

立法會
Legislative Council

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(These minutes have been
seen by the Administration)

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LegCo Panel on Home Affairs

Minutes of special meeting
held on Thursday, 28 June 2001 at 10:45 am
in Conference Room A of the Legislative Council Building

Members Present : Hon Andrew CHENG Kar-foo (Chairman)
Hon CHOY So-yuk (Deputy Chairman)
Hon Cyd HO Sau-lan
Hon Albert HO Chun-yan
Hon James TO Kun-sun
Hon Timothy FOK Tsun-ting, SBS, JP
Hon Henry WU King-cheong, BBS

Member Attending : Hon Bernard CHAN

Members Absent : Hon Andrew WONG Wang-fat, JP
Hon LAU Wong-fat, GBS, JP
Hon Emily LAU Wai-hing, JP
Dr Hon TANG Siu-tong, JP
Hon Albert CHAN Wai-yip
Hon WONG Sing-chi
Hon IP Kwok-him, JP

Public Officers Attending : Mr W K LAM
Secretary for Home Affairs

Mrs Betty FUNG
Deputy Secretary for Home Affairs (2)

Mr Francis LO
Principal Assistant Secretary for Home Affairs (5)

Mr Vic YAU
Assistant Secretary for Home Affairs (5)1

Clerk in Attendance : Miss Flora TAI
Chief Assistant Secretary (2)2

Staff in Attendance : Mr Stanley MA
Senior Assistant Secretary (2)6

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I. Consultation Paper on the Gambling Review
[Legislative Council Brief issued by the Home Affairs Bureau
(*File Ref : S/F(2) to HAB CR 1/17/93 Pt.2*)]

Members noted that the Consultation Paper on the Gambling Review had identified the challenges to the existing gambling regime and recommended possible measures to tackle the problems.

2. Secretary for Home Affairs (SHA) said that he would like to take the opportunity to clarify that the consultation paper was not one on legalisation of soccer betting. He said that the term "legalisation of soccer betting" was misleading as it induced people to think that the Government was proposing to lift all control on such betting. He pointed out that the paper acknowledged the fact that unauthorised soccer betting had become increasingly widespread and on that basis suggested regulating soccer betting through authorised outlets as a possible option, in addition to amending the Gambling Ordinance and strengthening enforcement against illegal operations. SHA also dismissed allegations that the Government already had a stance on the issue in providing details of a possible operational framework for authorised soccer betting in the consultation paper. He explained that the purpose of including such details in the paper was to provide more specific information to the public to facilitate their consideration of the subject. He stressed that as far as the issue of soccer betting was concerned, the Government had no preconceived views on the way forward which would be determined, to a large extent, by the outcome of the public consultation.

Discussion

3. Miss CHOY So-yuk asked whether the Administration acknowledged that the heated discussion on soccer betting, as aroused by the launch of the consultation paper, had given rise to the adverse effect that more people had become aware of the channels for soccer betting and participated in it. She asked whether the Administration would undertake that it would not consider the proposal to regulate soccer betting through authorised outlets again, at least for the next few years, if the proposal did not gain public support.

4. SHA pointed out that long before the launch of the consultation paper, there had already been extensive coverage of the relevant tips and odds in the newspapers, which directly encouraged the public to bet on soccer. He explained that the policy option was put forward in response to the growing popularity of soccer betting in recent years and to the concerns about the social harm that might be caused by such unregulated activities. He reiterated that the proposition would not be pursued if it did not command public support.

5. Mr James TO took the view that the Government had a particular stance on the issue. He pointed out that there was no denial of the Government's intention to legalise soccer betting as the current proposal was essentially to lift the ban on such betting and to provide limited authorised outlets for soccer betting. He further said that if the Administration was neutral on this matter, it should have devised proposals of how it would step up efforts in police enforcement and education to combat soccer betting if the public supported to maintain the status quo. However, the Legislative Council (LegCo) Brief and the consultation paper had just given an elaboration of the problems pertaining to unauthorised soccer betting and of a possible operational framework for authorised soccer betting.

6. SHA responded that chapter 4 of the consultation paper actually had given an account of the possible ways to tackle the problem of soccer betting, including updating the Gambling Ordinance (Cap. 148), stepping up enforcement and so on. He said that the Administration would sustain its efforts in this regard, whether or not authorised outlets for soccer betting would be provided. Noting that there had not been any systematic research on the gambling problems in Hong Kong, the Administration proposed to conduct and support gambling-related researches on a regular basis. In addition, the Administration would take steps as detailed in chapter 5 of the consultation paper to educate the youth and to minimise the negative impact of gambling. SHA said that the consultation paper was a balanced, comprehensive document setting out different policy options.

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7. In response to Mr James TO, SHA said that if the public did not support putting soccer betting under Government control, the Administration might consider introducing further measures to tackle Internet gambling. He also trusted that the police would step up enforcement during the 2002 World Cup Finals. In the longer term, the Administration would try to raise the youth's awareness of the negative impact of gambling through educational programmes.

8. Mr James TO commented that in recent years the police did not seem to be enthusiastic in tackling gambling-related crimes, as compared with enforcement against illegal possession of firearms, drug trafficking and piracy. He asked whether or not a consensus had been reached at the high level of the Administration that enforcement against illegal gambling did not need to be stepped up since the Administration was about to introduce the proposal to provide authorised outlets for soccer betting. SHA replied that there was absolutely no such consensus reached. He suggested that members should seek information from the police as to the approach and priority they had set in law enforcement.

9. Mr Timothy FOK said that while the sectors he represented required more time for discussion of the consultation paper, the sports sector in general was supportive of putting soccer betting under Government control as it hoped that part of the tax revenues generated would be used to subsidise sports development. Referring to paragraph 4.19 of the consultation paper, Mr FOK asked about the Administration's plan to provide additional funds for sports development if proceeds were generated by authorised soccer betting as envisaged under the current proposal.

10. SHA reiterated that the Administration was neutral on this issue and it would take full account of the views received during the consultation exercise in finalising its recommendations. He explained that paragraph 4.19 only reflected one of the arguments in support of the policy option. He invited members to note that it was already stated in paragraph 4.9 of the consultation paper that the revenue and charity donations that could be derived from gambling had not been, and should not be, the primary considerations in authorising more gambling outlets in Hong Kong.

11. The Chairman noted that the Administration had proposed that, to avoid possible match-fixing and corruption, betting on the matches of the Hong Kong soccer league and those regional/international matches involving Hong Kong teams should be prohibited. He asked whether the proposal reflected that the Administration actually agreed that soccer betting was conducive to match-fixing. Deputy Secretary for Home Affairs (2) (DS(HA)(2)) explained that if authorised outlets for soccer betting were to be introduced, its primary objective was to combat illegal soccer betting activities. As it was found that such bets were placed

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mainly on the major international matches, the Administration proposed that authorised gambling outlets, if provided, should be directed to satisfying existing demand for betting on such matches. However, this could be reviewed in the light of new development. DS(HA)(2) added that if betting on the matches of the Hong Kong soccer league and those regional/international matches involving Hong Kong teams was allowed, it might give rise to match-fixing. The Chairman considered that if the Administration also agreed that legalising soccer betting on local matches might lead to match-fixing, it should carefully reconsider the desirability of the current proposal of legalising soccer betting.

12. Miss Cyd HO asked how the Administration was going to proceed with the consultation exercise as it seemed that the views of the public were either for or against the proposal. They did not seem to be interested in going into detail the technicalities of the implementation of the proposal. The Chairman said that as the research study on pathological gambling commissioned by the Administration was due for completion by the end of August 2001, he asked whether the Administration would consider extending the consultation period so that the findings of the study would be taken into full account. SHA noted that the public seemed to be able to focus on the key issues quite quickly. He agreed that the consultation period could be extended if necessary.

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13. Miss Cyd HO expressed doubt about the viability of implementing the proposed control on soccer betting, especially in regulating cross-border soccer gambling via the Internet. She recalled that the discussion of the Bills Committee on the Gambling (Amendment) Bill 2000 had also got stuck on the issue of tackling unlawful Internet gambling activities as it was concerned that freedom of information might be infringed as a result of the implementation of the relevant control measures. SHA acknowledged that the advances in telecommunications technology had rendered enforcement more difficult than before. A number of offshore sports bookmakers had been taking bets from Hong Kong people through IDD and the Internet and promoting their business in Hong Kong. He said that it was against this background that the Gambling (Amendment) Bill 2000 had been introduced. The Bill was being examined by a Bills Committee set up by LegCo. He said that in the face of these challenges, the Administration considered that it was still in the best interest of the society to uphold the current policy of allowing only authorised and regulated gambling activities and combating unauthorised ones. Meanwhile, the Administration would continue to monitor the international development and explore ways to tackle unlawful Internet gambling activities in the long run.

14. SHA further said that the Administration was fully aware that gambling was a controversial subject. It had therefore decided to conduct a public consultation exercise to help focus the public on the key issues and to gauge their views. He

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assured members that the Administration would take full account of the views received during the consultation exercise in finalising its recommendations.

15. Miss Cyd HO asked whether the Administration had a concrete plan for implementing educational measures to control the spread of gambling desire and to enhance public understanding about the consequences of gambling. The Chairman asked whether the Administration would agree that legalising soccer betting would undermine its efforts in conducting public education on the negative impact of gambling.

16. With reference to paragraph 5.11 of the consultation paper, SHA said that the Education Department had undertaken to implement a series of school education programmes to enhance understanding of the impact of gambling. He pointed out that it would be a sustained education programme and the advice of concern groups and interested parties would be sought on the programme where necessary. In response to the Chairman, SHA reiterated that the Administration recognised that gambling was a contentious subject on which the public would have divergent views.

17. Mr Albert HO said that he had the impression that Chinese people in particular indulged in gambling more than others. He suggested the Administration to conduct an in-depth study as to whether there was the prevalence of gambling in the culture of the Chinese and also to look at the social costs incurred by gambling. He further asked whether the Administration would conduct another study to assess the impact of the legalisation of soccer betting taken into account the popularity of soccer in our society. He considered that some people who were not used to gamble might also bet on soccer after it was legalised. He suggested the Administration to assess (such as by conducting opinion surveys) whether the proposed legalisation would change people's attitudes towards gambling, increase the size of the population of gamblers and undermine the efforts devoted to education in this regard.

18. SHA responded that the Government had been very cautious in authorising new gambling opportunities. No new form of gambling had been authorised since the introduction of the Mark Six in 1975 to eradicate illegal lotteries like Tse Fa. He said that the proposal of providing authorised outlets for soccer betting had been launched for public discussion in the 60s but had since been shelved as it did not gain public support. He agreed that it was necessary for the Administration to conduct in-depth studies on gambling behaviour and undertake gambling-related researches on a regular basis. He also agreed to take into consideration the suggestions made by Mr Albert HO in deciding the approaches of these researches.

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19. In response to Mr Albert HO's further question, SHA said that soccer betting had started to become prevalent during the World Cup in 1998 and was gaining popularity rapidly. The seriousness of the illegal soccer betting problem was revealed by the enforcement figures, by the participation rate as surveyed by the Administration and by the Chinese University of Hong Kong, and by the extensive coverage of tips and odds in newspapers.

20. Miss CHOY So-yuk asked whether the current proposal of legalising soccer betting would set a precedent to legalise activities like prostitution. SHA responded that the nature of the two issues was very different. He pointed out that the long-established policy of restricting gambling to a limited number of authorised outlets had long been accepted by the community. Moreover, the Administration did not see a hint of a similar level of social acceptance of legalising prostitution.

21. Mr Albert HO pointed out that the police had been successful in combating illegal off-course bookmaking on horse racing. He trusted that the police would be the same effective in combating illegal bookmaking on soccer. He therefore expressed doubt about the argument that soccer betting should be legalised because the problem could not be tackled by law enforcement. He believed that the police would also be capable of combating these illegal bookmakers operating inside Hong Kong. As regards offshore bookmakers taking bets on soccer from Hong Kong people via Internet or with the use of telecommunications, Mr HO pointed out that such activities just could not be stamped out no matter soccer betting was legalised or not.

22. In response, DS(HA)(2) explained that illegal bookmaking operations had become increasingly mobile with the use of modern telecommunications which had enabled them to move the entire operations outside Hong Kong. Therefore, arguments in support of dealing with illegal local bookmakers only but not offshore bookmakers did not stand in logic. Such a policy would just encourage these offshore bookmakers to promote their business in Hong Kong.

23. Miss Cyd HO pointed out that the current proposal of putting soccer betting under Government control was almost equivalent to a proposal of criminalisation of Internet gambling on soccer. She felt that the public should understand the nature of the issue and the enforcement difficulties that would be involved. For example, implementation of the proposal would touch on foreign exchange control and might infringe on freedom of information. She considered that the Administration should provide the public with such information so that they could make informed choices on the matter.

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24. Miss CHOY So-yuk said that the views of the public on the consultation paper seemed to be diverse and there was no majority view on the proposal of putting soccer betting under Government control. She asked about the approach that the Administration would use to determine the mainstream of the public views. SHA responded that the consultation exercise was a transparent one and the submissions received would be made available for public inspection (unless specified otherwise). He said that in addition to discussions with this Panel, the Administration might conduct opinion surveys as part of the consultation exercise. He believed that it would not be too difficult to determine the majority view on the proposal.

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25. Referring to paragraph 4.8 of the consultation paper on the principles governing the provision of authorised gambling outlets, the Chairman commented that although the first principle might be valid in the case of soccer betting in Hong Kong, the Administration still had to look at other factors. He said that the nature of soccer betting was different from horse racing. He pointed out that soccer was such a prevalent sport that legalising soccer betting could have a great impact on the community and especially on the youth. He considered that the Administration should first conduct thorough research studies on the impact and the social costs that might be incurred by legalising soccer betting, and base on the findings to make recommendations. He further said that if the research studies of the Administration were not thorough enough, the Panel should consider if it would be necessary for the LegCo Secretariat to conduct its own research on the subject. On the second principle as raised under paragraph 4.8, the Chairman asked the Administration to include in its research studies examining whether legalisation of soccer betting was really an effective way to stamp out illegal soccer betting activities.

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26. Concluding the discussion, the Chairman asked the Administration to take into consideration members' views and to consider extending the consultation period so that members and the public would be allowed sufficient time to consider the findings of the research study on pathological gambling.

27. The meeting ended at 1 pm.

Legislative Council Secretariat
16 October 2001