

LC Paper No. LS 159/98-99

Paper for the House Committee Meeting of the Legislative Council on 23 April 1999

Legal Service Division Further Report on Adaptation of Laws (No. 17) Bill 1998

At the House Committee meeting held on 8 January 1999, members agreed to defer decision on the Bill pending our enquiry with the Administration about the meaning of the term "Crown Agents" and the practical effects of its repeal.

"Crown Agents" (section 7 of Schedule 6 to the Bill)

2. The gist of the Administration's reply is that the "Crown Agents" is an independent, non-profit making organisation incorporated by the UK Parliament. It acts as the financial, professional and commercial agents for almost 100 Governments and over 300 public authorities and international organisations. In March 1997, the "Crown Agents" was given a clear and independent legal identity when it became a company incorporated under the UK Companies Act. The Administration confirms that the "Crown Agents" has never performed any services on behalf of the trustee of the Social Work Training Fund. The Administration is also of the opinion that the repeal of "Crown Agents" would not limit the trustee's choice of investment in view of the wide range of investment facilities currently available. Members may refer to the Administration reply at **Annex I** for detailed information.

In consequence of the decision of the Bills Committees on the Adaptation of Law Bill 1998 and Adaptation of Law (No. 2) Bill 1998 (enacted as Adaptation of Laws (No. 3) Ordinance (13 of 1999)), the Administration has agreed to move CSAs in relation to :

(a) "Governor" - "Chief Executive in Council" (section 8 of Schedule 1 to the Bill)

The Administration will adapt "Governor" to read "Chief Executive" instead of "Chief Executive in Council".

(b) <u>Saving the rights of the Queen, etc (section 4 of Schedule 4 and section 8 of Schedule 6 to the Bill)</u>

The Administration has agreed to adopt the following English and Chinese versions :

"the Central Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws ...". "中央或香港特別行政區政府根據《基本法》和其他法律的規 定所享有 ...".

4. Members may refer to the draft CSAs at **Annex II** for information.

5. With the proposed CSAs, we are satisfied that the legal and drafting aspects of the Bill are in order. Members are recommended to support the resumption of Second Reading debate of the Bill.

Encl

Prepared by

Lam Ping-man, Stephen Assistant Legal Adviser Legislative Council Secretariat 21 April 1999

Bill/LS/B/37/98-99

中華人民共和國香港特別行政區政府總部衛生福利局的信頭 Letterhead of Health and Welfare Bureau Government Secretariat. Government of the Hong Kong Special Administrative Region The People's Republic of China

Our Ref.: () HW CR 9/4/3221/91 Pt 2

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Your Ref.:

20 April 1999

Mr Stephen Lam Assistant Legal Adviser Legislative Council Secretariat Legal Service Division Legislative Council Building 8 Jackson Road Central Hong Kong

Dear Mr Lam,

Adaptation of Laws (No. 6) Bill 1999 Adaptation of Laws (No. 17) Bill 1998

Thank you for your letter of 14 January 1999 to me and 2 Mar 1999 to Mr Vincent Fung enquiring the term "Crown Agents". My apologies for not being able to reply to your letters earlier as it has taken me some time looking into the issues. I hope the following information could answer questions raised in your both letters.

(a) The Crown Agents is an independent, non-profit making organization, incorporated by the Parliament. It acts as financial, professional and commercial agents for almost 100 Governments and over 300 public authorities and international organisations. The Crown Agents was first appointed in 1833 by the British Government to act for countries which were, at that time, part of the British Empire. In March 1997, the Crown Agents was given a clear and independent legal identity when it became a company incorporated under the Companies Act. (b) We have confirmed with the Social Welfare Department, which administers the Funds, that the Crown Agent has never performed any services on behalf of the Trustees of the Social Work Training Fund nor the Emergency Relief Fund. We do not therefore consider that the investment of these two Funds would be affected by repealing the references to "Crown Agents" in the respective Ordinances.

- (c) As regards the need for including reference to "Crown Agents" in the Ordinances, we note that "Crown Agents" was established by the British Government to act as financial, professional and commercial agents for countries which were, then, colonies of the British Empire. As those countries gained independence, the Crown Agents have changed their status from being statutory corporations to companies incorporated under the Companies Act in March 1997. The current operations of the Crown Agents is, in effect, no different from any other independent, non-profit making organisation incorporated in Britain.
- (d) In view of the wide range of investment facilities currently available, we believe that the Trustee of the Social Work Training Fund and Emergency Relief Fund will have ready access to foreign markets through local agents or brokers in Hong Kong should it wish to do so.

Please feel free to contact the undersigned if I could be of further assistance.

Yours sincerely,

(Miss Wong Ching-yee, Jenny) Secretary for Health and Welfare

Annex II

ADAPTATION OF LAWS BILL 1998

COMMITTEE STAGE

Amendments to be moved by the Secretary for Home Affairs

ADAPTATION OF LAWS (NO. 17) BILL 1998

COMMITTEE STAGE

Amendments to be moved by the Secretary for Home Affairs

<u>Clause</u>	Amendment Proposed
Schedule 1, section 8	By deleting "in Council".
Schedule 4, section 4	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".".
Schedule 6, section 8	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".".