Subcommittee on Dutiable Commodities (Liquor) (Amendment) Regulation 2015 and Dutiable Commodities (Liquor Licences) (Fees) (Amendment) Regulation 2015

List of follow-up actions arising from the discussion at the meeting on 17 February 2015

Members noted that cases with a "good track record" meant those cases that - (a) did not have any substantiated complaint/enforcement action recorded against the licensed premises or the licensees in the licences register for at least two consecutive years immediately before licence renewal; (b) had been granted a full term (at present one year) licence at the time when their licences were last approved or renewed; and (c) did not receive objection or adverse comment from the public from its licence renewal application notice. According to the Administration, as at 31 December 2013, about 78% of the liquor-licensed premises would meet the "good track record" test. The Administration was requested to provide the following information -

(a) the breakdown of the liquor-licensed premises having a "good track record" by their types of business, particularly whether the premises concerned were restaurants or bars; and

(b) the number of complaints received and substantiated against liquor-licensed premises in each of the 18 districts in the past three years.

2. Regarding the Administration's proposal of setting the fee for a licence that was valid for more than one year at a level which was 1.5 times higher than the fee prescribed for a one-year licence, some members were concerned about the justifications for the proposal and the financial implications on the Government. The Administration was requested to -

(a) provide (i) the costing methods for and the cost recovery rate of existing fees for the issuance of new liquor licences and renewal of liquor licences respectively; and (ii) an estimation of the overhead costs expected to be saved on a departmental basis by extending the licence validity period from one year to two years; and

(b) referring to Annex F to the Legislative Council Brief (File Ref.: FH CR 2/3231/13), explain how and why the projected cost recovery rate of the licence renewal service would be reduced from the present 149% to 119%, resulting in an estimated decrease in average annual revenue by about $2.7 million.