

Bills Committee on Betting Duty (Amendment) Bill 2006

Follow-up actions arising from the meeting on 12 June 2006

The Administration was requested to –	The Administration's written response –
<p>(a) provide written information on the principles in handling requests for a replaced race meeting due to the cancellation of certain races in a race meeting, or explain how such requests will be handled at the resumption of the Second Reading debate on the Bill;</p>	<p>The Secretary for Home Affairs (SHA) would consider applications for a replaced race meeting from the Hong Kong Jockey Club (HKJC) on a case by case basis. In the process, SHA would consult relevant departments and transport operators on the proposal.</p> <p>If less than half of the races in a certain race meeting were completed and subsequent races were cancelled due to, say, weather changes, HKJC could apply for replacement and SHA would consider the application on its merits.</p> <p>Having said that, this particular type of cancellation of meetings would not be qualified as "relevant cancelled race meetings" in relation to the guaranteed amount under the Amendment Bill.</p> <p>We would specify the above arrangements in the future code of practice on horse race betting.</p>
<p>(b) convey to the Security Bureau the views of some members on the need to review the Organized and Serious Crimes Ordinance to facilitate confiscation of money/assets in connection with illegal bookmaking</p>	<p>We have conveyed to the Security Bureau the views of Members.</p>

The Administration was requested to –	The Administration’s written response –
activities;	
(c) advise the number of convicted bookmaking cases involving the Internet;	None of the 25 convicted cases involve internet betting.
(d) clarify whether advertising football betting is permissible in Cable Channels 61 and 63;	During the World Cup, the HKJC has two information messages on selected Cable channels. The main theme of one is that people under the age of 18 are not allowed to bet. The main theme of the other is that people who bet with illegal or offshore bookmakers are breaking the law. Each also includes silent information on a particular bet type; but this is on screen for no more than 4 seconds out of each 15 second message. Each message closes with a prominent 3-second display of the responsible gambling reminder. The Club messages only appear at a low average frequency of once every 3 to 6 hours, outside 16:00 to 22:30.
(e) comment on the Committee Stage amendments (CSAs) proposed by Hon Andrew CHENG;	<p>The Administration’s response to the CSAs proposed by the Hon Andrew Cheng is set out as follows –</p> <p>(i) <i>The Legislative Council (LegCo) may by resolution amend the conditions of the licence :</i></p> <p>It is on the understanding that the Administration is the licensing authority that the reform proposals are worked out in consultation with the HKJC. The Hon Andrew Cheng’s proposed CSA would contradict this</p>

The Administration was requested to –	The Administration’s written response –
	<p>understanding as the licensing conditions would be subject to changes proposed by the LegCo.</p> <p>(ii) <i>To specify a formula or rule to determine the rebates payable in the Ordinance :</i></p> <p>The Bill is intended to provide flexibility to HKJC to better respond to market demands, thereby combating illegal bookmakers more effectively. Therefore, the Administration does not agree that the formula or rule to determine the rebates payable should be set out in the Ordinance. The Administration is of the view that rebates should normally be available to high-value bettors who have placed a losing bet of \$10,000 or more. The HKJC would assess the most appropriate rebates arrangement for the purpose of directing high-value bettors who are currently betting with illegal bookmakers back to the regulated, legal channel. The Administration would note the effectiveness of the initial operation of rebates by HKJC and consider the need to set further guidelines in the Code of Practice.</p> <p>(iii) <i>The HKJC should conspicuously display and keep displayed, or carry</i></p>

The Administration was requested to –	The Administration’s written response –
	<p><i>notices that comply with subsection (7) in any premises where the company accepts bets; on any web site through which the company accepts; and in conducting any advertising or promotional activities :</i></p> <p>The Administration considers it appropriate to impose such requirements at the betting premises and the website of the licensee as the warning messages should be clearly visible to customers and account holders who may place bets. If the requirements were to be extended to advertising or promotional activities, it raises the issue of what is advertising and what are promotional activities. We do not think that promotional activities related to major sports or international events (e.g. World racing championships) should be covered. The Administration therefore does not agree that these requirements should be set out in the Ordinance. Instead, we would consider including them in the Code of Practice.</p>
(f) confirm the tentative date on which the Bill, if enacted, will come into operation.	Sections 2(2), 10, 11(2), 12, 13, 14, 15 (in so far as it relates to the new section 6GB), 16, 17 and 18 shall come into operation on 15 August 2006.

The Administration was requested to –	The Administration's written response –
	Apart from these provisions, the new Ordinance shall come into operation on 1 September 2006.

June 2006