

LC Paper No. LS19/04-05

Paper for the House Committee Meeting on 26 November 2004

Legal Service Division Further Report on Trade Descriptions (Amendment) Bill 2004

Members may recall that this Bill is to amend the Trade Descriptions Ordinance (Cap. 362) ("the Ordinance") and its subsidiary legislation so that the origin of goods is expressed by reference to a "place" instead of to a "country".

2. In our Report to the House Committee on 12 November 2004, we reported that we were seeking clarification from the Commerce, Industry and Technology Bureau ("the Bureau") on whether the Administration would amend the reference to "country of origin/manufacture" to "place of origin/manufacture" in other Ordinances as well as in the Trade Descriptions (Country of Manufacture) (Piece-Knitted Garments) Order ("the Order") (L.N. 157 of 2004) made under section 2(2)(b)(ii) of the Ordinance.

3. The Bureau has consulted other relevant Bureaux on the need to make such amendments. The relevant Bureaux consider that the reference to "country of origin" in other ordinances is not relevant to the origin marking of goods governed by the Ordinance. They will do so through separate exercises in the light of policy considerations under their purview if there should be a need to amend "country of origin" in the respective ordinances in future.

4. As for the subsidiary legislation made under section 2(2)(b)(ii) of the Ordinance, the Bureau would make consequential amendments to the Bill to ensure consistency between section 2(2)(b)(ii) of the Ordinance, as amended by the Bill, and all subsidiary legislation made under that section. It would move Committee Stage amendments ("CSAs") to the Bill amending the reference to "country" to "place" in the Trade Descriptions (Country of Manufacture) (Piece-Knitted Garments) Order (L.N. 157 of 2004) and the Trade Descriptions (Country of Manufacture) (Textile Made-up Articles) Order (L.N. 186 of 2004). We have scrutinized the bilingual CSAs in draft form and no difficulties in relation to the legal and drafting aspects have been identified. The Administration's reply dated 23 November 2004 together with the CSAs are attached for Members' reference (see Annex).

5. Subject to Members' views, the Bill is ready for resumption of Second Reading debate.

Encl

Prepared by

HO Ying-chu, Anita Assistant Legal Adviser Legislative Council Secretariat 23 November 2004

Annex

Tel No. : 2918 7575 Fax No.: 2537 7725

23 November 2004

By Fax: 2877 5029

Your Ref: LS/B/7/04-05 Our Ref: S/F to CIB CR 62/47/1/5

Assistant Legal Adviser Legislative Council

Legislative Council Building 8 Jackson Road, Central

Dear Ms Ho,

Hong Kong

Ms Anita Ho

Trade Descriptions (Amendment) Bill 2004

I refer to your letters of 1 and 8 November 2004 and our subsequent telephone conversations on the subject matter.

2. The purpose of the Trade Descriptions (Amendment) Bill 2004 (the Bill) is to improve the flexibility in the application of the relevant provisions in the Trade Descriptions Ordinance (TDO) concerning origin marking of goods. In the course of preparing the Bill, we have identified the other Ordinances - and their subsidiary legislation - where the term "country of origin" appears. We have ascertained that there is no provision in such Ordinances and subsidiary legislation that makes direct reference to the provisions of the TDO.

3. Nonetheless, we have consulted the relevant Bureaux on the need to make amendments to such Ordinances and subsidiary legislation in the light of the Bill. Except paragraph (e)(i)(G) of Schedule 4 to the Import and Export (General) Regulation (Cap 60 sub leg A) which has been proposed to be repealed with effect from 1 January 2005 via the Import and Export (General) (Amendment) Regulation 2004 (L.N.155 of 2004), the Bureaux concerned consider that the references to "country of origin" in these Ordinances and subsidiary legislation are not relevant to the origin marking of goods governed by the TDO but serve specific purposes in the context of their respective legislative regimes for their specific policies. Hence, amendments to the term "country of origin" in those Ordinances and subsidiary legislation for the purposes of the Bill are not necessary. The Bureaux concerned further indicate that if there should be a need to amend "country of origin" in the concerned Ordinances and subsidiary legislation in future, they will take that forward through separate exercises, in the light of policy considerations under their purview.

4. It is the Administration's intention to ensure consistency between section 2(2)(b)(ii) of the TDO, as amended by the Bill, and all subsidiary legislation made under that section, i.e. the Trade Descriptions (Country of Origin) (Watches) Order (Cap 362 sub. leg. D) (the Watches Order), the Trade Descriptions (Country of Manufacture) (Piece-knitted Garments) Order (L.N. 157 of 2004) (the Piece-knitted Garments Order), and the Trade Descriptions (Country of Manufacture) (Textile Made-up Articles) Order (L.N. 186 of 2004) (the Textile Made-up Articles Order). For this purpose, clauses 4 and 5 of the Bill have already dealt with consequential amendments relating to the Watches Order. As regards the Piece-knitted Garments Order and the Textile Made-up Articles Order, which were gazetted respectively on 15 October 2004 and 19 November 2004, we intend to move committee stage amendments (CSAs) to the Bill to effect the consequential amendments. In this connection, the bilingual CSAs in draft form are attached for your information please.

Yours sincerely,

(Gordon Leung) for Secretary for Commerce, Industry and Technology

c.c. D of J (Attn: Mr Cheung Wing-leung, SGC)

Encl.

DM #113585/WL Cheung 1st working draft: 17.11.2004 (v1) 1st draft: 18.11.2004 (v2) 2nd draft: 19.11.2004 (v3)

TRADE DESCRIPTIONS (AMENDMENT) BILL 2004

COMMITTEE STAGE

Amendments to be moved by the Secretary for Commerce, Industry and Technology

Amendment Proposed

Longtitle By adding before the full stop ", the Trade Descriptions (Country of Manufacture)(Piece-Knitted Garments) Order and the Trade Descriptions (Country of Manufacture)(Textile Made-up Articles) Order".

New By adding -

Clause

"Trade Descriptions (Country of Manufacture)(Piece-Knitted Garments) Order

6. Title amended

The title to the Trade Descriptions (Country of Manufacture)(Piece-Knitted Garments) Order (L.N. 157 of 2004) is amended by repealing "COUNTRY" and substituting "PLACE".

7. Place of manufacture

Section 2 is amended by repealing "country" where it twice appears and substituting "place".

Trade Descriptions (Country of Manufacture)(Textile Made-up Articles) Order

8. Title amended

The title to the Trade Descriptions (Country of Manufacture)(Textile Made-up Articles) Order (L.N. 186 of 2004) is amended by repealing "COUNTRY" and substituting "PLACE".

9. Place of manufacture or production

Section 4 is amended by repealing "country" where it twice appears and substituting "place".".