transactions and other things concerning SDB which were in force immediately before the repeal of the SDB Ordinance (Clause 9)
- (d) pending legal proceedings concerning the SDB (if any) (Clause 10).

The existing provisions being amended are at Annex B.

IMPLICATIONS OF THE PROPOSAL

6. The proposal has financial, civil service and economic implications as set out at Annex C. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no productivity, environmental or significant sustainability implications. It would however rationalize the administrative structure for sports development and contribute positively to two sustainability principles, i.e. enhancing the vibrancy of our recreational and leisure opportunities, and providing an environment which promotes, inter alia, the physical and mental health of our people.

LEGISLATIVE TIMETABLE

7. The legislative timetable will be as follows :

Publication in the Gazette

14 Nov 2003

First Reading and commencement of the
Second Reading debate 26 Nov 2003

Resumption of Second Reading Debate,
Committee Stage Amendments and Third
Reading To be notified

PUBLIC CONSULTATION

8. The decision to dissolve the SDB was made on the basis of the results of an extensive two-month public consultation exercise on the Sports Policy Review Report. Due regard has been given to the opinions expressed in the 380 views and written submissions and over 50 discussion sessions conducted during the consultation period with a wide range of organizations. We are of the view that the decision has paid heed to the majority views of the sports sector and the general public at large. We informed the Home Affairs Panel of the Legislative Council on 14 July 2003 of the Administration's decision to dissolve the SDB and our intention to introduce a Bill to repeal the SDB Ordinance. Subsequently, the Home Affairs Panel convened a special meeting on 29 July 2003 and listened to the views of key stakeholders. The vast majority of the attendees spoke for the dissolution of SDB and establishment of a new administrative structure.

PUBLICITY

9. The draft Bill will be published in the Gazette on 14 November and introduced into the Legislative Council on 26 November 2003. A spokesman will be available to answer media and public enquiries.

ENQUIRIES

10. For enquires, please contact Mr. Eddie POON, Principal Assistant Secretary for Home Affairs (Recreation and Sport) of HAB at 25946616.

Home Affairs Bureau
4 November 2003

**HONG KONG SPORTS DEVELOPMENT BOARD (REPEAL)
BILL**

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A BILL

To

Provide for –

- (a) the repeal of the Hong Kong Sports Development Board Ordinance (Cap. 1149);
- (b) the dissolution of the Hong Kong Sports Development Board;
- (c) the dissolution of the Hong Kong Sports Institute Trust Fund Committee of Trustees;
- (d) the closure of the Hong Kong Sports Institute Trust Fund;
- (e) the vesting of the assets, liabilities, rights and obligations of the Board and of the Committee and any balance of the Fund in the Government; and
- (f) related matters.

Enacted by the Legislative Council.

PART 1

PRELIMINARY

1. Short title and commencement

(1) This Ordinance may be cited as the Hong Kong Sports Development Board (Repeal) Ordinance.

(2) This Ordinance shall come into operation on a day to be appointed by the Secretary for Home Affairs by notice published in the Gazette.

2. Interpretation

In this Ordinance, unless the context otherwise requires –

“Board” (發展局) means the Hong Kong Sports Development Board established under section 3 of the repealed Ordinance;

“commencement” (生效日期) means the commencement of this Ordinance;

“Committee” (委員會) means the Hong Kong Sports Institute Trust Fund Committee of Trustees established under section 5H of the repealed Ordinance;

“Fund” (基金) means the Hong Kong Sports Institute Trust Fund established under section 5G of the repealed Ordinance;

“repealed Ordinance” (被廢除條例) means the Hong Kong Sports Development Board Ordinance (Cap. 1149) repealed under section 3.

PART 2

REPEAL, DISSOLUTION, CLOSURE AND VESTING

3. Repeal

The Hong Kong Sports Development Board Ordinance (Cap. 1149) is repealed.

4. Dissolution of the Board

The Board is dissolved.

5. Dissolution of the Committee

The Committee is dissolved.

6. Closure of the Fund

The Fund is closed.

7. Vesting

(1) On the commencement, all assets, liabilities, rights and obligations vested in the Board or the Committee immediately before the commencement are vested in the Government.

(2) On the commencement, any balance of the Fund existing immediately before the commencement is vested in the Government.

(3) As from the commencement, a provision of the following description contained in any agreement, deed, bond or other instrument to which the Board or the Committee is a party is to be taken to have been waived –

- (a) a provision which prohibits or has the effect of prohibiting, or requires or has the effect of requiring any consent or approval for, the vesting effected under this section; or
- (b) a provision by which, as a result of the vesting, a default occurs or is deemed to occur, or any right or obligation arises or ceases.

(4) Any record of assets or liabilities held in the name of the Board, the Committee or the Fund which appears in the form of an entry in the books of a bank, company or other person is to be changed, on the request of the Government, by the bank, company or other person to be a record of assets or liabilities held in the name of the Government in those books.

(5) For the avoidance of doubt, the vesting effected under this section has effect without the need for any conveyance, assignment, surrender, transfer or other act.

PART 3

PROVISIONS INCIDENTAL AND SUPPLEMENTAL TO PART 2

8. Unexpired term of office

The term of office of the Chairman or any other member of the Board or the Committee that was current immediately before the commencement expires on the commencement.

9. Effects of agreements, etc.

(1) Any agreement made or transaction effected or other thing done by, to or in relation to the Board or the Committee which was in force or effective immediately before the commencement has effect as from the commencement as

if made, effected or done by, to or in relation to the Government to the extent that it is consistent with this Ordinance.

(2) For the avoidance of doubt, any employment with the Board or the Committee under a contract of employment in force immediately before the commencement which becomes an employment with the Government by virtue of subsection (1) is to be taken as a continuous employment for the purposes of the Employment Ordinance (Cap. 57).

10. Legal proceedings

(1) The Government may sue or be sued in its own name in respect of any asset, liability, right or obligation vested in it under section 7.

(2) Any legal proceedings by or against the Board or the Committee (including any appeal and arbitration) existing immediately before the commencement may be continued or enforced by or against the Government.

11. References to the Board or the Committee

As from the commencement, a reference to the Board or the Committee in a document of the following description is to be taken as a reference to the Government –

- (a) any instrument or other document (other than an enactment) relating to or affecting any asset, liability, right or obligation vested in the Government under section 7 (including any register kept by any public body); or
- (b) any process or other document issued, prepared or employed for the purpose of any legal proceedings before a court, tribunal or similar body.

12. Final statement of accounts and reports

(1) The former Chairman is to prepare, in respect of the specified period –

- (a) a statement of accounts of the Board;

- (b) a statement of accounts of the Fund;
- (c) a report on the activities of the Board; and
- (d) a report on the administration of the Fund.

(2) A statement of accounts prepared under subsection (1) is to include an income and expenditure account and a balance sheet and be signed by the former Chairman.

(3) A statement of accounts prepared under subsection (1) is to be audited by an auditor (being a certified public accountant within the meaning of section 2 of the Professional Accountants Ordinance (Cap. 50)) appointed by the former Chairman and be certified by the auditor.

(4) The auditor may at any reasonable time, if he considers it necessary for the purpose of carrying out his duties under this section –

- (a) have access to the books of account, vouchers and other financial records of the Board or of the Fund (which, by virtue of section 7, are vested in the Government on the commencement); and
- (b) require any information or explanation from the former Chairman.

(5) The auditor is to audit a statement of accounts prepared under subsection (1) and to deliver a report on the audit to the Secretary for Home Affairs as soon as is practicable.

(6) The former Chairman is to deliver the reports referred to in subsection (1)(c) and (d) to the Secretary for Home Affairs as soon as is practicable.

(7) The Secretary for Home Affairs is to lay on the table of the Legislative Council as soon as is practicable a copy of each of the reports delivered to him under subsections (5) and (6).

(8) In this section –

“former Chairman” (前主席) means the person who held the office of the Chairman of the Board by virtue of section 3 of the repealed Ordinance immediately before the commencement;

“specified period” (指明期間) means the period starting on 1 April 2003 and ending immediately before the commencement.

13. Ordinance does not affect valid acts

Nothing in this Ordinance affects the validity of anything done by, to or in relation to the Board or the Committee before the commencement.

14. Ordinance to be construed as continuing only valid and lawful acts

Nothing in this Ordinance is to be construed as giving validity, continuing in force or giving effect to –

- (a) anything which could not have validly been done or given effect to under the repealed Ordinance; or
- (b) anything done otherwise than in the lawful exercise of a power or performance of a duty.

15. Provisions of Ordinance not to derogate from section 23 of Interpretation and General Clauses Ordinance

The provisions of this Ordinance relating to the repeal under section 3 are in addition to and not in derogation from section 23 of the Interpretation and General Clauses Ordinance (Cap. 1).

PART 4

CONSEQUENTIAL AMENDMENTS

Prevention of Bribery Ordinance

16. Public bodies

Schedule 1 to the Prevention of Bribery Ordinance (Cap. 201) is amended by repealing item 54.

The Ombudsman Ordinance

17. Organizations to which this Ordinance applies

Schedule 1 to The Ombudsman Ordinance (Cap. 397) is amended, in Part I, by repealing “Hong Kong Sports Development Board.”.

Explanatory Memorandum

The main purposes of this Bill are to repeal the Hong Kong Sports Development Board Ordinance (Cap. 1149) (“the Ordinance”) and to close a fund and dissolve 2 bodies corporate established under the Ordinance.

2. The Hong Kong Sports Development Board Ordinance (Cap. 1149) is to be repealed (clause 3).

3. The Hong Kong Sports Development Board (“the Board”) is to be dissolved (clause 4).

4. The Hong Kong Sports Institute Trust Fund Committee of Trustees (“the Committee”) is to be dissolved (clause 5).

5. The Hong Kong Sports Institute Trust Fund (“the Fund”) is to be closed (clause 6).

6. Clause 7 provides for the vesting of all assets, liabilities, rights and obligations of the Board and of the Committee and any balance of the Fund in the Government.
7. Clause 8 provides for the expiration of any unexpired term of office of the chairman or a member of the Board or the Committee.
8. Clause 9 provides that the Government will stand in the position of the Board or the Committee as regards any agreement or transaction concerning the Board or the Committee in force or effective immediately before the commencement of the Bill when enacted.
9. Clause 10 provides that legal proceedings concerning the Board or the Committee may be continued or enforced by or against the Government.
10. Clause 11 provides that a reference to the Board or the Committee in documents affecting the assets, liabilities, rights or obligations vested in the Government under the Bill is to be taken as a reference to the Government.
11. Clause 12 provides for arrangements in respect of the final statements of accounts and reports relating to the Board and the Fund.
12. Clauses 13 to 15 seek to avoid doubts that may arise from the provisions of the Bill.
13. Clauses 16 and 17 make consequential amendments to 2 other Ordinances.

Chapter:	201	PREVENTION OF BRIBERY ORDINANCE	Gazette Number	Version Date
Schedule:	1	PUBLIC BODIES	L.N. 226 of 2002; L.N. 12 of 2003	01/04/2003

[sections 2(1) & 35]
(Amended 20 of 1999 s. 6)

1. Hong Kong Telecom International Limited. (Replaced 20 of 1999 s. 6)
2. China Light and Power Company Limited.
3. (Repealed 20 of 1999 s. 6)
4. The Chinese University of Hong Kong. (Replaced 20 of 1999 s. 6)
5. Hong Kong Arts Development Council. (Replaced 26 of 1995 s. 19)
6. (Repealed L.N. 198 of 1999)
7. Fish Marketing Organization.
8. Hong Kong and China Gas Company Limited.
9. Hong Kong and Yaumati Ferry Company Limited.
10. Hong Kong Air Cargo Terminals Limited.
11. Hong Kong Building and Loan Agency.
12. Hong Kong Commercial Broadcasting Company Limited.
13. Hong Kong Electric Company Limited.
14. Hong Kong Export Credit Insurance Corporation.
15. Hong Kong Housing Authority.
16. Hong Kong Housing Society.
17. (Repealed 50 of 1987 s. 13)
18. The Hong Kong Polytechnic University. (Replaced 94 of 1994 s. 23)
19. Hong Kong Productivity Council.
20. Hong Kong Settlers Housing Corporation Limited.
21. Hong Kong Telephone Company Limited.
22. Hong Kong Tourism Board. (Replaced 3 of 2001 s. 45)
23. Hong Kong Trade Development Council.
24. Hong Kong Tramways Limited.
25. Kowloon Motor Bus Company (1933) Limited.
26. (Repealed L.N. 249 of 1990)
27. Ocean Park Corporation. (Amended 35 of 1987 s. 40)
28. Peak Tramways Company Limited.
29. Asia Television Limited. (Replaced L.N. 31 of 1983)
30. Hong Kong Jockey Club. (Amended 20 of 1999 s. 6)
31. The Hong Kong Jockey Club (Charities) Limited. (Replaced L.N. 512 of 1994)
32. "Star" Ferry Company Limited.
33. Television Broadcasts Limited.
34. The Community Chest of Hong Kong.
35. University of Hong Kong.
36. Vegetable Marketing Organization.
37. MTR Corporation Limited. (Added 36 of 1975 s. 31. Amended 13 of 2000 s. 65)
38. (Repealed 5 of 2001 s. 40)
39. The Hong Kong Examinations and Assessment Authority. (Added 23 of 1977 s. 17. Amended 23 of 2002 s. 26)
40. Consumer Council. (Added 56 of 1977 s. 22)
41. (Repealed 20 of 1999 s. 6)
42. The Vocational Training Council. (Added 6 of 1982 s. 25)
43. The Kowloon-Canton Railway Corporation. (Added 73 of 1982 s. 39)

44. New Lantao Bus Company (1973) Limited. (Added L.N. 160 of 1983)
45. Hong Kong Baptist University. (Added 50 of 1983 s. 34. Amended 93 of 1994 s. 39)
46. City University of Hong Kong. (Added 65 of 1983 s. 25. Amended 92 of 1994 s. 32)
47. The Hong Kong Academy for Performing Arts. (Added 38 of 1984 s. 28)
48. The Hong Kong University of Science and Technology. (Added 47 of 1987 s. 25)
49. Broadcasting Authority. (Added 49 of 1987 s. 17)
50. Hong Kong Council on Smoking and Health. (Added 56 of 1987 s. 21)
51. Urban Renewal Authority. (Replaced 63 of 2000 s. 38)
52. Securities and Futures Commission. (Added 10 of 1989 Schedule 2)
53. The Open University of Hong Kong. (Replaced 50 of 1997 s. 29)
54. Hong Kong Sports Development Board. (Added 8 of 1990 s. 18)
55. Travel Industry Council of Hong Kong. (Added L.N. 62 of 1990)
56. (Repealed 20 of 1999 s. 6)
57. Hong Kong Council for Academic Accreditation. (Added 15 of 1990 s. 26)
58. The Hospital Authority (including any committee established by the Hospital Authority). (Added 68 of 1990 s. 24)
59. The Airport Authority. (Replaced 71 of 1995 s. 49)
60. Metro Broadcast Corporation Limited. (Added L.N. 184 of 1991)
61. Hong Kong Academy of Medicine. (Added 55 of 1992 s. 16)
62. Lingnan University. (Added 72 of 1992 s. 29. Replaced 54 of 1999 s. 29)
63. Citybus Limited. (Added L.N. 330 of 1992)
64. New Hong Kong Tunnel Company Limited. (Added L.N. 382 of 1992)
65. Tate's Cairn Tunnel Company Limited. (Added L.N. 382 of 1992)
66. (Repealed 5 of 2001 s. 40)
67. (Repealed 134 of 1997 s. 85)
68. Tradelink Electronic Commerce Limited. (Replaced L.N. 125 of 1998)
69. Travel Industry Compensation Fund Management Board. (Added 51 of 1993 s. 8)
70. Western Harbour Tunnel Company Limited. (Added 72 of 1993 s. 71)
71. Wharf Cable Limited. (Added L.N. 384 of 1993)
72. The Legislative Council Commission. (Added 14 of 1994 s. 24)
73. The Hong Kong Institute of Education. (Added 16 of 1994 s. 25)
74. Hong Kong Quality Assurance Agency. (Added L.N. 409 of 1994)
75. Equal Opportunities Commission. (Added 67 of 1995 s. 91)
76. The Security and Guarding Services Industry Authority. (Added 97 of 1994 s. 34)
77. Legal Aid Services Council. (Added 17 of 1996 s. 14)
78. Route 3 (CPS) Company Limited. (Added 33 of 1995 s. 65)
79. Privacy Commissioner for Personal Data. (Added 81 of 1995 s. 72)
80. Authorized Persons Registration Committee. (Added 54 of 1996 s. 27)
81. Structural Engineers Registration Committee. (Added 54 of 1996 s. 27)
82. Contractors Registration Committee. (Added 54 of 1996 s. 27)
83. The Estate Agents Authority. (Added 48 of 1997 s. 57)
84. Long Win Bus Company Limited. (Replaced 20 of 1999 s. 6)
- 84A. Long-term Prison Sentences Review Board. (Added 86 of 1997 s. 44. Amended 20 of 1999 s. 6)
85. Electoral Affairs Commission. (Added 129 of 1997 s. 24)
86. Mandatory Provident Fund Schemes Authority. (Added 4 of 1998 s. 8)
87. New World First Bus Services Limited. (Added L.N. 239 of 1998)
88. The Hong Kong Mortgage Corporation Limited. (Added L.N. 313 of 1998)
89. Hong Kong Note Printing Limited. (Added L.N. 313 of 1998)
90. Exchange Fund Investment Limited. (Added L.N. 16 of 1999)
91. The Stock Exchange of Hong Kong Limited. (Added 20 of 1999 s. 6)
92. Hong Kong Futures Exchange Limited. (Added 20 of 1999 s. 6)
93. Hong Kong Securities Clearing Company Limited. (Added 20 of 1999 s. 6)
94. The SEHK Options Clearing House Limited. (Added 20 of 1999 s. 6)
95. HKFE Clearing Corporation Limited. (Added 20 of 1999 s. 6)
96. Hong Kong Exchanges and Clearing Limited. (Added 12 of 2000 s. 23)
97. Hong Kong Science and Technology Parks Corporation. (Added 5 of 2001 s. 40)

98. The Ombudsman. (Added 30 of 2001 s. 24)
- *99. A company recognized as an investor compensation company under section 79(1) of the Securities and Futures Ordinance (Cap 571). (Added L.N. 226 of 2002)
(Replaced L.N. 272 of 1974)

Note:

***The Investor Compensation Company Limited has been recognised as an investor compensation company (please see G.N. 1220 of 2003).**

Chapter:	397	THE OMBUDSMAN ORDINANCE	Gazette Number	Version Date
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Schedule:	1	ORGANIZATIONS TO WHICH THIS ORDINANCE APPLIES	L.N. 164 of 2003	01/07/2003
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[sections 2 & 24]

PART I#

(Amended 44 of 1994 s. 17. Added 74 of 1996 s. 9)

Agriculture, Fisheries and Conservation Department. (Replaced L.N. 331 of 1999)

Airport Authority. (Added L.N. 155 of 1996)

All registries and administrative offices of courts and tribunals for which the Judiciary Administrator has responsibility. (Replaced L.N. 155 of 1996)

Architectural Services Department.

Audit Commission. (Amended L.N. 362 of 1997)

*Auxiliary Medical Service (department). (Added L.N. 155 of 1996. Amended 57 of 1997 s. 34)

Buildings Department. (Replaced L.N. 282 of 1993)

Census and Statistics Department.

+Civil Aid Service (department). (Added L.N. 155 of 1996. Amended 58 of 1997 s. 34)

Civil Aviation Department.

Civil Engineering Department. (Replaced L.N. 183 of 1992)

Civil Service Training and Development Institute. (Added L.N. 155 of 1996)

Companies Registry. (Added 8 of 1993 s. 28)

Correctional Services Department.

Customs and Excise Department.

Department of Health. (Added L.N. 414 of 1989)

Department of Justice. (Amended L.N. 362 of 1997)

Drainage Services Department. (Added L.N. 357 of 1989)

Electrical and Mechanical Services Department.

Employees Retraining Board. (Added L.N. 139 of 1999)

Environmental Protection Department.

Equal Opportunities Commission. (Added 30 of 2001 s. 19)

Fire Services Department.

Food and Environmental Hygiene Department. (Added 78 of 1999 s. 7)

General Office of the Chief Executive's Office. (Added L.N. 155 of 1996. Amended 25 of 1998 s. 2)

Government Flying Service. (Added L.N. 242 of 1993)

Government Laboratory.

Government Logistics Department. (Amended L.N. 164 of 2003)

Government Property Agency. (Added L.N. 181 of 1991)

Government Secretariat.

Highways Department.

Home Affairs Department. (Replaced L.N. 155 of 1996)
 Hong Kong Arts Development Council. (Added 26 of 1995 s. 20)
 Hong Kong Housing Authority. (Added 44 of 1994 s. 17)
 Hong Kong Housing Society. (Added L.N. 155 of 1996)
 Hong Kong Monetary Authority. (Added L.N. 97 of 1993)
 Hong Kong Sports Development Board. (Added L.N. 139 of 1999)
 Hospital Authority. (Added L.N. 420 of 1991)
 Hospital Services Department. (Added L.N. 414 of 1989)
 Housing Department.
 Immigration Department.
 Information Services Department.
 Information Technology Services Department. (Added L.N. 373 of 1989)
 Inland Revenue Department.
 Intellectual Property Department. (Added L.N. 236 of 1990)
 Invest Hong Kong. (Added L.N. 152 of 2000)
 Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service. (Added L.N. 253 of 2001)
 Kowloon-Canton Railway Corporation. (Added 44 of 1994 s. 17)
 Labour Department.
 Land Registry. (Added 8 of 1993 s. 28)
 Lands Department. (Added L.N. 282 of 1993)
 Legal Aid Department.
 Legislative Council Secretariat. (Replaced 14 of 1994 s. 24)
 Leisure and Cultural Services Department. (Added 78 of 1999 s. 7)
 Management Services Agency. (Added L.N. 383 of 1993)
 Mandatory Provident Fund Schemes Authority. (Added L.N. 139 of 1999)
 Marine Department.
 Observatory. (Amended 25 of 1998 s. 2)
 Office of the Telecommunications Authority. (Added L.N. 242 of 1993)
 Official Languages Agency. (Added L.N. 155 of 1996)
 Official Receiver's Office. (Added L.N. 183 of 1992)
 Planning Department. (Added L.N. 414 of 1989)
 Post Office.
 Privacy Commissioner for Personal Data. (Added 30 of 2001 s. 19)
 Radio Television Hong Kong.
 Rating and Valuation Department.
 Registration and Electoral Office. (Added L.N. 251 of 1994)
 Registry of Trade Unions.
 Securities and Futures Commission. (Added 44 of 1994 s. 17)
 Social Welfare Department.
 Technical Education and Industrial Training Department.
 Television and Entertainment Licensing Authority.
 Territory Development Department.
 The Hong Kong Examinations and Assessment Authority. (Replaced 23 of 2002 s. 27)
 Trade and Industry Department. (Replaced L.N. 173 of 2000)
 Transport Department.
 Treasury.
 University Grants Committee, Secretariat. (Amended L.N. 35 of 1995)
 Urban Renewal Authority (Replaced 63 of 2000 s. 38)
 Vocational Training Council. (Added L.N. 155 of 1996)
 Water Supplies Department.
 (Enacted 1988. Amended L.N. 76 of 1989; L.N. 373 of 1989; 8 of 1993 s. 28; 78 of 1999 s. 7; 13 of 2000 s. 65; L.N. 152 of 2000; 63 of 2000 s. 38; L.N. 253 of 2001; 3 of 2003 s. 28; L.N. 164 of 2003)

PART II

Independent Commission Against Corruption.
Hong Kong Auxiliary Police Force. (Amended 25 of 1998 s. 2)
Hong Kong Police Force. (Amended 25 of 1998 s. 2)
Secretariat of the Independent Police Complaints Council.
Secretariat of the Public Service Commission.

(Added 74 of 1996 s. 9)

Note:

- # "Education Department" was repealed from Part I of this Schedule by the Education Reorganization (Miscellaneous Amendments) Ordinance 2003 (3 of 2003). For the related saving and transitional provisions, see section 29 of the Ordinance.
- * Please see the saving provisions contained in section 33(4) of Cap 517.
- + Please see the saving provisions contained in section 33(4) of Cap 518.

IMPLICATIONS OF THE PROPOSAL

Financial and Civil Service Implications

The Bill provides that all assets, liabilities, rights and obligations vested in the SDB or in the HKSI Trust Fund Committee of Trustees are vested in the Government. HAB envisages that there are minimal financial implications arising from the proposed Bill. SDB intends to end all employment contracts legally before the date of dissolution by giving severance payment to all staff. The total severance payment to the SDB staff, as required under the Employment Ordinance Cap.57, is estimated to be around \$1.25 million after offsetting the amount by the benefits that the staff will receive including provident fund, MPF scheme or gratuity. We expect savings could be realized as SDB staff to be re-employed by the future HKSI would be offered new employment contracts with terms and conditions that are more in line with the prevailing market level. The affected staff are not civil servants and hence the dissolution of the SDB will not have civil service implications.

2. On other contracts, SDB is adding ‘assignment clauses’ to the renewed contracts to the effect that the SDB has the right to assign the rights and obligations of the contracts to the new corporation. If all went as planned, there would be little left uncatereed for on the date of dissolution. A Task Force on Winding Up of SDB comprising SDB and HAB members has been set up to oversee matters pertaining to the dissolution of SDB, the transfer of its assets and liabilities and other transitional arrangements. HAB does not envisage any potential legal claims concerning SDB.

3. On closure of the HKSI Trust Fund, it is already depleted and SDB will prepare finalised statements and accounts for the Trust Fund upon its dissolution. As regards the HKSDS Trust Fund which SDB receives income from therein to finance its operating expenses, SDB will commence discussion with the Hong Kong Jockey Club on the transfer of the HKSDS Trust Fund to a

new entity. Subject to the agreement of the Hong Kong Jockey Club, it is proposed that, upon SDB's dissolution, the HKSDB Trust Fund be transferred to the SHA Incorporated as the new Trustee of the Trust Fund.

4. Any costs arising from the restructuring will be absorbed either within SHA's envelope or savings generated from dissolving SDB. Any further net savings achieved in the exercise would be channelled to fund sports development programmes.

Economic Implications

5. After the dissolution of the Hong Kong Sports Development Board, a new administrative structure for sports development will be implemented. A more vibrant sports sector, to be created through the new administrative structure, should contribute to more business activities and employment opportunities in the sports and sports-related fields. The enhanced partnership between the government, the sports sector and the private enterprises could pave the way for increased commercial sponsorships and investment in sports, particularly in major sports events and new sports facilities.