

CAB 4/17/7

22 October 1999

Mrs Constance LI  
Clerk to Bills Committee  
Legislative Council  
8 Jackson Road  
Central  
Hong Kong  
(Fax: 2509 9055)

Dear Mrs LI,

**Bills Committee on  
Provision of Municipal Services (Reorganization) Bill**

**Follow-up to meeting on 8 October 1999**

Thank you for your letter of 8 October, conveying the Bills Committee's concerns raised at the above meeting. Our response to these concerns, following your same order, is set out below:

**Schedule 5**

- I. The definition and coverage of "clubs" and the current criteria/procedures for exemption from the requirement of a liquor licence*
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The word 'club' in a club liquor licence has the same meaning for 'club' as defined in the Clubs (Safety of Premises) Ordinance (Cap. 376), which means any corporation or association of persons formed for the purpose of affording its members facilities for social intercourse or recreation and which:

- (a) provides services for its members (whether or not for the purpose of gain); and
- (b) has a club-house of which only its members and their

accompanied guests have a right of use.

It is the standing policy of the Liquor Licensing Boards of PUC and PRC to issue a liquor licence to a club only when the club has been issued with a Certificate of Compliance by the Office of Licensing Authority, Home Affairs Department under the Clubs (Safety of Premises) Ordinance, Cap. 376. This requirement is to ensure that the premises to be licensed is safe for club use.

Under the Dutiable Commodities Ordinance, any person who intends to sell or supply intoxicating liquor at any premises for consumption on the premises must obtain a liquor licence issued by either the PUC or PRC. Currently, there is no provision either statutory or administrative to exempt any person from the requirement of a liquor licence.

2. *The number of liquor licence applications which would await a decision by the Provisional Municipal Councils by 31 December 1999*
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Based on the outstanding applications at present, the number of liquor licence applications awaiting decision by the LLBs by 31 December 1999 is estimated to be in the order of 920, made up as follows:

<u>LLB</u>	<u>No. of contested applications</u>	<u>No. of non-contested applications</u>	<u>Total</u>
PUC	90	670	760
PRC	<u>10</u>	<u>150</u>	<u>160</u>
	<u>100</u>	<u>820</u>	<u>920</u>

(Note: Contested applications refer to those which involve objection from local residents and/or departments and will be heard the LLB.)

The above figures are projected on the basis of outstanding applications at present.

3. *To address the enforcement problem under Section 32 of the*

*Dutiable Commodities (Liquor) Regulations concerning the power to apprehend persons drinking intoxicated liquor outside the licensed hours in licensed premises*

Reg. 32 of the Dutiable Commodities (Liquor) Regulation's Cap. 109 empowers the Police to apprehend persons drinking in an unlicensed place.

On the other hand, the Regulations provide that in a licensed place for the selling and consumption of liquor, the licensee has the legal liability to comply with the permitted liquor selling hours if this is stipulated in the licence as a condition. Failing that, the licensee may be prosecuted or summonsed for breaching the licensing condition in accordance with section 46 of the Dutiable Commodities Ordinance (Cap. 109). Experience shows that selling liquor outside permitted hours is not a serious problem as majority of the licensees would try their best to comply with this condition in order not to attract complaints which might affect renewal of their licences.

**Schedule 7**

4. *To provide a paper/table setting out the significant changes to those ordinances in Schedule 7 (e.g. Rating Ordinance)*

A table for this purpose has already been sent to you vide my letter of 14.10.99.

**Proposed negative vetting mechanism for certain fees and charges**

5. *To provide a composite paper setting out the criteria/rationale and scope of the proposed negative vetting mechanism for setting the fees and charges in respect of certain popular leisure and cultural facilities*
6. *To consider deleting "with the approval of the Financial Secretary" from the new section 124J(1) (new part XIA under section 63 of the Bill)*
7. *To provide a breakdown of the 2000 types of fees and charges for*

*cultural and leisure programmes/activities requiring frequent adjustments in response to market changes*

A paper dealing with the above concerns was already discussed by the Bill Committee on 15.10.99.

**Other concern**

Incidentally, there is a concern raised by the Bills Committee on 15 September 1999, asking “*whether the definitions of ‘occulting sign’ and ‘neon sign’ adequately cover new substances now used for advertisement*”.

As indicated in our earlier response of 8 October 1999, we have consulted other bureaux and departments and have concluded that there is no need to retain section 5 which prohibits a person from exhibiting or allowing to be exhibited any occulting sign. When this provision was introduced in 1954, the rationale behind was that ‘occulting sign’ might cause distraction to motorist and hence interfere with traffic. Since no established correlation exists between the existence of ‘occulting signs’ and the number of traffic accidents, there is no genuine need to prohibit the erection of ‘occulting sign’ on road safety and traffic grounds. In view of this, we will put up a CSA to delete section 5 of the Regulation (which includes the definition of ‘occulting sign’) for Members’ consideration.

With regard to ‘neon sign’, we are satisfied that the original definition as contained in section 13 of the Regulation is adequate. No amendment is therefore necessary.

Yours sincerely,

( John C. Y. Leung )  
for Secretary for Constitutional Affairs

Encl.

b.c.c.

DUS	(Attn: Mr Harris Kam)	- 2524 1977
DRS	(Attn: Mr K T Lai)	- 2691 4661
D of J	(Attn: Mrs N Dissanayake)	- 2869 1302
	(Attn: Miss Vivian Fung)	- 2523 5104
	(Attn: Miss Selina Lau)	- 2845 2215

**Internal**

DH, TF  
AH(1), TF  
AH(2), TF  
SAO(TF)  
EO(TF)4  
TF/5/1/2