

## LCQ14: Regulating claw machine venues

â€‹Following is a question by the Hon Leung Man-kwong and a written reply by the Secretary for Home and Youth Affairs, Miss Alice Mak, in the Legislative Council today (February 12):

Question:

It has been reported that the High Court ruled in 2022 that ordinary claw machine venues do not fall within the definition of "entertainment" under the Places of Public Entertainment Ordinance (Cap. 172), and are therefore not required to apply for a places of public entertainment licence. Some members of the public are concerned that at present, there is no legislation in Hong Kong regulating the operation of claw machine venues (including the probability of drawing prizes from claw machines, the contents of the products and the fees charged for the games, etc), and while there has been an upward trend of consumer complaints relating to claw machine games in recent years, it is rather difficult to deal with such complaints in the absence of relevant legislation. In this connection, will the Government inform this Council:

(1) of the respective numbers of reports involving claw machine games received by various law enforcement agencies in each of the past three years, the legislation involved in such cases, as well as the respective numbers of cases in which prosecutions were instituted and convictions were handed down;

(2) whether the Police had, in the past three years, taken the initiative to investigate if any claw machine games involved illegal gambling; if they had taken the initiative to investigate and the outcome was in the affirmative, of the number of venues and claw machines involved, as well as the number of prosecutions instituted; if they had not taken the initiative to investigate, the reasons for that;

(3) as it has been reported that some claw machine venues offer games solely relying on luck, for example, by rolling the dice, and even offer cash or expensive prizes to solicit business, and that both the Mainland and overseas countries regulate claw machine games by, amongst others, limiting the value of the products and stipulating that gambling should not be promoted and cash rewards not be offered, whether the authorities have plans to follow similar practices; if not, of the reasons for that; and

(4) whether the authorities have plans to review and amend the existing legislation, or put in place legislation and a licensing system targeting at claw machine-related games, etc, so as to strengthen the regulation; if so, of the details; if not, the reasons for that?

Reply:

President,

In consultation with the relevant policy bureaux, I give the consolidated reply to the Hon Leung Man-kwong's question on behalf of the Government as follows:

(1) Among the reports concerning claw machines received by the Office of the Licensing Authority of the Home Affairs Department in the past three years (from 2022 to 2024), there were two, six and five cases involving suspected unlawful gambling elements respectively. The relevant cases have been referred to the Hong Kong Police Force (HKPF) for follow up. The HKPF does not maintain other statistics on claw machines venues suspected of involvement in unlawful gambling.

In the past three years, the number of reports received and enforcement actions taken by the Customs and Excise Department (C&ED) related to claw machines regarding suspected contravention of the Trade Descriptions Ordinance (Cap. 362) are listed by year as follows:

Case category	2022	2023	2024
Reported cases	16	86	158
Prosecution cases*	0	1	2
Convicted cases*	0	1	2

\* The cases are mainly associated with the offence of possession for sale or for any purpose of trade or manufacture goods to which a forged trade mark was applied under section 9(2) of the Trade Descriptions Ordinance.

(2) The HKPF has all along tackled illegal gambling in a proactive manner and closely monitored the relevant trend in a bid to combat such activities timely through intelligence-led enforcement actions.

In November 2024, the Organized Crime and Triad Bureau of the HKPF mounted a "Sharpteam" operation against unlawful gambling activities and, for the first time, smashed a suspected unlawful gambling establishment operating claw machines for winnings in money in Mong Kok. During the operation, the Police arrested a total of 17 people, including the responsible persons of the establishment, its staff and the gamblers, who were suspected to have operated or managed an unlawful gambling establishment, assisted in the operation or management of an unlawful gambling establishment and gambled in a gambling establishment. Fourteen claw machines suspected to be gambling game machines in disguise were seized. Police investigation is underway, and the 17 arrested persons have been released on bail pending further investigation. The HKPF would seek advice from the Department of Justice when necessary.

The HKPF will continue its efforts in taking intelligence-led enforcement actions and in enhancing publicity and education, which include the production of promotional video clips, and dissemination of messages about combating unlawful gambling on conventional and social media platforms,

in order to crack down on different kinds of unlawful gambling activities.

(3) and (4) According to the Gambling Ordinance (Cap. 148), in order to obtain an Amusements with Prizes Licence (AWPL), one must first obtain a Places of Public Entertainment Licence (PPEL) under the Places of Public Entertainment Ordinance (Cap. 172). As mentioned in the Member's question, since the Court has ruled that typical claw machine venues where people clamp items in the machines upon payment are no longer required to obtain a PPEL under the Places of Public Entertainment Ordinance, the Government will continue to keep in view the operation of claw machine venues in the society and consider the regulatory issues concerned. In the meantime, claw machine venues are not required to obtain relevant licences, including the AWPL under the Gambling Ordinance.

However, the HKPF will continue to take appropriate enforcement actions against illegal gambling activities conducted under the camouflage of claw machines based on the evidence collected and in accordance with the Gambling Ordinance.

On the other hand, if the operation of claw machines venues involves the use of counterfeit goods for the purpose of trade or other unfair trade practices, the C&ED will take appropriate enforcement actions pursuant to the Trade Descriptions Ordinance.