Information requested by the Bills Committee at its meeting held on 9 October 2001 regarding the Karaoke Establishments Bill

The information requested by the Bills Committee is set out in the following paragraphs –

1. To consider whether the time taken for the Food and Environmental Hygiene Department to issue letter of requirements to an applicant for a karaoke establishment permit in a licenced restaurant (i.e. 44 days) could be shortened, having regard to the Administration's advice that such a letter will be issued within 14 days for an application for both a restaurant licence and a karaoke establishment permit (Item 5 of LC Paper No. CB(2)1408/00-01(03) refers);

First of all, we would like to clarify that the 14-day period mentioned in the Bills Committee meeting on 9 October 2001 is the time taken by BD in advising the Food and Environmental Hygiene Department (FEHD) whether the application for a new restaurant licence cum KE permit would be acceptable in principle. The shorter-than-usual time-frame is made possible by redeployment of existing resources and is applicable for all new restaurant licence applications. However for the processing of KE permit at existing restaurants, BD requires 24 working days for processing.

In the processing of KE permit applications by FEHD, referral to the relevant departments including Fire Services Department (for comments on fire safety aspects and the formulation of fire safety requirements (17 days)), Buildings Department (for checking for compliance with building safety requirements (14 to 24 days)) and Police (for vetting of the applicants (30 days)) would be necessary. In view of the time required by the Police in vetting the applicant (i.e. 30 days), the processing time from receipt of application to issue of Letter of Requirements for a KE permit application for an existing licensed restaurant or a new restaurant licence can only be shortened from 44 days to 39 days.

However where applicants for KE permit are already holders of liquor licence at the premises, the vetting of Police will be waived. The time constraint would then be the 24-day processing time by BD which reduces the processing time to 33 days.

2. To provide statistics on reported crimes occurring in karaoke boxes and karaoke nightclubs in 2000 (LC Paper No. CB(2)2395/00-01(01) refers);

Please refer to Question No. 1 of the Administration's Response provided to the Bills Committee on 28 November 2001 in respect of information requested at the Bills Committee meeting held on 18 May 2001 (LC Paper No. CB(2)502/01-02(02)).

3. To reconsider the definition of "karaoke establishment" under the Bill having regard to members' concern that private clubs providing karaoke might fall under the definition and that only exceptional cases should be exempt under clause 3(1)(e);

In order for an establishment to fall under the definition of "karaoke establishment", the activity carried out therein must first meet the definition of "karaoke". Secondly the karaoke activity must be carried out by way of <u>trade or business</u> in that establishment. What activity is karaoke and whether the activity is carried out by trade or business is a matter of fact.

Despite some Members' criticism of the proposed definition of "karaoke establishment" being too wide, we do not see how it can be amended without running the risk of compromising the integrity of the control system.

Instead, we have considered how the scope of control could be narrowed without amending the definition. In this connection and having considered the concerns expressed on the control of KE in certified clubs, we propose to exempt those clubs which meet certain specified criteria from applying for a KE permit, similar to the "bona fide restaurants" under clause 3(1)(d). The criteria for exemption from obtaining a KE permit are as follows:

- (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.

The above criteria are formulated on the understanding that clubs with 3

karaoke rooms do not constitute a long corridor situation and the total population accommodated in these rooms do not present an unacceptable risk in case of fire or emergency. In any event, the licensing authority would examine the proposed layout of the premises in accordance with the guidelines laid down in the Code of Practice for the Provision of Means of Escape in Case of Fire.

We are of the view that the definition of "karaoke establishment" and the exemptions provided under clause 3(1) are appropriate and necessary for the effective operation of the licensing regime. Clause 3(1)(e) is a useful provision, since it enables the licensing authority to disapply the Ordinance to particular types or description of KE in accordance with relevant policy and established criteria. In practice, we do not anticipate large number of exemptions (the prerequisite is satisfying the definition of KE).

4. To compare the key elements of the proposed licensing scheme with those in Taiwan and Japan e.g. the required fire and building safety requirements, the consultation process and the requirement that the grantee/licensee should be an individual person.

We are making attempts to research into the requirements of Taiwan and Japan on the control of karaoke establishments and will revert to Members in due course.

Security Bureau December 2001