## Information requested by the Bills Committee at its meeting held on 21 December 2001 regarding the Karaoke Establishments Bill

This paper seeks to elaborate on the proposal set out in item 3 of the "Administration's response to issues raised by the Bills Committee on 9 October 2001" (LC Paper No.CB(2)747/01-02(01)).

Having considered the concerns raised by Hon. Members on the scope of control of the proposed licensing regime on karaoke establishments (KE) in certified clubs, we propose to exempt certain such KEs from applying for a KE permit by inserting a new clause 3(1)(da) which will read as follows –

"(da) in premises in respect of which a certificate of compliance has been issued under the Clubs (Safety of Premises) Ordinance (Cap. 376) which are the subject of an order made under paragraph (e) that is for the time being in force."

The administrative guidelines which we will adopt for granting exemption under this sub-clause, as set out in our previous response, will be -

- (a) that the karaoke activities are only an optional extra to the main activities of the club;
- (b) that the total karaoke rooms are not more than 3 rooms; and
- (c) that the total floor area of the karaoke rooms be not more than 30 square metres.

Some Hon. Members have criticised that the exemption criteria are too stringent, so much so that the provision is rendered meaningless. It was proposed that the trade (club operators) should be consulted.

In this regard, we would like to point out that the proposed exemption criteria, once published, will almost be tantamount to giving blanket approval to applications for exemption made by any KEs that meet the specified criteria. As such, the criteria need to be set at a low threshhold in order to ensure the integrity of the licensing regime and hence public safety.

Moreover, the setting of the above proposed criteria will <u>not</u> prevent a club which does not meet any of the criteria from being considered for the grant of an order made under clause 3(1)(e) by the licensing authority. The licensing authority will still be able to consider an application from any club not meeting the above exemption criteria and to exercise discretion in its favour on a case-by-case basis, having regard to the merits of each case.

In view of the above, we do not consider it necessary to consult the trade on the question of where to draw the line between granting exemption almost as a matter of course and exemption to be considered on a case-by-case basis.

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