Casino Control and Other Legislation Amendment Bill 2022

Explanatory Notes

Short title

The short title of the Bill is the Casino Control and Other Legislation Amendment Bill 2022.

Policy objectives and the reasons for them

The Bill implements a range of reforms relevant to the regulation of liquor, gaming and fair trading in Queensland. The amendments in the Bill are to:

- ensure casino integrity and modernise gambling legislation;
- introduce a framework for wagering on simulated events;
- extend New Year's Eve gaming hours; and
- introduce a cross-border recognition scheme for charitable fundraising.

Amendments to ensure casino integrity and modernise gambling legislation

The objectives of the Bill as it relates to casino and gambling regulation are to:

1. strengthen casino integrity and regulation in Queensland;
2. remove certain redundant requirements under the *Casino Control Act 1982* (Casino Control Act);
3. remove an identified human rights incompatibility under the Casino Control Act; and
4. modernise the Casino Control Act, *Casino Control Regulation 1999* (Casino Control Regulation), *Charitable and Non-Profit Gaming Act 1999*, *Gaming Machine Act 1991* (Gaming Machine Act), *Interactive Gambling (Player Protection) Act 1998* (Interactive Gambling (Player Protection) Act), *Keno Act 1996* (Keno Act), *Lotteries Act 1997* (Lotteries Act), *Wagering Act 1998* (Wagering Act) and *Wagering Regulation 1999* (Wagering Regulation) as required to improve regulatory agility, address cashless gambling and enable gambling rules to be notified on a departmental website.

<u>Strengthen casino integrity and regulation in Queensland</u>

Media allegations of money laundering, criminal infiltration and other integrity issues have, over the last two and a half years, prompted several major public inquiries and regulator and law enforcement investigations into casinos operated by subsidiaries of

Crown Resorts Limited (Crown) and The Star Entertainment Group Limited (Star) in multiple jurisdictions.

Some of the allegations as they pertain to Crown subsidiaries have been substantiated by the Bergin Inquiry in New South Wales,[1] the Finkelstein Inquiry in Victoria,[2] and the Owen Inquiry in Western Australia[3] and have resulted in those Crown subsidiaries being found unfit to hold casino licences in those States, while other allegations, in relation to Star's subsidiaries, are still being examined by multiple regulator and law enforcement agencies including by the Australian Transaction Reports and Analysis Centre and the New South Wales Independent Liquor and Gaming Authority which has established an independent investigation into The Star Sydney Casino, chaired by Mr Adam Bell SC.

These events suggest that the wider casino sector should be subject to stronger regulatory scrutiny to ensure casinos operate with the highest standards of integrity and accountability at all times.

Although Crown has no presence in the Queensland casino environment, Star, through subsidiaries, is the licensee and operator of Treasury Brisbane and The Star Gold Coast. Additionally, Star has a stake in Destination Brisbane Consortium Integrated Resort Operations Pty Ltd (DBC), the licensee of The Star Brisbane, and will operate the new casino on behalf of DBC when it is anticipated to open in 2023.

To ensure that failings of the kind found by the Bergin, Finkelstein and Owen Inquiries do not become prevalent in Queensland, the Bill enhances the Casino Control Act by:

- introducing and increasing penalties for critical offences to ensure there are meaningful consequences for breaches of the law;
- imposing a requirement on particular entities (that is, casino licensees, casino lessees, casino operators under casino management agreements and their associates) to self-report contraventions of the law and breaches of certain prescribed agreements to which they are a party, and to comply with all reasonable requests made by the Minister or regulator under the Act and do everything necessary to ensure that the management and operations of the casino operator are conducted honestly and fairly; and
- expanding information gathering powers and introducing other powers which are considered necessary to reflect the complexity of regulating casinos in current times.

These amendments have been informed by key recommendations from the Finkelstein Inquiry (*recommendations 18, 19, 20 and 27*). The Victorian Government has accepted all the Finkelstein Inquiry's recommendations and has legislatively implemented priority recommendations through the *Casino and Gambling Legislation Amendment Act 2021* (Vic). Where relevant, consideration has been given to this Victorian Act in the development of the amendments.

[1] Report of the Inquiry under section 143 of the *Casino Control Act 1992* (NSW), 1 February 2021 (Volumes One and Two).
[2] Report of the Royal Commission into the Casino Operator and Licence, October 2021 (Volume One).
[3] Perth Casino Royal Commission Final Report, 4 March 2022.

Remove certain redundant requirements under the Casino Control Act

In the interests of regulatory efficiency, the Bill removes certain prescriptive requirements under the Casino Control Act that have become redundant and were sought by the casino sector for removal.

Remove an identified human rights incompatibility under the Casino Control Act

When the *Human Rights Act 2019* (Human Rights Act) commenced, one of Government's key implementation priorities was for agencies to undertake a review of their portfolio legislation to assess the compatibility of existing provisions with the human rights protected under the Act, and address or remove any incompatibilities.

It has been identified that section 105 of the Casino Control Act may be seen to limit the right to freedom of movement, and the right to liberty and security. The provision permits a casino inspector, and a casino operator and its servants or agents to detain a person suspected of cheating or possessing unlawful equipment (or attempting to do so), until such time as police arrive. Reasonable force may be used to detain the person if necessary.

Section 19 of the Human Rights Act provides that every person lawfully within Queensland has the right to move freely within the State and to enter and leave it. The right places an obligation on the State not to act in a way that unduly restricts the freedom. Section 105 of the Casino Control Act limits this right as the provision restricts a person's ability to choose to leave a casino under certain circumstances.

Section 29 of the Human Rights Act provides that every person has the right to liberty and security. A person who is detained must be informed at the time of the detention of the reason for their detention and must be promptly informed about any proceedings to be brought against the person. There is no express requirement under the Casino Control Act for a detained person to be informed of the reason for their detention.

In assessing whether the detention power granted under the Casino Control Act is reasonable and demonstrably justifiable, consultation was undertaken with key stakeholders to determine the nature and extent of the use of the power. Consultation identified an alternative whereby section 105 could be retained with additional legislative safeguards with respect to its use. However, it should be noted that the detention power does not apply to police and can only be used by casino operators and their employees and agents, and casino inspectors.

The primary purpose of the detention power is to enable a person who is suspected of cheating or possessing unlawful equipment, or attempting to do such things to be detained for questioning by police. However, there are viable alternatives to achieving this objective including seeking a person's voluntary agreement to stay in the casino until a police officer arrives, or confirming their identity so that they can be referred to police for subsequent investigation. Casino security footage can also be provided to police for further identification of the person.

It may also be noted that section 105 pertains to very narrow offences and no similar power is required for more serious crimes such as assault (in the past, persons requiring

detention have been referred to the Queensland Police Service rather than being detained by casino operators or inspectors). Accordingly, the limitation on the right to freedom of movement and liberty imposed by section 105 is not considered to be reasonable and demonstrably justifiable. The Bill addresses this incompatibility with human rights by removing the section.

<u>Modernise the Casino Control Act, Casino Control Regulation, Charitable and Non-Profit Gaming Act, Gaming Machine Act, Interactive Gambling (Player Protection) Act, Keno Act, Lotteries Act, Wagering Act and Wagering Regulation as required to improve regulatory agility, address cashless gambling and enable gambling rules to be notified on a departmental website</u>

A) Cashless gambling

On 27 July 2021, the Government released its four-year plan to prevent and minimise gambling harm. The *Gambling Harm Minimisation Plan for Queensland 2021-25* (HM Plan) seeks to shift the focus away from 'responsible gambling' to 'safer gambling', recognising that a safer gambling environment requires collaborative effort between industry, community and government beyond placing the sole responsibility on gamblers to undertake responsible gambling. However, the plan identifies two strategic risks which may hinder the delivery of this goal – the lack of regulatory agility to address emerging technologies, and regulatory systems that are not in step with community expectations.

In this regard, certain aspects of the Casino Control Act and other Queensland gambling legislation have failed to keep pace with digital payment technologies and the corresponding consumer demand for faster and more convenient payment experiences. The recent COVID-19 health emergency has further served to reinforce the growing preference for contactless forms of payments and underscored the wider gambling industry's desire to be able to offer cashless solutions for gambling.

The Government has committed to investigate a transition pathway to safe cashless gambling. Although the commitment is directed at clubs and is therefore primarily concerned with the Gaming Machine Act, impacts relating to the decline in the use of cash are universal. There are also certain benefits to cashless transactions including convenience, reduced business cost and risk, added security and traceability. In response to the Bergin Inquiry, Crown has undertaken to implement cashless gambling in all its Australian casino properties while Star has reportedly separately indicated to the New South Wales Government that it will work with state-based regulators to gradually transition to cashless solutions to enhance the integrity of its casino operations. More recently, the Finkelstein Inquiry recommended that the use of cash be phased out at the Crown Melbourne Casino for gaming transactions over $1,000 in order to reduce the incidence of money laundering (*recommendation 3*).

In light of industry's needs and the inevitable direction towards cashless gambling, the Bill amends the various gambling Acts (where necessary) to remove any legislative barriers to the consideration of cashless payment methods, and provide the mechanisms for the technical assessment and if appropriate, approval of cashless gambling equipment. The Bill also ensures that all gambling equipment approvals may be granted

subject to conditions which will provide the regulator with the flexibility to ensure that any specific harm concerns arising from new products can be appropriately addressed.

The Bill additionally introduces a guideline making power in the gambling Acts (where there is no existing power) that may be used to issue guidance about the attitude the chief executive is likely to adopt on a particular matter (such as, for example, expectations about the mitigation of gambling harm with respect to cashless payment methods) or how the chief executive administers a gambling Act.

The Bill also includes concomitant amendments to all the gambling Acts to further support the Government's ongoing commitment to minimise gambling harm by providing the Government with the flexible means to respond to emergent issues that impact gambling harm as a result of new technologies or gambling products. Specifically, the Bill enables the making of a regulation which prescribes a harm minimisation measure that is required to be implemented by persons to whom the regulation applies, if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise the potential for harm from the relevant form of gambling and is consistent with the objects of the relevant gambling Act, or it is otherwise in the public interest to prescribe the measure. The amendments aim to ensure that Queensland's gambling regulatory frameworks will remain proportionate, contemporary and fit for purpose, which is a key strategic pillar of the HM Plan.

B) Gaming rules

Each of the gambling Acts provide that the Minister may make rules about a particular game. Once a rule is made, the Minister must notify the making of the rule in the gazette.

Notification by gazette is not user friendly. There is also a financial cost to the Department for notifying by gazette. The Bill removes the requirement for notification to be made by gazette, instead allowing the notification to be made on the Department's website.

Amendments to introduce a framework for wagering on simulated events

The Bill seeks to amend the Wagering Act to authorise the exclusive wagering licensee under the Wagering Act, a subsidiary of Tabcorp Holdings Limited (Tabcorp), to conduct wagering on simulated sport and racing events and related contingencies that are approved by the Minister.

A 'simulated event' refers to an race or sporting event simulated by a computer, for which the outcome is solely determined by numbers selected by a random number generator (RNG).

The amendments will allow the state's exclusive wagering provider to offer the same wagering products made available by Tabcorp subsidiaries in New South Wales, Victoria and the Australian Capital Territory, subject to Ministerial approval of those products.

Importantly, the amendments provide that wagers on simulated events must not be accepted by phone or other form of communication (including online). Wagering on simulated events will therefore only be available within Tabcorp agencies and outlets.

Amendments to extend New Year's Eve gaming hours

The Bill seeks to formalise longstanding administrative arrangements (in place since 2000) authorising extended gaming hours on New Year's Eve by providing an automatic extension of approved hours for gaming on New Year's Eve until 2am on New Year's Day.

This is to align New Year's Eve trading hours with a similar statutory extension of liquor trading hours under section 9(13) of the *Liquor Act 1992* (Liquor Act).

Section 9(13) of the Liquor Act authorises all liquor-licensed premises in Queensland to supply liquor on New Year's Eve until 2am on New Year's Day. Aligning gaming and liquor hours under the respective legislative frameworks will provide greater certainty around New Year's Eve trading hours for licensed premises with gaming machine approvals.

Amendments to introduce a cross-border recognition scheme for charitable fundraising

Many not-for-profit associations are reliant on fundraising and public donations to deliver aid, relief, and other services to the community. Fundraising regulation is the individual responsibility of the States and Territories (the States). Historically this has created a patchwork of fundraising rules and divergent approaches to authorising fundraising activities across Australia.

Increasingly, not-for-profits operate across state borders and run appeals for support and collect donations online. This in turn raises costs for not-for-profits that must navigate multiple regulatory regimes and obtain separate fundraising approvals in each State where they wish to fundraise. To support the sector, the Queensland Government is committed to reducing the regulatory burden for charitable fundraisers.

Accordingly, the objectives of the Bill are to:

- implement a cross-border recognition model (referred to in the Bill as 'deemed registration') for fundraising authorisation under the *Collections Act 1966* (Collections Act); and
- expedite the local charity registration process by removing public objections to applications to register as a charity under the Collections Act.

A deemed registration model was developed in 2020 by an interjurisdictional working group.

Under the deemed registration model, charities registered with the Australian Charities and Not-for-profits Commission (ACNC) will be eligible to receive a fundraising authorisation from a participating jurisdiction simply by notifying the state regulator that such an authorisation is required. The model was endorsed by the Council on

Federal Financial Relations (CFFR) comprised of the Commonwealth and State Treasurers in December 2020. The model as adopted by Queensland will broadly align with the approach of South Australia and Victoria.

Registration with the ACNC entitles registrants to Commonwealth tax concessions such as deductible gift recipient status. However, the ACNC is a Commonwealth body and as such is not responsible for regulating the *conduct* of fundraising. Therefore, to ensure appropriate oversight of entities that collect public donations is maintained, the conduct requirements of the Collections Act will be applied to deemed registrants fundraising in Queensland.

The Bill also aims to simplify and expedite fundraising authorisations for charities who are not registered with the ACNC and are thus not eligible for deemed registration. The Bill proposes that charities who apply for registration under the Collections Act will no longer be required to await the conclusion of a 28-day public advertising process, as the ability to object to a charity's registration will be removed. Public advertising and consideration of objections potentially delay the ability of the charity to legimitately commence urgent appeals for support, such as disaster relief. By removing the ability to object to a charity's application for local registration, the Bill by extension removes the requirement for those applications to be advertised.

Public objections are of limited efficacy. An estimated 2% or less of applications receive objections annually, and there is no record of registration being refused on this basis. Further, as there is no equivalent objection process in other States, the Bill will aid national harmonisation efforts. A member of the public will still be able to apply to have a charity deregistered under existing provisions of the Collections Act.

Achievement of policy objectives

Objective: To strengthen casino integrity and regulation in Queensland

A) Introduce duty to comply with reasonable requests and ensure honesty and fairness in the management and conduct of casino operations

The Bill amends the Casino Control Act to introduce a duty on particular entities (that is, a casino licensee, casino lessee, and casino operator under a casino management agreement and their associates) to comply with all reasonable requests made by the chief executive, inspector or Minister and to do everything necessary to ensure that the management and casino operations of the relevant casino operator is conducted honestly and fairly.

It is considered critical to a successful casino regulatory framework in Queensland that the casino regulator and responsible gambling Minister have the ability to gather necessary (accurate, factual and transparent) information about casino operations. This ability is essential to understanding and responding to emerging trends and risks within the casino sector, and detecting and preventing breaches of casino legislation and approved control systems. The new duty will also clarify the State and public's expectations as to the conduct of entities involved or otherwise associated with a casino or hotel-casino complex in Queensland.

B) Introduce requirement to self-report breaches and contraventions

The Bill amends the Casino Control Act to introduce a requirement for certain entities (that is, a casino licensee, casino lessee, casino operator under a casino management agreement and certain associates) to give written notice of any contraventions of the Casino Control Act, agreement Act for the casino licence relevant to the entity, or directions given to the entity by the chief executive or Minister, as well as any breaches of certain agreements to which the entity is a party.

The new obligation to disclose breaches and contraventions is intended to encourage these entities to have adequate processes in place to detect when a breach or contravention may have occurred. It is envisaged that this will, in turn, enhance the transparency of casino operations and assist the relevant entities in appropriately embracing a culture of responsibility. The new obligation will also provide the regulator with a clearer picture of any potential issues relating to casino operations which may warrant further investigation.

C) Improve ability to request information

The Casino Control Act does not provide a broad authority to request information from a casino entity (that is, a casino licensee, casino lessee, or casino operator under a casino management agreement) or persons otherwise associated with a casino entity, although there are particular instances where information may be requested. For example, a casino operator must submit reports relating to the operations of the hotel-casino complex to the chief executive in the approved form at prescribed times (section 81) and must provide information about any books, accounts, and records relating to the operation of the casino at the request of an inspector (section 88).

The Bill introduces a general information-seeking power to ensure that the chief executive and Minister can be informed of matters of specific importance to the chief executive and Minister, including emerging matters that might not be captured by approved forms or which may not be the subject of a current investigation.

D) Introduce broad prohibition on false or misleading information

The Casino Control Act currently prohibits the provision of false or misleading information in particular circumstances such as in relation to an application made under the Act (section 110(f)), a return with respect to a tax, levy or fee payable under the Act (section 107); and a request for information from an inspector (section 89(d)).

A broader catch-all provision regarding false or misleading information exists under section 31(1) of the Casino Control Act which provides that it is a ground for cancellation or suspension of a casino licence, or termination of a casino management agreement or casino lease to knowingly give false or incorrect information to the Minister, chief executive, or an inspector.

It is, however, inadequate to rely on cancellation or suspension of a casino licence or termination of a casino management agreement or casino lease as a deterrent for particular behaviour. Cancellation or suspension of a casino licence, and termination of a casino management agreement or casino lease is essentially the ultimate penalty

which would have major ramifications not only for the relevant casino entity, but for casino employees, suppliers, and the hospitality industry. It is also unrealistic to expect that the regulator will pursue cancellation procedures in relation to (comparably) minor infractions that could otherwise be addressed directly through standard enforcement action. The threat of cancellation, suspension or termination is therefore, not an adequate deterrent to the provision of false or misleading information by a casino entity.

The Bill amends the Casino Control Act to provide that a casino licensee, casino lessee or casino operator under a casino management agreement and any other entity given an information requirement under new section 30C must not give information to the Minister or chief executive that they know, or ought reasonably to know, is false or misleading. The Bill prescribes a maximum penalty of 160 penalty units.

E) Introduce power to require information on oath or affirmation

In order to be able to ascertain whether casino operations are being conducted honestly, fairly and in accordance with the Casino Control Act, it is important that a person who is required to provide information or a document under the Act does so in a truthful manner or face potential serious consequences.

The Bill therefore, amends the Casino Control Act to enable a requirement to be placed on a person to provide information on oath, or information or a document that is verified by statutory declaration. The requirement is intended to have the effect of putting the person on notice that the information or document they provide must be true. If it is not, they may be liable to substantial penalties including imprisonment. Under section 193 of the Criminal Code under the *Criminal Code Act 1899*, a person who makes a statement on oath or a statement verified by declaration or affirmation that the person knows is false in a material particular commits a crime that is punishable by up to 7 years imprisonment.

F) Introduce ability to require engagement of a qualified external adviser

At times, there may be matters relating to the operation of a casino that the casino regulator is not a subject matter expert in such as, for example, anti-money laundering and counter terrorism financing programs which is the responsibility of the Australian Transaction Reports and Analysis Centre. The casino regulator should have the required resources it needs to properly regulate casino operations.

The Bill therefore, amends the Casino Control Act to provide the Minister with the power to direct a casino entity (that is, a casino licensee, casino lessee or casino operator under a casino management agreement) to engage and pay for an approved qualified external adviser, on terms and conditions decided by the Minister, to inquire into and report to the Minister on any matter relevant to casino operations, the conduct and suitability of the casino entity, the suitability of a person associated with the casino entity, and any other matter relating to the casino entity and the administration of the Act.

Where a casino entity has engaged an expert, the casino entity will be required to give that adviser any information the adviser reasonably requires to perform his or her

functions and will not be excused from doing so on the basis that the requested information is the subject of legal professional privilege.

G) Increase penalty for contravening an approved control system

The Bill amends section 73 of the Casino Control Act to increase the penalty for contravening an approved control system from 200 penalty units to 400 penalty units.

Adherence to the approved internal controls is critical to a number of key objectives, including ensuring the operation of a casino remains free from criminal influence; assuring proper taxation of revenues; and preventing errors, irregularities and theft. Accordingly, it is considered essential that breaches of the approved control system are appropriately penalised.

H) Increase penalty for interfering with inspectors

Casino inspectors are equipped with a number of powers under the Casino Control Act to carry out their duties including being able to receive and investigate patron complaints, inspect gaming equipment and records, and require a person to answer questions or supply information.

As inspectors are a key measure to ensuring casino operations are being conducted in accordance with the Act, it is vital that they be able to carry out their duties effectively and efficiently without interference from anyone. Accordingly, it is considered that any person who attempts to frustrate an inspector from carrying out his or her duties should be appropriately penalised.

The Bill therefore, amends the Act to increase the penalties associated with interfering with a casino inspector’s duties from 40 penalty units to 160 penalty units.

I) Introduce a pecuniary penalty as a form of disciplinary action (maximum $50 million)

The current forms of disciplinary action available under section 31 of the Casino Control Act include a letter of censure, direction to rectify, suspension or cancellation of the casino licence, a direction to terminate the casino lease or casino management agreement, and appointment of an administrator.

Short of suspending or cancelling the casino licence, or taking some action in relation to the casino lease or casino management agreement, there are limited repercussions for a Queensland casino entity found to have committed an act that is serious and fundamental in terms of the integrity of casino gaming. The Bill resolves this by introducing a pecuniary penalty.

The Bill amends the Casino Control Act to permit, alongside existing disciplinary options following show cause action, a financial penalty to be imposed if a casino licensee, casino lessee or casino operator under a casino management agreement has engaged in behaviour that constitutes a ground for disciplinary action. The Minister will be able to issue a judicially reviewable minor fine (of up to $5 million), while the

Governor in Council will be able to issue a non-reviewable major fine (of up to $50 million).

Significant penalties are sought to ensure penalties are not seen, given the profits generated by casino gaming, as an ‘acceptable cost of doing business’. In allowing for a casino licence to be cancelled or suspended, the Casino Control Act has always allowed for an indirect financial penalty to be imposed (via the removal of the ability to operate a casino and earn an income). Accordingly, introduction of a pecuniary penalty under a show cause process is not considered to be unreasonable or inconsistent in the context of this approach.

J) Introduce power to impose a cost order

The Bill amends the Casino Control Act to allow the reasonable costs and expenses of disciplinary action to be recovered from a casino licensee, casino lessee and casino operator under a casino management agreement. A cost order is intended to deter Queensland casino entities from taking a lax approach towards disciplinary proceedings in order to delay or frustrate such proceedings. If a casino entity was made to cover the cost of disciplinary action, it would encourage the entity to engage and participate in the proceedings in a manner that would facilitate its expedient conclusion.

Under the amendments, costs and expenses must be reasonable and may only be imposed if disciplinary action is ultimately carried out. Costs and expenses that may be recouped relate solely to costs and expenses incurred by the Department in assisting the Minister or Governor in Council in preparing for and taking disciplinary action against the casino entity (for example, investigating whether a ground for the disciplinary action arose, obtaining legal advice about a matter relating to the disciplinary action, or engaging a suitably qualified person to advise on a matter relating to the disciplinary action), and considering submissions and responses made as part of the show cause process or about a recommendation of the Minister under section 31.

The Bill provides that before recovering costs and expenses from a casino entity, the casino entity must be provided with a written notice stating the amount of the costs and expenses incurred, how the amount was calculated and when the amount must be paid to the chief executive. The decision to impose a cost order will be judicially reviewable.

If the casino entity does not comply with the written notice, the Minister may recommend to the Governor in Council that the casino licence be suspended or cancelled, or the casino lease or casino management agreement be terminated as relevant. However, before making such a recommendation, the Minister must provide the casino entity with an opportunity to make a submission as to why the Minister should not make the proposed recommendation. The Minister must then consider all submissions properly made and decide to either take no further action about the recommendation or make the recommendation to the Governor in Council.

The Governor in Council may, after considering the Minister’s recommendation and all submissions properly made to the Minister, either take no action or take action under section 31(15) of the Act (that is, suspend or cancel the casino licence, or direct the termination of the casino lease or casino management agreement). The Governor in

Council's decision is final and conclusive and may not be appealed against, reviewed or quashed in any way.

K) Lower the threshold for taking disciplinary action

Currently, under section 31 of the Casino Control Act, the Minister must institute a show cause process where a ground prescribed under section 31(1) arises and the act or omission constituting the ground is "of such a serious and fundamental nature that the integrity of the operation of the casino is jeopardised or the interest of the public is adversely affected". If the act or omission constituting the ground is not serious and fundamental, then the Minister may only, under current section 31(10), issue a letter of censure (but need not commence a show cause process).

In effect, this means that before the Minister can consider any action other than a letter of censure, the ground must be established to be of a serious and fundamental nature. This arrangement prevents the regulator from pursuing remedial action against casino entities for infractions of an important, but less fundamental nature.

The Bill amends the Casino Control Act to remove the requirement that grounds for disciplinary action must be "of such a serious and fundamental nature that the integrity of the operation of the casino is jeopardised or the interest of the public is adversely affected" before action can be taken. The removal of the requirement is appropriate given that the Bill will also introduce pecuniary penalties as a disciplinary option to be imposed on a casino entity for a less serious act or omission which does not warrant the cancellation or suspension of a casino licence or the termination of a casino lease or casino management agreement.

L) Introduce a new ground for disciplinary action

Before any form of disciplinary action can be taken against a casino licensee, casino lessee or casino operator under a casino management agreement (even a lesser disciplinary action such as a letter of censure), one or more of the prescribed grounds for taking disciplinary action under section 31 of the Casino Control Act must arise. Unlike other gambling Acts, the Casino Control Act lacks contravention of the Act as a ground for disciplinary action.

Accordingly, the Bill amends the Casino Control Act to provide that contravention of the Act is a ground for disciplinary action. The amendment will capture contraventions that are not specifically punishable as offences under the Casino Control Act.

M) Clarify the grounds for disciplinary action

The Bill amends the Casino Control Act to clarify that a ground for taking disciplinary action relating to a conviction of an offence does not require the conviction to be recorded.

Casino gaming is a privileged business. There is no 'right' to operate a casino. A regulated entity's privilege to hold a casino licence is dependent upon it conducting the casino with honesty, integrity and in accordance with the law, and being, at all times, of good character. Therefore, a ground for taking disciplinary action should arise

regardless of whether the conviction of an offence results in the conviction being recorded.

N) Allow the Minister to undertake an ongoing suitability investigation to satisfy himself or herself of suitability

Section 30 of the Casino Control Act provides that the Minister may from time to time investigate an existing casino entity or the entity's associates to satisfy the Governor in Council of the entity or the associate's suitability. The Bill amends the Act to provide that the Minister may undertake an investigation to satisfy himself or herself of the suitability of the entity to enable the Minister to decide on the appropriate disciplinary action for the Minister to take against the entity, including a recommendation to the Governor in Council for stronger disciplinary action if warranted.

The amendment does not change the fact that the Governor in Council remains ultimately responsible for determining whether the relevant entity will retain its role as a casino licensee, casino lessee or casino operator under a casino management agreement.

O) Clarify that findings of other investigations may be taken into account in determining suitability

The Bill amends the Casino Control Act to allow the Minister to have regard to the findings of an investigation under a law of the State or the Commonwealth or undertaken by a State authority (such as royal commission inquiries), or a report of an external adviser engaged under the Act in determining suitability of a casino entity and any person associated with the management and operations of a hotel-casino complex or casino.

Given the gravity of the findings by recent public inquiries into casinos operating in other jurisdictions (the Bergin Inquiry in New South Wales, Finkelstein Inquiry in Victoria and Owen Inquiry in Western Australia), this amendment is considered appropriate and is particularly relevant for casino entities that operate across multiple jurisdictions.

P) Enable letters of censure to be made public

Section 31 of the Casino Control Act provides that a letter of censure becomes a permanent part of the records of the Department about the casino licence, casino lease and casino management agreement or any person censured. However, although all correspondences to a casino licensee, casino lessee and casino operator form part of the Department's records, there is a need for greater transparency in respect of such letters.

Pursuant to section 3, the object of the Casino Control Act is to ensure that, on balance, the State and the community as a whole benefit from casino gambling. For this object to be met, there must arguably be public confidence and trust in the credibility, integrity and stability of casino operations. Consequently, the public ought to know if a casino licensee, casino lessee or casino operator under a casino management agreement has been reprimanded for an act or omission which constitutes a ground for taking disciplinary action.

The Bill therefore, amends the Act to provide a discretion to make public a letter of censure issued to a casino entity.

Objective: To remove certain redundant requirements under the Casino Control Act

A) Remove requirement for fingerprints and photograph

The Casino Control Act requires a person whose duties or responsibilities relate to, or are in support of, the operation of a casino to be licensed as a casino employee (CE). A person who works in a managerial capacity, or is empowered to make decisions or exercise significant influence with respect to the operation of a casino is required to be licensed as a key employee (KE). In making an application for a CE or KE licence, an applicant must agree to have their fingerprints and photograph taken by the chief executive. If the applicant is successful in obtaining an employee licence, the photograph is used on the licence.

The Office of Liquor and Gaming Regulation (OLGR) has launched a new online services hub to improve how individuals lodge and renew most liquor and gaming-related individual licence applications. OLGR proposes to transition CE and KE licence applications to the hub. Maintaining the fingerprint and photograph requirements will prevent the full seamless 'end to end' benefits of the online lodgement process from being realised as an applicant must make themselves physically available for their fingerprints and photograph to be captured. The Bill therefore, removes the requirements in order to streamline the licensing process and provide significant administration efficiencies, particularly given the number of persons expected to be employed for the opening of The Star Brisbane.

As part of their application for a CE or KE licence, an applicant must submit particular information needed to verify their identity (ID) including at least one photo ID such as a driver's licence or passport. Applicants are also required to authorise the chief executive to undertake any necessary investigations or enquiries with state, federal or international authorities or any other relevant agency in order to enable the chief executive to make an assessment of the integrity, responsibility, personal background, financial stability and general reputation of the applicant.

It is considered unlikely that the integrity of the licensing process will be adversely affected by removing the need to furnish fingerprints as applicants are required to provide a sufficient level of identification to enable criminal history checks to be undertaken. The reliance by OLGR on verified sources of identification, such as a driver's licence, when undertaking criminal history checks is, in the majority of circumstances, sufficient to enable a search of the full details of a person's criminal history, including anything conducted under an alias, without the need for fingerprints to be taken.

There is also minimal risk in removing the licensee's photograph on the CE or KE licence as it is very difficult for a person to impersonate someone else. As mentioned above, all CE and KE applicants are required to provide sufficient evidence of

identification to enable a criminal history check to be undertaken. One of these forms of identification must be a photo ID.

Once licensed, section 41 of the Casino Control Act requires the licensed employee to wear a form of identification at all times whilst on duty in the casino. Section 17 of the Casino Control Regulation provides that the form of identification must include a photograph of the employee's face at least 30 millimetres square and stating, at least 8 millimetres high, the employee's licence number and access code. This identification is issued by the casino operator and is separate to the CE and KE licence.

B) Remove requirement for letter of intent to employ

The Casino Control Act requires an application for a CE or KE licence to be accompanied by a letter of intent from the casino operator. The original purpose of the requirement was to formalise the casino operator's endorsement of the applicant to obtain a CE or KE licence.

The Bill removes the redundant requirement for the letter of intent. From a regulatory perspective, there is minimal risk in doing so as a person cannot work in a casino without being employed by a casino operator.

C) Remove requirement for notification of commencement

If an applicant is successful in obtaining the necessary employee licence as a CE or KE, the casino operator must provide a notification of commencement within seven days after the CE or KE commences employment with the casino operator.

The Bill removes the notification requirement. Under the Casino Control Act, a CE and KE licence remains in force from the date of issue until:

- the licensee dies;
- it is cancelled by the chief executive or surrendered by the licensee; or
- 12 months after the licensee ceases to be employed in a Queensland casino.

The notification of commencement simply acts as an administrative trigger for a licensee's status to be updated in OLGR's database as being 'active' so that their licence is not cancelled. OLGR has advised it will be able to make administrative changes to ensure licences are not cancelled even when a letter of commencement is not received.

There is no inherent risk associated with licensing a CE or KE who does not commence employment with a casino operator, as an employee must be issued with a separate casino identification document and access card in order to enter sensitive (i.e. non-public) areas within the casino.

Further, the casino operator's existing obligation under section 47 of the Casino Control Act to notify the chief executive when a person ceases to be employed will assist to ensure a person does not remain licensed if they are no longer employed.

D) Remove requirement to specify application type

An application for a CE or KE licence must meet particular requirements under the Casino Control Act. Section 35 provides that the application must specify the type of licence applied for. The Bill removes the requirement to specify the type of licence being applied for as there are separate approved application forms for CE and KE applications.

E) Remove requirement to seek approval for training nominee

A casino operator must, under the Casino Control Act, ensure training courses relating to the playing of games, the conduct of games and associated activities in connection with casino operations are provided by the casino operator or, with the chief executive's approval, by the casino operator's nominee for persons employed or proposed to be employed as a CE or KE.

The Bill removes the requirement to seek approval for a training nominee.

The content, format and duration of casino training courses were previously approved by the chief executive. However, the *Liquor and Gaming (Red Tape Reduction) and Other Legislation Amendment Act 2013* removed the involvement of the chief executive in the approval of casino training courses on the basis that it was questionable whether a gaming regulator was best placed to assess the adequacy or otherwise of any training course provided to casino employees to deal games, particularly new games where the regulator itself would have to acquire similar expertise. Accordingly, the casino operator now bears the responsibility for ensuring casino training courses will provide employees with the necessary competency to undertake their licensed role.

In light of this, any application seeking approval for a casino operator's nominated training provider to conduct employee training would therefore, not entail consideration of the nominated training provider's training course. The chief executive would only simply be approving the nominated training provider.

It is not considered necessary for the chief executive to approve training providers of casino training courses as the chief executive does not approve training providers of other courses required to be undertaken by certain people involved in Queensland's liquor and gaming industry. For example, persons employed in service roles within the liquor and gaming industries must complete mandatory training in responsible service of alcohol (RSA) and responsible service of gaming (RSG) under the Liquor Act and Gaming Machine Act respectively. OLGR previously administered the training framework and approved trainers of these courses.

In 2011, the Council of Australian Governments entered into an intergovernmental agreement with the Commonwealth Government on national reforms for the regulation of vocational education and training (VET). This included the establishment of a national VET regulator, the Australian Skills Quality Authority (ASQA), which is responsible for the registration and regulation of registered training organisations (RTOs) and accreditation of VET courses.

The *Vocational Education and Training (Commonwealth Powers) Act 2012* subsequently referred Queensland's legislative powers in regard to regulating VET, including the regulation of RTOs to the Commonwealth Government. To ensure

consistency with Queensland's referral of power, amendments were made to the Liquor Act and Gaming Machine Act by the *Liquor and Gaming (Red Tape Reduction) and Other Legislation Amendment Act 2013* to remove provisions relating to the approval of trainers for RSA and RSG courses.

Given that OLGR no longer approves trainers for RSA and RSG courses, there is little justification for requiring trainers of casino training courses to be approved by OLGR.

Casino operators are not RTOs themselves. However, if, in the future, OLGR considers it necessary for third party trainers nominated by casino operators to undertake training on their behalf to be a RTO in the relevant field of training, the requirement could, rather than be prescribed in legislation, be included in the approved control systems for casino operators at the direction of the chief executive. A contravention of the approved control system currently attracts a maximum of 200 penalty units under the Casino Control Act. However, amendments in the Bill will increase the maximum to 400 penalty units.

Objective: To remove an identified human rights incompatibility under the Casino Control Act

As section 105 of the Casino Control Act unduly limits the right to freedom of movement and liberty, the Bill repeals the provision. The Bill also makes a consequential repeal to section 118 of the Casino Control Act. Section 118 provides that no liability will be incurred by any person for actions taken under the detention power in good faith. As section 118 relates solely to actions taken under section 105, there is no need for section 118 if section 105 is repealed.

Objective: To modernise the Casino Control Act, Casino Control Regulation, Charitable and Non-Profit Gaming Act, Gaming Machine Act, Interactive Gambling (Player Protection) Act, Keno Act, Lotteries Act, Wagering Act and Wagering Regulation as required to improve regulatory agility to address cashless gambling and enable gambling rules to be notified on a departmental website

A) Introducing a cashless gambling framework

The Bill amends the gambling Acts to the extent required to improve each Act's capacity to address and respond to emerging technologies and cashless payment methods for gambling. The Bill does this by:

(i) allowing alternative payment methods (such as electronic funds transfer) to be considered and approved for use in Queensland in the gambling environment in lieu of the traditional forms of payment (ie. by cash and cheque);

(ii) ensuring that cashless systems and technology, and other emergent technology, can be approved (with conditions if required) and made to undergo technical evaluation (if considered necessary) before their use in the gambling market; and

(iii) providing a regulation making power dealing with the methods of payment that may be used in connection with the gambling activity authorised by the relevant gambling Act.

(i) Consideration and approval of alternative payment methods

The Bill amends the Casino Control Act to allow the chief executive to approve alternative methods to:

- pay for chips;
- redeem chips and chip purchase vouchers;
- pay out money held in a player's account;
- deposit money into a player's account;
- issue chip purchase vouchers; and
- redeem cheques.

While the Gaming Machine Act already provides for cashless gaming via ticket-in/ticket-out and centralised credit systems, the Bill amends the definitions of 'gaming-related system' and 'gaming equipment' under the Act to potentially provide for other cashless payment methods.

The Bill also amends the Keno Act to allow a person to make a deposit into their player account by a payment method approved by the chief executive (in addition to the current methods of cash or cheque). The chief executive will also be able to approve an alternative payment method (in addition to cash) for a keno licensee to pay a person the amount outstanding in their player account.

(ii) Technical evaluation and approval (with conditions if necessary) of cashless systems and technology

The Wagering Act, Lotteries Act, Interactive Gambling (Player Protection) Act, Charitable and Non-Profit Gaming Act and Keno Act each define equipment that is used to 'conduct' the relevant gambling activity authorised by the Act. If that equipment is then prescribed as regulated gambling equipment, it will be subject to evaluation (if deemed necessary) and approval.

The Bill expands the definitions of gambling equipment to include equipment that is used 'in connection with' the relevant gambling activity authorised by the Act. This is intended to allow emergent cashless gaming systems and components as well as equipment proposed to be used in the playing (and not just in the conduct) of an authorised game to be prescribed as regulated equipment for those Acts, should it be considered necessary to do so, thus exposing that equipment to the requirement for evaluation and approval.

The Casino Control Act already requires approval of most equipment used in connection with gambling. However, the Bill makes a small amendment to ensure that the chief executive's approval of gaming equipment for use in a casino may include approval of any electronic payment method to be used with the equipment.

The approval and evaluation of cashless systems under the Gaming Machine Act will be captured through the Act's existing provisions relating to the approval and technical evaluation of gaming related systems. As mentioned above, the Bill makes amendments to the definition of 'gaming related system' and 'gaming equipment' to enable other types of cashless technologies to be captured by the Act's technical integrity framework.

The Bill also clarifies, where necessary under the relevant gambling Acts, that conditions may be imposed on regulated equipment approvals. The Bill does not limit this conditioning power to cashless systems but ensures that all regulated equipment can be subject to enforceable conditions.

(iii) Regulation making power about payment methods

The Charitable and Non-Profit Gaming Act, Keno Act, Lotteries Act, Interactive Gambling (Player Protection) Act and the Wagering Act are generally silent on the type of payment methods which may be used to enter a game or make a bet; deposit into or withdraw from a gambling account; and pay winnings, prizes and refunds. In order to future proof the Acts, the Bill includes a consistent regulation-making power in each of these Acts which would enable a regulation to be made to prohibit, permit or otherwise regulate the different types of payment methods.

A similar regulation making power is not required in the Casino Control Act because that Act will, through amendments made by the Bill, have sufficient flexibility for regulating how bets may be made and winnings paid. The regulation making power is also not required in the Gaming Machine Act because that Act only regulates gaming machines and the payment methods for gaming machines are captured through equipment approvals. This will be further reinforced by amendments in the Bill to the definitions of 'gaming related system' and 'gaming equipment'. The Gaming Machine Act also regulates how payments for the redemption of gaming tokens, winnings and gaming machine credits may be made under Part 6, division 7 (Provisions about winnings and other payments) and through the rules ancillary to gaming which are prescribed under schedule 3 of the *Gaming Machine Regulation 2002* (Gaming Machine Regulation).

B) Other changes to enhance regulatory agility and respond to emergent technologies and practices

The Bill amends the gambling Acts to more broadly enhance regulatory agility in response to new technologies and practices by:

(i) ensuring the chief executive has the ability to issue guidelines; and

(ii) providing a regulation making power to prescribe harm minimisation measures which must be implemented.

(i) Guidelines

The Bill amends the Casino Control Act, Wagering Act, Lotteries Act, Interactive Gambling (Player Protection) Act and Keno Act to enable the chief executive to make

guidelines about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the relevant Act. As an example, the chief executive might make a guideline about the permitted functionalities of cashless systems and payment methods.

As section 18 of the Gaming Machine Act and section 184A of the Charitable and Non-Profit Gaming Act already permit the issue of guidelines, a similar amendment to these Acts is not required.

(ii) Regulation making power about harm minimisation measures

The Bill amends the Keno Act, Wagering Act, Casino Control Act, Lotteries Act, Interactive Gambling (Player Protection) Act, Charitable and Non-Profit Gaming Act and Gaming Machine Act to provide a regulation making power for harm minimisation. The amendments to each Act will enable a regulation to prescribe harm measures that have the purpose of minimising the potential for harm from the relevant form of gambling, and the persons who are required to implement the prescribed measures. Failure to implement a harm minimisation measure as prescribed attracts a maximum penalty of 200 penalty units.

The new harm minimisation regulation making power will allow for a more responsive regulatory environment for gambling that is better able to keep up with best practice harm minimisation in light of rapid technological advances and the emergence of new gambling products which may pose a risk of harm. It will also provide the Government with the means to flexibly introduce agreed national harm minimisation measures (such as any potential expansion to the nationally agreed measures under the National Consumer Protection Framework for online wagering).

C) Removing the requirement for gaming rules to be notified via gazette

The Minister may make gaming rules under the Keno Act, Wagering Act, Casino Control Act, Lotteries Act, Interactive Gambling (Player Protection) Act, and Charitable and Non-Profit Gaming Act. Once a rule is made, the Minister is presently required to notify the making of the rule in the gazette.

The Bill amends the Acts to allow notification to be made on the Department's website which will result in cost savings.

Objective: introduce a framework for wagering on simulated events

Broadly, the amendments update Queensland's wagering framework to enable betting on contemporary wagering products for simulated events and simulated contingencies, while maintaining the integrity of the framework and ensuring player protections, by:

- expanding the authority of a sports wagering licence to allow for the conduct of wagering on certain approved simulated events and simulated contingencies;
- providing the ability for the Minister to amend the race wagering licence or sports wagering licence to reflect changes to the authority of the licence, with the agreement of the relevant licensee;

- expanding the existing framework to also allow for Ministerial consideration and approval of applications by a sports wagering licensee for wagering on certain simulated events or simulated contingencies including the ability to:
  - impose conditions on an approved simulated event or simulated contingency;
  - refuse to grant an approval if considered offensive or contrary to the public interest;
  - determine a timeframe for which an approval remains in place;
  - withdraw an approval of a simulated event or simulated contingency for any reason the Minister considers appropriate, following consideration of representations made by the licensee;
- prescribing a 'simulated event random number generator' as regulated wagering equipment, authorising the chief executive to conduct an evaluation and assessment process on the equipment to ensure the fairness and integrity of the simulated event product; and
- prohibiting a licence operator (being a wagering licensee or wagering manager) or a wagering agent from accepting wagers on simulated events or simulated contingencies other than at a terrestrial outlet or agency. A maximum penalty of 200 penalty units applies for breaching the new offences.

Importantly, introducing the proposed framework does not automatically enable wagering to be conducted on any simulated event or simulated contingency. Ministerial approval is required to authorise the conduct of wagering on approved simulated events and simulated contingencies, in addition to the evaluation and approval of the underlying wagering equipment by the chief executive (i.e., the simulated event RNG). Ministerial approval of a simulated event or simulated contingency may also be withdrawn for any reason the Minister considers appropriate.

As wagering on simulated events and simulated contingencies may only be conducted from within UBET terrestrial retail outlets and agencies, the same harm minimisation measures that apply to terrestrial wagering on traditional sports and racing events will apply, including a ban on the use of credit and credit cards to place bets and the ability for customers to self-exclude from venues.

To ensure wagering on simulated events and contingencies is only undertaken from within UBET agencies and outlets, it will be an offence punishable by a maximum penalty of 200 penalty units for a licence operator or wagering agent who accepts a wager by phone or other form of communication.

Accordingly, it is not considered the proposal to offer wagering on simulated events and simulated contingencies will result in a higher risk of gambling-related harm compared to wagering on traditional sports or racing events. However, existing safeguards allowing the Minister to withdraw an approval for an event or contingency have been maintained to ensure appropriate action can be taken should harm be identified.

Revenue from wagering on simulated events and simulated contingencies will be taxed in the same way as other wagering products under the *Betting Tax Act 2018*, which applies a 15 per cent point of consumption tax.

Objective: extend New Year's Eve gaming hours

To achieve its policy objective, the Bill amends the Gaming Machine Act to automatically allow gaming machine licensees to trade until 2am on New Year's Day, aligning with liquor trading hours on New Year's Day.

Enabling gaming machine licensees an automatic extension to trading hours will reduce an existing administration process, reducing future red tape for licensees.

Objective: introduce a cross-border recognition scheme for charitable fundraising

To achieve its objectives, the Bill amends the Collections Act to:

- provide a framework for the deemed registration of entities registered with the ACNC; and
- remove a member of the public's right to object to an application for local registration as a charity.

A) Deemed registration

Currently, associations are required to either register as a charity or have their objects sanctioned as a community purpose under the Collections Act to lawfully conduct an appeal for support in Queensland. This involves an application process, including an assessment of whether the association meets the definition of 'charity' under the Collections Act or whether its objects are sanctionable.

Under new Part 6A of the Collections Act, ACNC registered entities (referred to in the Bill as 'Commonwealth registered entities') may notify the Minister of their intention to fundraise in Queensland and automatically be granted deemed registration as a charity. Deemed registration will allow these entities to begin fundraising immediately (based on their registration with the ACNC) without the need to meet the local application requirements under the Collections Act. The key elements of the framework contained in new Part 6A are:

- deemed registration takes effect from the date the Minister receives notice that a Commonwealth registered entity intends to fundraise in Queensland;
- notification of an intention to fundraise in Queensland must be given in the approved form. Alternatively, the Minister may accept a notification on behalf of a Commonwealth registered entity from the ACNC commissioner;
- only one fundraising authorisation under the Collections Act may be held at one time. The Bill provides for any local pre-existing charity registration or pre-existing sanction to end when deemed registration is granted. Commonwealth registered entities will also be prevented from applying to register as a charity or receive a sanction while they have deemed registration. To streamline the transition, any decisions or conditions that applied to a local pre-existing registration or pre-existing sanction will be carried over to the entity's deemed registration;
- deemed registration will remain in force until: the Minister deregisters the deemed registrant; the deemed registrant's ACNC registration is revoked; or the

deemed registrant gives notice to the Minister requesting the end of its deemed registration;
- the Minister has the power to reinstate a local pre-existing registration or sanction if a deemed registrant voluntarily ends either its ACNC registration or its deemed registration;
- the Minister has the power to impose, amend or revoke conditions on deemed registration, including those conditions that have been carried over from a pre-existing fundraising authorisation; and
- the chief executive will have the discretion to publish a list of deemed registrants on the Department's website but is obliged to remove a deemed registrant off the published list should its deemed registration end.

The Bill also inserts new terms specific to deemed registration, such as 'ACNC commissioner', 'Commonwealth registered entity', 'deemed registration', 'deemed registrant', and 'excluded entity'. These new definitions ensure that appropriate entities are captured under the deemed registration framework. Where necessary, the Bill also amends existing references to 'ACNC registered entities' and the 'Commissioner of the ACNC' so that consistent terminology is used throughout the Collections Act.

B) Application of the Collections Act to deemed registrants

Once a Commonwealth registered entity is taken to be registered under new section 23B of the Collections Act (deemed registration), they are referred to as a 'deemed registrant'. To allow swift entry for Commonwealth registered entities, the Bill exempts deemed registrants from:

- the local application requirements for a local charity (under Part 6 of the Collections Act);
- applying to the Minister for the exclusive use or right to distribute or dispose of a device, such as red poppies (under Part 5 of the Collections Act); and
- producing or supplying a copy of their constitution as a condition of registration (under section 29 of the Collections Act).

By removing barriers to entry, Queensland is reducing regulatory burdens on Commonwealth registered entities that seek to apply to several jurisdictions to conduct appeals for support.

Whilst barriers to entry have been removed for Commonwealth registered entities, it is necessary that the Queensland Government retains oversight of appeals for support conducted in Queensland. States remain responsible for regulating within their borders. As such, deemed registrants remain subject to conduct requirements, financial reporting obligations and offence provisions.

The Bill inserts a new offence provision specific to any person who claims an entity has deemed registration when it is not so registered. The new offence provision is consistent with existing offence provisions applying to any person that falsely claims to be authorised under the Collections Act and provides the same maximum penalty of 20 penalty units. These offence provisions ensure that entities are not inappropriately or falsely claiming to be authorised to fundraise in Queensland, and to ensure the integrity of the new framework.

The Bill also provides that a reference to a charity registered under the Collections Act in another piece of Queensland legislation is a reference to a deemed registrant, to the extent context permits.

C) Removing objections to charity registration applications

The Bill achieves the objective of removing public objections to applications to register as a charity by making minor amendments to existing section 21 of the Collections Act (Effect of, and claims and objections to, registration). The amendments remove references to objections to applications while leaving intact the ability for people to apply to the Minister to have a charity removed from the register.

Alternative ways of achieving policy objectives

Casino integrity and modernising gambling legislation

Due to their nature, the policy objectives related to strengthening casino integrity and modernising gambling legislation can only be achieved by legislative amendment.

Framework for wagering on simulated events

Consideration was given to the feasibility of achieving the policy objectives under the existing legislative framework for sports wagering licences. Particularly, whether the existing regulatory framework under Part 4, division 6 of the Wagering Act (which provides power for the Minister to approve a non-sporting event or contingency) is sufficiently broad to capture wagering on simulated events or simulated contingencies in Queensland. It was determined amendment was necessary to provide clarity and certainty in regard to the authority of the sports wagering licence to conduct wagering on certain simulated events and simulated contingencies. Inserting a definition for ‘simulated event’ was also necessary to impose limitations on which non-traditional race and sporting events are eligible and exclude events where the outcome is not solely generated by an RNG.

To ensure simulated events are conducted with integrity and fairness, it is necessary to amend the legislation to prescribe a ‘simulated event random number generator’ as regulated wagering equipment which would be subject to evaluation and assessment by the chief executive. Restricting betting on simulated events and simulated contingencies from occurring via telephone or other communication device can only be achieved by amending the primary legislation. Accordingly, there are no alternative ways of achieving all of the wagering policy objectives of the Bill other than by legislative amendment.

Extending New Year’s Eve gaming hours

Formalisation of the current administrative process can only be achieved by legislative amendment. Continuing with the informal administrative arrangement maintains unnecessary red tape and reduces certainty.

Cross-border recognition scheme for charitable fundraising

All charitable fundraising undertaken in Queensland must be authorised by the Collections Act. The policy objectives of the Bill can only be achieved by legislative amendment.

Estimated cost for government implementation

Amendments to strengthen casino integrity and regulation

The Bill makes clear that a cost order may be imposed on a casino entity in respect of any disciplinary action taken against them. The chief executive may recover the reasonable costs and expenses incurred by the Department in assisting the Minister or Governor in Council in preparing for and taking disciplinary action (for example, investigating whether a ground for disciplinary action arose, obtaining legal advice about a matter relating to the disciplinary action, or engaging a suitably qualified person to advise on a matter relating to the disciplinary action), and considering responses and submissions made as part of a show cause process under section 31 or made about a recommendation of the Minister under section 31.

The Bill also provides that the Minister may direct a casino entity to engage and pay for a qualified external adviser to inquire into and report to the Minister on certain matters. The direct costs to the Government will therefore be nil.

Any costs resulting from adjustments to the OLGR's processes associated with the implementation of the remaining casino integrity amendments proposed by the Bill will be met from budget allocations.

Amendments to remove certain redundant requirements under the Casino Control Act

The costs for implementing the red tape reduction amendments contained in the Bill will be nil. The Government is anticipated to save on administration costs arising from having to process, consider, approve or undertake any other action required in relation to the following which are proposed to be removed by the Bill:

- the requirement for fingerprints and a photograph to be submitted by an applicant for a CE and KE licence;
- the requirement for a casino operator to submit a letter advising of their intent to employ a CE or KE licence applicant in the type of work sought to be specified on the employee licence;
- the requirement for a casino operator to provide notice about the commencement of a CE or KE licensee; and
- the requirement for a casino operator to obtain approval for a training course to be delivered by a training nominee.

Amendments to remove an identified human rights incompatibility under the Casino Control Act

The removal of the detention power under the Casino Control Act is unlikely to impose a cost on the Government. The power is currently not relied on by Government casino inspectors.

Amendments to modernise various gambling Acts

Under the Queensland gambling Acts, certain gambling equipment that is regulated must be approved by the chief executive prior to being used in the conduct of gambling. In deciding whether to approve such gambling equipment, the chief executive may carry out an evaluation of the equipment and charge a fee to the applicant for carrying out the evaluation. The fees are prescribed in the relevant regulation under each gambling Act (see schedule 4 Casino Control Regulation; schedule 5 Gaming Machine Regulation; schedule 3 Wagering Regulation; schedule 3 *Keno Regulation 2007*; schedule 3 *Lotteries Regulation 2007*; schedule 2 *Charitable and Non-Profit Gaming Regulation 1999*; and schedule 3 *Interactive Gambling (Player Protection) Regulation 1998*).

The Bill clarifies that cashless gambling equipment that is regulated may be evaluated.

As with all other gambling equipment, the chief executive will be able to charge a fee for the evaluation of cashless gambling equipment.

Amendments to introduce a framework for wagering on simulated events

Costs associated with consideration of applications for certain simulated events and simulated contingencies will be absorbed within the existing departmental budget. Evaluation and approval of regulated wagering equipment required to generate and host simulated events (e.g. the simulated event random number generator) will be levied on a cost-recovery basis, in accordance with existing fee structures for the evaluation of regulated wagering equipment.

Amendments to extend New Year's Eve gaming hours

There will be no costs for government in implementing the amendments.

Amendments to introduce a cross-border recognition scheme for charitable fundraising

Any costs incurred by the Office of Fair Trading, to update its systems and train staff to facilitate deemed registration, will be met from within existing budget allocations.

Consistency with fundamental legislative principles

The Bill has been drafted with regard to the fundamental legislative principles (FLPs) as defined in section 4 of the *Legislative Standards Act 1992* (Legislative Standards Act). Particular clauses in the Bill which raise concerns in relation to FLPs are discussed below.

Amendments to modernise gambling legislation and ensure casino integrity

Clauses about introducing a cashless gambling framework, and other changes to enhance regulatory agility and respond to emergent technologies and practices

For Casino Control Act: See clauses 18, 20 – 24, 26

For Charitable and Non-Profit Gaming Act: See clauses 38 – 44

For Gaming Machine Act: See clauses 61, 63 – 70

For Interactive Gambling (Player Protection) Act: See clauses 73 – 75, 77 – 79

For Keno Act: See clauses 82 – 85, 87 – 89

For Lotteries Act: See clauses 92 – 94, 96 – 98

For Wagering Act: See clauses 103, 106 – 109, 111, 112(3)

For Wagering Regulation: See clause 115

Pursuant to section 4(2) of the Legislative Standards Act, legislation should have sufficient regard to the rights and liberties of individuals. Generally, legislation should not, without sufficient justification, unduly restrict ordinary activities. The Bill amends the gambling Acts to the extent necessary to introduce a cashless gambling framework which will provide the Government with the ability to:

- approve the allowable types of payment methods for use in the gambling environment;
- approve (with conditions if needed) cashless systems and technology and require such systems and technology to undergo technical evaluation (if considered necessary) before their use in the gambling market; and
- introduce regulations to regulate the methods of payment that may be used in connection with a permitted gambling activity including for paying out a prize, winning bet or refund; or for making deposits or withdrawals from player accounts.

The Bill also amends each of the gambling Acts to enable regulations to be made about measures that have the purpose of minimising the harm or the potential for harm from the relevant form of gambling, and the persons who must implement the harm minimisation measures.

Each of these amendments may be considered to impinge on the right of business operators to conduct their business in the way they consider appropriate.

There is a need to extensively regulate gambling operations in order to protect players and the community, and prevent criminal involvement or influence. This is recognised in the object of each of the gambling Acts which seek to ensure that, on balance, the State and the community as a whole benefit from the authorised gambling activity subject to a system of regulation and control (see section 3 of the Casino Control Act, section 1A of the Gaming Machine Act, section 3 of the Charitable and Non-Profit

Gaming Act, section 1A of the Keno Act, section 2A of the Lotteries Act, section 3 of the Interactive Gambling (Player Protection) Act, and section 2A of the Wagering Act).

Regulating payment methods for gambling purposes will help ensure:

- the payment method is appropriate for the relevant gambling environment;
- any system or technology required to facilitate the payment method can be evaluated to ensure the system or technology is sound, secure, and auditable; and
- controls, including controls which seek to minimise gambling harm, can be implemented as a part of, or alongside, the payment method where warranted.

Clause 9 – Providing the ability to make a letter of censure public

Pursuant to section 4(2) of the Legislative Standards Act, legislation should have sufficient regard to the rights and liberties of individuals. The right to privacy is a relevant consideration to whether legislation has sufficient regard to individual rights and liberties.

Currently, under section 31 of the Casino Control Act, the Minister or Governor in Council may, in taking disciplinary action, issue a letter of censure to a casino licensee, casino lessee or casino operator under a casino management agreement censuring them about a particular matter. The letter of censure is a permanent part of the Department's records about the casino licence, casino lease or casino management agreement and any person censured.

It should be noted that under section 31 of the Act, it is a ground for taking disciplinary action against a casino licensee, casino lessee or casino operator under a casino management agreement if a director, partner, trustee, executive officer, secretary, other officer or person associated with the relevant casino entity is found unsuitable. The Bill amends section 31 to provide that a letter of censure may be published on the Department's website. Publication of such a letter may be considered to be a breach of privacy if the letter concerns or contains information about an individual associated with a casino entity.

Casinos are, by their nature, a cash intensive business. The variety, frequency and volume of transactions involved on a day-to-day basis makes the industry vulnerable to criminal exploitation, including money laundering and terrorist financing activities. Probity investigations are undertaken from time to time in relation to anyone proposed to be, or who is, associated or connected with casino operations in order to maintain public confidence in the integrity of the industry. Without such investigations, the casino industry would be at high risk from organised crime and persons of ill repute.

Pursuant to section 3, the object of the Casino Control Act is to ensure that, on balance, the State and the community as a whole benefit from casino gambling. For this object to be met, there must be public confidence and trust in the credibility and integrity of those involved in casino operations. Consequently, the public ought to know if a casino entity has been reprimanded for an association with an unsuitable person. Depending on the circumstances, it may be appropriate to make the identity of the unsuitable person public, such as where the person is an unsuitable junket promoter.

Clause 29 (new section 91AA) – Disclosure of certain information to an appointed external adviser

As mentioned above, the right to privacy is a relevant consideration as to whether legislation has sufficient regard to individual rights and liberties.

The Bill amends the Casino Control Act to provide that the disclosure of confidential information to an external adviser engaged under new section 91AA for the purpose of the adviser exercising the adviser's functions is permitted. The confidential information may include information about a person's personal or business affairs, criminal history, financial position or character.

An external adviser may also request information that is the subject of legal professional privilege from a casino licensee, casino lessee and casino operator under a casino management agreement. Privileged information may pertain to how individuals have performed their roles in compliance with the obligations imposed by the Casino Control Act.

The amendments may be seen to limit the right to privacy by allowing an external adviser access to information that the adviser may not otherwise have been able to access due to confidentiality reasons and professional privilege.

However, external advisers may be engaged to investigate and report on matters related to casino operations, such as a casino licensee's ability to identify, manage, and mitigate money laundering risk and compliance with anti-money laundering and counter-terrorism financing laws. To ensure that external advisers have access to all necessary information, it is vital for the Bill to allow an external adviser access to information that is confidential and/or subject to legal professional privilege.

While confidentiality and legal professional privilege are important safeguards in democratic societies, they should not be used as a shield to prevent proper scrutiny of persons involved in casino operations.

Clause 29 (new section 91AB) – Providing information on oath or statutory declaration when requested

Recent interstate inquiries into Crown found that the regulator's investigations were unnecessarily hampered by a deliberate lack of cooperation and candour by Crown executives. The failures included providing incorrect information, unreasonably redacting information, failing to produce documents when required, and providing submissions with little evidentiary support.

The Bill amends the Casino Control Act by inserting new section 91AB to provide that if a person must give information or a document to the Minister, chief executive or an inspector under the Act, the person may be required to provide that information on oath, or to have the information or document verified by statutory declaration. A maximum penalty of 160 penalty units applies if a person fails to comply with the requirement without a reasonable excuse. The purpose of new section 91AB is to prevent the

behaviour substantiated by interstate inquiries from occurring in Queensland by putting people on notice that the information they provide must be the whole truth.

Section 4(3)(f) of the Legislative Standards Act provides that whether legislation has sufficient regard to rights and liberties of individuals depends on whether the legislation provides for appropriate protection against self-incrimination. New section 91AB may be perceived to encroach on a person's protection against self-incrimination if a person is compelled to provide information or documents that could be subsequently used as part of a prosecution under the Casino Control Act.

It should be noted however, that important safeguards against self-incrimination in section 88A of the Casino Control Act will continue to apply despite the ability to require sworn or verified information. Section 88A provides that an individual is not required under the Act to answer a question, or give information, that might tend to incriminate the individual. Further, new section 91AB also clarifies that a person may not be required to swear an oath or affirm a document if they have a reasonable excuse.

Clause 7 – Taking other investigations into account in determining suitability

Whether legislation has sufficient regard to the rights and liberties of individuals under section 4(3)(b) of the Legislative Standards Act depends on whether the legislation is consistent with the principles of natural justice.

Section 30(1) of the Casino Control Act allows for probity investigations to be undertaken, from time to time, in relation to a casino entity (that is, a casino licensee, casino lessee, casino operator under a casino management agreement) and their associates to determine their suitability to be associated or connected with the management and operations of a hotel-casino complex or casino. A finding of unsuitability may be a ground for taking disciplinary action against the casino entity.

The Bill amends section 30 to provide that a finding of unsuitability may be based, wholly or in part, on a report of an external adviser engaged under new section 91AA of the Act, and the findings of an investigation under a law of the State or the Commonwealth, or undertaken by a State authority if the findings relate to a casino entity or their associates.

It may be considered that relying on the findings of a separate investigation by another jurisdiction to determine suitability is not consistent with the right to be heard which is a fundamental natural justice principle, and may create the perception that probity investigations undertaken under section 30(1) are not carried out with impartiality, particularly if reliance on the separate investigation results in a finding of unsuitability.

However, the amendment is intended to simply clarify that the findings from prominent and properly authorised and conducted investigations such as the Bergin, Finkelstein and Owen Inquiries may be taken into consideration to determine suitability.

It needs to be noted that section 30(1) does not currently limit the matters that may be taken into account when making a determination on suitability. The Minister may cause to be undertaken "such investigations as are necessary" to assist with determining suitability. Sections 7 and 10 of the Casino Control Regulation permit the Minister to

request information from investigated persons about a breadth of matters. For example, if the investigated person is an individual, the Minister may ask for information about the individual's education, travel details outside of Australia, assets and liabilities, sources of income, spouse and relatives, and criminal and civil history. If the investigated person is an entity, the Minster may ask for information about the entity's activities, related bodies corporate, capital, ownership, financial institution accounts, and any prosecutions or other legal action relating to the entity.

Clause 8 (new section 30A) – Duty to cooperate

Section 4(3)(k) of the Legislative Standards Act provides that whether legislation has sufficient regard to the rights and liberties of individuals depends on whether the legislation is unambiguous and drafted in a sufficiently clear and precise way.

The Bill amends the Casino Control Act to introduce a duty on a casino licensee, casino lessee and casino operator under a casino management agreement, and their associates to comply with reasonable requests made by the Minister, chief executive or an inspector, and do everything necessary to ensure that the management and casino operations of the relevant casino operator are conducted in a manner that is honest and fair. It could be argued that this obligation is vague.

The test of whether a casino entity or a casino entity's associate is doing everything necessary to ensure the management and casino operations of a casino operator is being conducted in a manner that is honest and fair has been drafted in plain English to allow it to evolve to reflect community expectations, industry standards, and cover any new situations in the casino environment. The lay meaning of 'honest' encompasses notions of being open, sincere, truthful, honourable, upright, candid, credible, respectable and virtuous. It can capture conduct which may not be illegal but which is nevertheless, morally wrong. The lay meaning of 'fair' includes being just, equitable, free from dishonesty and bias, and actions being carried out properly under a rule or law. Defining the obligation more specifically would unnecessarily fix its scope and risk the obligation becoming obsolete.

Clause 9 – Minister and Governor in Council's ability to impose a high pecuniary penalty

The Bill provides the Minister with the discretionary ability, following a show cause process, to impose a pecuniary penalty of up to $5 million on a casino entity as a form of disciplinary action.

If the Minister recommends to the Governor in Council that instead, a pecuniary penalty of more than $5 million should be imposed or that the casino licence should be cancelled or suspended, or the casino lease or casino management agreement be terminated, the Bill provides that it is open for the Governor in Council to impose a pecuniary penalty of up to $50 million on the casino entity being disciplined.

Section 4(2)(b) of the Legislative Standards Act provides that legislation should have sufficient regard to the institution of Parliament. Section 4(4)(a) provides that whether a Bill has sufficient regard to the institution of Parliament depends on whether the Bill allows the delegation of legislative power only in appropriate cases and to appropriate

persons. Generally, in relation to the power to impose penalties, the more serious the consequences, the more likely it is that a penalty should be fixed by an Act of Parliament and imposed by the courts, and not simply by an administrative process. In this regard, the delegation of the determination of the quantum of a pecuniary penalty to the Minister and Governor in Council may be considered to be inconsistent with fundamental legislative principles.

Additionally, section 4(2) of the Legislative Standards Act provides that legislation should have sufficient regard to the rights and liberties of individuals. A pertinent consideration is whether consequences imposed by legislation are proportionate and relevant to the actions to which the consequences are applied. In this regard, it may be considered that an upper limit of $50 million as a pecuniary penalty may be considered disproportionate.

Casinos are highly regulated businesses in order to ensure they are conducted with integrity and fairness, remain free from criminal influence and exploitation, and to minimise the potential for harm from gambling. There is therefore a need, in the public interest, to ensure that casino entities can be disciplined appropriately and as quickly as possible for relevant and serious acts or omissions without those entities regarding the disciplinary action process merely as a ‘cost of doing business’. It is considered this objective could not be met if the Minister or Governor in Council do not have the discretion to consider whether a pecuniary penalty is warranted and to fix a quantum.

It should also be noted that under the Casino Control Act, the Governor in Council may choose to suspend or cancel the casino licence, or direct the termination of a casino lease or casino management agreement instead of ordering a pecuniary penalty. This arguably involves a more drastic financial consequence. If a decision to take such serious action against the casino licence, casino lease or casino management agreement can be made through an administrative process, it is not inconsistent to allow pecuniary penalties to also be determined through the same process.

Although the Minister and Governor in Council will have the discretion to fix a quantum up to their prescribed maximum, the Bill provides some mandatory matters which must be considered, including the nature of the act or omission forming the basis of the grounds for taking the disciplinary action, whether the act or omission undermines the objects of the Casino Control Act, whether there is any loss to the State or the public, whether any disciplinary action has been taken against the casino entity before, and the seriousness of the grounds for taking the disciplinary action. Consideration of these matters will help ensure that the quantum is appropriate and reflects the severity of the act or omission relating to the ground for taking disciplinary action.

In other jurisdictions where a pecuniary penalty can be imposed (Victoria, New South Wales, Western Australia, Tasmania, South Australia, and the Australian Capital Territory), the decision on the quantum also lies administratively with a Commission or Authority, Minister (with the approval of the Governor in Council), or Commissioner and ranges from a maximum of $100,000 to a maximum of $100 million. In this regard, the Bill is not incongruent with the approaches taken in other jurisdictions.

Lastly, a pecuniary penalty with an upper limit of $50 million is not considered disproportionate in relation to businesses whose actions or inactions can result in significant harm or consequences. During the Finkelstein Inquiry for example, Crown Melbourne acknowledged it had been underpaying casino tax for numerous years which ultimately resulted in it paying approximately $61.5 million to the State of Victoria in July 2021 (including penalty interest), with more likely still owing.[4] The Inquiry also found that Crown Melbourne had allowed some customers to gamble continuously for well over 24 hours, and assisted overseas patrons in illegally transferring up to $160 million in funds from their accounts that were disguised as hospitality charges but were instead used for gambling in breach of Chinese currency laws.[5]

Clause 9 – Governor in Council's decision on disciplinary action is non-reviewable

The Casino Control Act currently provides that the decision of Governor in Council to cancel or suspend a casino licence or to direct the termination of a casino lease or casino management agreement is final and conclusive and shall not be appealed against, reviewed, quashed or in any way called in question in any court on any account whatsoever.

The Bill amends section 31 to provide that any decision by the Governor in Council to take disciplinary action against a casino entity is subject to the same finality. This includes any decision to cause a letter of censure to be issued to a casino entity; give, or cause to be given, to a casino entity a written direction to rectify a matter; appoint an administrator; order a casino entity to pay a pecuniary penalty of not more than $50 million; cancel or suspend the casino licence; or direct the termination of a casino lease or casino management agreement.

Section 4(3)(a) of the Legislative Standards Act provides that whether legislation has sufficient regard to the rights and liberties of individuals depends on whether the legislation makes the rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review. Generally, it is inappropriate to provide for administrative decision making in legislation without providing for a review process particularly if the decision can lead to serious consequences. It may be argued that some of the potential decisions by the Governor in Council have significant ramifications and should therefore be reviewable, such as a decision to impose a pecuniary penalty of up to $50 million, appoint an administrator, cancel or suspend a casino licence, or direct the termination of a casino lease or casino management agreement.

It is considered justifiable that a Governor in Council decision to take disciplinary action should be non-reviewable.

Under the Casino Control Act, disciplinary action may be undertaken by the Minister. Where a ground for taking disciplinary action arises, the Minister may, following a show cause process in relation to the casino entity being disciplined, issue a letter of censure, give a written direction to rectify a matter, or direct the payment of a pecuniary

[4] Report of the Royal Commission into the Casino Operator and Licence, October 2021 (Volume One), pg 2 (Chapter 1), 129 (Chapter 11).
[5] Report of the Royal Commission into the Casino Operator and Licence, October 2021 (Volume One), pg 2 (Chapter 1), 22 (Chapter 8).

penalty of not more than $5 million. Alternatively, the Minister may recommend to the Governor in Council that a more significant disciplinary measure be enforced – specifically, that the casino licence be cancelled or suspended, or the casino lease or casino management agreement be terminated. The Bill adds that the Minister may also recommend an order be made for a pecuniary penalty of more than $5 million.

The Governor in Council is therefore, required to decide whether or not to take disciplinary action only in the significant circumstances where the Minister makes a recommendation for action to be taken against the casino licence, casino lease, or casino management agreement, or for a high pecuniary penalty after having considered submissions and responses received as part of the show cause process. The Minister would only make such a recommendation where the Minister considers that the disciplinary measures available to the Minister would not adequately address the casino entity's conduct. The Governor in Council may also, as currently permitted under section 31(15) of the Act, at the Governor in Council's absolute discretion cancel or suspend a casino licence or direct the termination of a casino lease or casino management agreement at any time but only where the circumstances are so extraordinary that it is imperative in the public interest to do so.

The object of the Casino Control Act is to ensure that, on balance, the State and the community as a whole benefit from casino gambling. Where an act or omission by a casino entity is so serious that it warrants disciplinary action by the Governor in Council, it is necessary, on public interest grounds, for the Governor in Council's decision to be final and non-reviewable so that the casino entity can be disciplined as quickly as possible and with certainty.

The casino business is not a right but a revocable privilege. This highlights the importance that the State and the community place on ensuring casinos are conducted with the utmost integrity and fairness, remain free from criminal influence and exploitation (which is a significant risk for this industry) and to minimise the harm from gambling. The inquiries into Crown operated casinos variously found the casinos had, over many years, facilitated money laundering, continued commercial relationships with junket operators with links to organised crime, exploited vulnerable gamblers, and likely breached gambling laws. The Finkelstein Inquiry described the catalogue of wrongdoing as "illegal, dishonest, unethical and exploitative" and found it alarming all the more so because "it was engaged in by a regulated entity whose privilege to hold a casino licence is dependent upon it being, at all times, a person of good character, honesty and integrity".[6] Should similar conduct arise in Queensland and result in the need for the Governor in Council to consider an appropriate disciplinary action, it is necessary for the Governor in Council's decision to be conclusive as the public would expect a resolute outcome.

Clauses 8, 22, 26 – 29 – Imposition of new casino offence provisions and expansion of existing provisions

The proposed amendments seek to impose certain new casino offence provisions and expand existing provisions. The offence provisions reflect the importance that the State and the community place on ensuring casinos are conducted with the utmost integrity

[6] Report of the Royal Commission into the Casino Operator and Licence, October 2021 (Volume One), pg 2 (Chapter 1).

and fairness, as well as remain free from criminal influence and exploitation. A considered and justifiable process was undertaken when determining the proposed penalty unit amount for each new offence provision. Under this approach, each proposed penalty unit amount was assessed to ensure it: aligns with similar offence provisions within the same (or associated) legislation; and is commensurate with the nature of the offence and the harm that may arise from a breach. Accordingly, it is considered any potential breaches of individual rights and liberties under section 4(2)(a) of the Legislative Standards Act initiated by a proposed new casino offence provisions are justified and appropriate.

Amendments to introduce a framework for wagering on simulated events

Clauses 102 and 103 – Expansion of the application process under Part 4, division 6 to capture simulated events or simulated contingencies

The Bill expands the existing framework in Part 4, division 6 of the Wagering Act to also allow for Ministerial consideration and approval of applications by a sports wagering licensee for wagering on a simulated event or simulated contingency.

Neither the initial decision of the Minister to give or refuse an approval for a simulated event or simulated contingency, nor a subsequent decision to withdraw an approval, are reviewable by the Queensland Civil and Administrative Tribunal (QCAT). Not providing an applicant or approval holder the right to review a decision may be inconsistent with section 4(3)(a) of the Legislative Standards Act as the administrative power to make such decisions is not subject to appropriate review.

However, given the potential harm inherent in approving new wagering products, particularly in an emerging field such as simulated events, it is considered necessary to provide certainty around a Ministerial decision to refuse to approve an application or withdraw an existing approval for a simulated event or a simulated contingency. Providing for certainty in decision-making when refusing an application or withdrawing an existing approval is necessary to account for emerging technologies, their market impact and, very importantly, the potential for harm. In this regard, it is considered the ability to protect the general community with certainty from potential gambling-related harm outweighs the need for a licensee to seek a review of a decision relating to a simulated event approval, or withdrawal of an approval.

The legislation does limit the administrative power of the Minister in relation to refusing an approval. Specifically, for eligible simulated events, refusal to approve a simulated event or simulated contingency is linked to whether the Minister considers the event or contingency to be offensive or contrary to the public interest. Further, a refusal to grant an application must be accompanied by a written notice from the Minister stating the reasons for the decision. Imposing reasonable and justifiable boundaries for the refusal of an application appropriately limits the administrative power. Requiring the decision to refuse an application be provided in writing enables the applicant to reassess the proposed product or future products to ensure they are not offensive or contrary to the public interest.

The Minister may also seek to withdraw an approval for any reason the Minister considers appropriate. Aligning with the existing process, the licensee has a reasonable

opportunity to make a submission or representation on the proposal which must be considered by the Minister prior to a withdrawal being finalised. Similar to refusing an application, a withdrawal must be accompanied by a written notice from the Minister stating the reasons for the withdrawal. The framework does not limit a licensee from reapplying with a modified product for approval.

It is also to be noted that the amendments are consistent with the existing legislative framework for approvals relating to events and contingencies other than races or sporting events (e.g. novelty events such as betting on the results of the Eurovision song contest or an election). Currently, to ensure the integrity of the conduct of wagering and in the public interest, only certain decisions in the wagering legislation are subject to review by QCAT such as decisions on control systems or regulated wagering equipment, agency agreements and key person licences. Not providing for review rights for decisions relating to the refusal to grant an approval to conduct wagering on an event or contingency, or withdrawal of such as an approval, under Part 4, division 6 of the Wagering Act is consistent with the legislation in place since pre-1998.

Accordingly, it is considered any potential breaches of fundamental legislative principles are justifiable.

Clauses 105 and 116 – Imposition of new offence provisions and expansion of existing provision

The proposed amendments seek to impose new offence provisions and expand existing provisions. Each proposed penalty unit amount was assessed to ensure it: aligns with similar offence provisions within the same (or associated) legislation; and is commensurate with the nature of the offence and the harm that may arise from a breach. Accordingly, it is considered any potential breaches of individual rights and liberties under section 4(2)(a) of the Legislative Standards Act initiated by the proposed new offence provisions are justified and appropriate, as outlined below.

Clause 105 amends section 206 of the Wagering Act to prohibit a licence operator or wagering agent from accepting wagers by phone or another form of communication (that might allow online gambling) if the wager relates to a simulated event or simulated contingency. A maximum of 200 penalty units applies for each new offence. The penalty applies to a licence operator, being a wagering licensee or a wagering manager, both of which must be corporations. It also applies to a wagering agent who may be a licensed club, or another person prescribed under the regulation as being eligible to be a wagering agent.

Prohibiting the taking of bets via phone or online for simulated events or simulated contingencies is a key harm minimisation measure. This prohibition must be implemented to mitigate the potential gambling harm by limiting the scope of new wagering products approved under the simulated events framework. It is considered the new offence is commensurate with ensuring the integrity of the framework and will act as a deterrent from improper conduct by licence operators or wagering agents. Additionally, the penalty is consistent with the existing provisions in section 207 of the Wagering Act, which prescribes offences for the inappropriate use of wagering equipment.

Clause 116 amends schedule 2 of the Wagering Regulation to prescribe 'simulated event random number generator' as regulated wagering equipment, which an authority operator (i.e., a licence operator or permit holder) must apply for approval to use or modify. Offences in existing section 207 of the Wagering Act, restricting the use of unregulated wagering equipment or modifying approved wagering equipment will also apply to unapproved use or modification of a simulated event RNG.

The existing maximum penalty of 200 penalty units applies for each breach. Given the existing offences are expanded to include equipment necessary to conduct a simulated event fairly and impartially, it is considered appropriate to apply the same penalty offences.

Amendments to extend New Year's Eve gaming hours

Provisions of the Bill relating to extended New Year's Eve gaming hours are considered to be consistent with fundamental legislative principles as they have sufficient regard for the rights and liberties of individuals and the institution of Parliament.

Amendments to introduce a cross-border recognition scheme for charitable fundraising

<u>Clause 52 (new section 23D) – Power for the Minister to condition deemed registration</u>

The Bill inserts a provision into the Collections Act that enables the Minister to impose conditions on a deemed registration. The amendment engages section 4(3)(a) of the Legislative Standards Act which requires making rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review (administrative power).

The conditioning power mirrors the existing power in section 19(12) of the Collections Act that allows the Minister to grant an application for registration as a charity subject to such conditions as the Minister sees fit. Similarly, sanctions are subject to conditions imposed in a like manner by the Minister under section 12 of the Collections Act.

There is no express process for deemed registrants to appeal or review a condition made by the Minister. Likewise, the existing provisions which allow for the Minister to condition the registration of a charity or a sanctioned purpose are not subject to an appeal or review process under the Collections Act. However, individuals can instigate a judicial review (for administrative decisions as provided under section 4 of the *Judicial Review Act 1991* (Judicial Review Act)) of conditions made by the Minister.
Deemed registration will allow Commonwealth registered entities to conduct appeals for support in Queensland without the specific prior approval of the Queensland Government. Therefore, the conditioning power is considered justified as it is consistent with the existing legislative framework. The conditioning power also ensures that appropriate oversight of fundraising conducted by deemed registrants can be maintained, if required.

<u>Clause 51 – Removal of objections to applications to register as a charity</u>

The Bill removes public objections to applications to register as a charity potentially breaching section 4(2)(a) of the Legislative Standards Act, which requires legislation to have sufficient regard to the rights and liberties of individuals (rights and liberties). As noted above, only a small number of objections are received annually. In this context it is considered justified to remove objection rights given the amendment will help achieve national harmonisation of laws and remove barriers to conducting urgent appeals.

Further, any person can apply to the Minister to have a charity removed from the register, after registration. This is provided for in existing section 21 of the Collections Act, and subsequent provisions of the Collections Regulation.

Absence of legislative review/appeal process of the Minister's decision to end deemed registration

The Bill does not insert a provision to enable a review of a Minister's decision to end a deemed registration (under new section 23I of the Collections Act). Not providing a right to review or appeal a decision to end a deemed registrant's deemed registration, potentially engages section 4(3)(a) and (b) of the Legislative Standards Act, rights and liberties in respect to administrative power and principles of natural justice.

The absence of an express review or appeal process for ending a deemed registrant's deemed registration broadly mirrors existing provisions in the Collections Act and Collections Regulation, which do not provide a legislative right to review or appeal a decision on local authorisations.

However, the Bill does provide for a 'show cause process' when the Minister is considering ending a deemed registrant's deemed registration, consistent with the show cause process for the ending of local authorisations; for charities (section 9 of the Collections Regulation) and sanctions (subsection 12(9) of the Collections Act).

The Minister must give the governing body of the deemed registrant a notice stating the grounds upon which the deemed registration is proposed to end. Under this process, the deemed registrant has a reasonable opportunity (no less than 14 days) to submit a response, which must be considered by the Minister prior to a decision being finalised.

Individuals can still instigate a judicial review (for administrative decisions as provided under section 4 of the Judicial Review Act) of the Minister's decision to end a deemed registrant's deemed registration.

Clause 55 – Insertion of new offence if an entity claims to have deemed registration, when they are not so registered

The Bill amends section 37 of the Collections Act to prohibit entities claiming to be deemed registrants when they are not so registered. The insertion of a new offence provision potentially engages section 4(2)(a) of the LSA, rights and liberties.

The new offence provision under section 37 of the Collections Act is intended to prevent entities from inappropriately or falsely claiming to be authorised to fundraise in Queensland. A maximum penalty of 20 penalty units applies. This is consistent with

the existing maximum penalty provisions under section 37 for a person claiming to be authorised (registered as a charity or have a purpose sanctioned) when they are not so authorised.

The new offence provision is justified in that it is consistent with the existing offences applying to local authorisations under the Collections Act, and to ensure the integrity of fundraising in Queensland. Accordingly, it is considered any potential impact on individual rights and liberties by the proposed new offence provision is justified and appropriate.

Consultation

Amendments to strengthen casino integrity and regulation

Consultation was undertaken in March 2022 by letter with Queensland casinos (Treasury Casino and Hotel, The Star Gold Coast, The Ville Resort-Casino, The Reef Hotel Casino, and The Star Brisbane), Alliance for Gambling Reform, United Workers Union, Victorian Gambling and Casino Control Commission, and New South Wales Independent Liquor & Gaming Authority in relation to the proposals to strengthen casino integrity and regulation in Queensland.

The proposals were generally supported or accepted by stakeholders. However, the following concerns were raised and are addressed below.

Introduce a pecuniary penalty as a form of disciplinary action (maximum $50 million)

Some of the affected businesses consulted suggested there should be consistency between jurisdictions in terms of the maximum pecuniary penalty which may be imposed on casino entities as a form of disciplinary action. However, this is not possible as the maximum penalty permitted in other States and Territories varies from $1 million to $100 million.

Others suggested that the proposed maximum penalty should be capped at lower levels for smaller casinos as a penalty of $50 million would effectively have the same impact as cancelling a casino licence. It is to be noted though that, under the Bill, the Minister will have the ability to impose a minor pecuniary penalty of up to $5 million while the Governor in Council will have the ability to impose a major pecuniary penalty of up to $50 million. Each decision maker has the discretion to impose a pecuniary penalty below their permissible maximum. The Bill also provides a list of factors which must be considered in determining the appropriate quantum including the nature and extent of the act or omission; whether the act or omission undermines the objects of the Casino Control Act; whether the act or omission caused any loss or damage to the State or public; the seriousness of the grounds for taking the disciplinary action; whether any disciplinary action has previously been taken; and any other matter the Minister or Governor in Council considers relevant.

The Alliance for Gambling Reform advocated for a $100 million maximum pecuniary penalty in line with Victoria. As mentioned above, jurisdictions are inconsistent in terms of the maximum pecuniary penalty which may be imposed and it may be noted

that an upper limit of $50 million will enable Queensland to levy the second highest possible pecuniary penalty against casino entities, behind Victoria.

Introduce power to impose a cost order

In relation to the proposal to permit a cost order in respect of disciplinary actions undertaken, some affected stakeholders suggested careful consideration of the scope of such orders and the circumstances in which they can be imposed, to avoid potential procedural fairness issues. It is to be noted though that the Bill provides that a cost order may only be imposed if disciplinary action is ultimately carried out. Only reasonable costs may be recouped and must relate to administrative actions associated with taking the disciplinary action.

Introduce power to require information on oath or affirmation

United Workers Union noted that an obligation to provide information on oath or affirmation may require casino employees to give evidence that may be against the interests of their employers or antithetical to their ongoing employment.

The Bill does not address this issue as it is considered to be more appropriately dealt with under existing industrial relations protections.

Introduce ability to require engagement of a qualified external adviser

While the Alliance for Gambling Reform supports the proposal to provide the ability to direct a casino entity to engage a qualified external adviser, the Alliance observed that it will be crucial to ensure those engaged as advisers do not have any professional or personal bias.

The Bill provides that the Minister may direct the engagement of an appropriately qualified external adviser on terms and conditions decided by the Minister. It will therefore, be open to the Minister to consider whether a proposed adviser has any conflicts of interest or potential conflicts of interest which may affect the work or advice to be provided by the adviser. It will also be open to the Minister to direct a casino entity to enter into any necessary integrity agreements with the proposed external adviser to address any potential ethical issues.

Amendments to remove a human rights incompatibility under the Casino Control Act

Consultation on the proposal to remove the detention power under the Casino Control Act was undertaken by letter in August 2021 with Queensland casinos. Consultation with the Queensland Police portfolio was conducted in June 2021, August 2021 and February 2022.

Consultation with the casino sector did not result in advice that the detention power is used and produced mixed views on whether the power should be retained.

Consultation with the Police portfolio identified an alternative approach to section 105 whereby it would be retained with additional legislative safeguards with respect to its

use. However, it should be noted that the power can currently only be used by an inspector, a casino operator and a casino operator's employees and agents. OLGR inspectors do not use the detention power.

Accordingly, the justification for retaining the detention power in light of its incompatibility with human rights, particularly when the power is not used by OLGR inspectors and has a narrow application only to specific offences is considered limited.

Amendments to remove certain redundant requirements under the Casino Control Act

Proposals to remove redundant individual licensing requirements under the Casino Control Act originated from the casino sector.

Amendments to modernise various gambling Acts

Consultation on the proposals to modernise the Casino Control Act and other gambling Acts as required to improve regulatory agility to address cashless gambling and enable gambling rules to be notified on a departmental website was undertaken as relevant by letter (variously dated in May, August and October 2021) with:

- Queensland casinos;
- licensed monitoring operators (LMO) – Tabcorp Holdings Limited (Tabcorp), Odyssey Gaming Services Pty Ltd and Utopia Gaming Systems;
- gaming manufacturers – Ainsworth Game Technology, Aristocrat Technologies Australia Pty Ltd, Aruze Gaming Australia Pty Ltd, Atlas Gaming Technologies Pty Ltd, IGT (Australia) Pty Ltd, Konami Australia Pty Ltd, SG Gaming ANZ Pty Ltd and Wymac Gaming Solutions Pty Ltd;
- the parent company of the sole keno, lotteries and wagering licensee in Queensland – Tabcorp Holdings Limited;
- category 3 gaming licensees – Multiple Sclerosis Society of Queensland, Sporting Wheelies & Disabled Sport & Recreation Association of Qld Inc, Yourtown, Endeavour Foundation, Mater Foundation Limited (Mater Foundation), Returned & Services League of Australia (Queensland Branch), The Surf Life Saving Foundation, Deaf Services Limited (Deaf Services), Vision Australia Limited, Rural Fire Brigades Association – Queensland Inc, Children's Hospital Foundation Queensland, Act for Kids Limited, 50-50 Foundation Limited as trustee for 50-50 Foundation, Guide Dogs for the Blind Association of Queensland, Australian Horizons Foundation Limited, The Kids' Cancer Project Ltd, Women's Legal Service Inc, Australian Football League, Isa Rodeo Limited, Cricket Australia, Connect Community Plus Kids Inc., Hearts4heros Incorporated, Muragadi Heritage Indigenous Corporation, Queensland Cricketers Club Limited, Young Veterans Australia Limited, The Lord's Taverners Australia National Office Incorporated, The Teamfmr Foundation Limited, Teens Take Control Inc., Rally For A Cause Ltd, 1 Million Women Limited, National Homeless Collective Limited, Katie Rose Cottage Hospice Limited, Rotary Club Of Townsville Sunrise Inc, Rotary Club Mackay North Inc, Toowoomba Caledonian Society and Pipe Band Incorporated, Save A Horse Australia INC, It's A Bloke Thing (Qld) Ltd as Trustee for It's A Bloke Thing Foundation, Rotary Club Of Townsville Inc, National Heart Foundation

of Australia, The MND and ME Foundation Limited, Wandering Warriors Limited, Rotary Club of Ayr Inc, Pankind Australian Pancreatic Cancer Foundation Limited, Australian Road Safety Foundation Limited, Clayfield College Parents & Friends Association and Top Blokes Australia Limited As Trustee For The Top Blokes Foundation;

- industry associations – Gaming Technologies Association (GTA), Clubs Queensland, Queensland Hotels Association (QHA), Responsible Wagering Australia and RSL & Services Clubs Association Inc; and
- other community groups – Gambling Health Services and Alliance for Gambling Reform.

Some stakeholders were not supportive of the proposal to introduce a regulation making power relating to harm minimisation. QHA held the view that the proposed power should not be introduced because there are no specific harm minimisation measures that are intended to be prescribed as yet. However, the regulation power aims to future proof Queensland's gambling legislation. It will allow for a more responsive regulatory environment for gambling that is better able to keep up with best practice harm minimisation in light of rapid technological advances and the emergence of new gambling products which may pose a risk of harm.

GTA and Clubs Queensland suggested that was no need for a regulation making power because there are sufficient powers under the Gaming Machine Act (such as the power to impose conditions on licences) which could be relied on to direct the implementation of measures intended to minimise harm from gambling. It is considered though that while licence conditions have been used in the past to address some harm minimisation issues for licensed gaming venues, a regulation making power, as proposed by the Bill, will provide for more certain scope and allow harm minimisation measures to apply to a person or class of persons.

Yourtown was of the view the Charitable and Non-Profit Gaming Act should be excluded from the harm minimisation regulation making power because there is a lack of harm from charitable games and such a power would place a disproportionate regulatory burden on charities. In this regard, while it is acknowledged that charitable games generally have a lower risk profile, charities have displayed innovation in recent years that has not been replicated in other gambling streams (for example, bitcoin/blockchain raffles). Accordingly, there may be a need for the Government to ensure harm minimisation measures can be applied to emergent practices in the charitable gaming sector. A regulation making power about harm minimisation is needed, if necessary, to respond proportionately to unknown future innovations.

Other stakeholders supported the proposed regulation making power. However, community groups including Deaf Services, Mater Foundation, Endeavour Foundation and Gambling Help Services, submitted that any harm minimisation measures prescribed should not automatically be applied across all forms of gambling. Rather, the measures should be specific to the type of gambling activity and appropriate to that activity's risk profile. It is to be noted that Queensland has seven different gambling Acts for the very purpose of ensuring regulation is relevant to specific gambling activity. Specific harm minimisation measures would need to be applicable to the relevant form of gambling and the requirement for proportionality is part of the development of subordinate legislation.

Industry and community stakeholders alike also called for harm minimisation measures to be subject to consultation with affected stakeholders and regulatory impact assessment. Some proposals for regulatory impact assessment far exceeded the assessment that would be applied to any other regulation made in Queensland. Consultation and regulatory analysis on harm minimisation proposals will however be undertaken in accordance with the *Queensland Government Guide to Better Regulation*, which provides a best practice approach to regulatory development, including consultation with stakeholders.

Amendments to introduce a framework for wagering on simulated events

Consultation has been undertaken with Tabcorp regarding the proposed framework for wagering on virtual events. Tabcorp has indicated the framework would allow it to seek to replace the existing simulated racing game Keno Racing with a product that is not reliant on the Keno draw, and to operate the same virtual wagering products it operates in New South Wales, Victoria and the Australian Capital Territory.

Given the intent of the provision is to allow the replacement of an existing simulated racing game within a more appropriate wagering framework, and that a number of other jurisdictions already provide a legislative framework for the consideration and approval of simulated events (mainly racing), public consultation on the proposed simulated events wagering framework was not undertaken. It is considered the integrity measures and other safeguards imposed by the Bill provide adequate oversight of the provisions by both the Minister and the chief executive, including the restriction on granting an approval for a simulated event or simulated contingency considered to be contrary to the public interest.

Amendments to extend New Year's Eve gaming hours

No consultation was undertaken in respect of the amendments to extend gaming hours on New Year's Eve until 2am on New Year's Day as they reduce unnecessary red-tape and regulatory burden and formalise longstanding administrative arrangements.

Amendments to introduce a cross-border recognition scheme for charitable fundraising

National consultation about the cross-border recognition model was undertaken through a discussion paper released by an interjurisdictional working group (led by New South Wales) in August 2020. Stakeholders expressed support for the proposal despite initial criticisms it did not go far enough towards a single national approach to fundraising regulation.

Further targeted consultation on Queensland's implementation of the scheme was sought from key not-for-profit peak bodies the Charities Crisis Cabinet, the Public Fundraising Regulatory Agency (PFRA), and the Queensland Law Society (QLS).

Of the responses received, the QLS and PFRA generally supported the aspects of the cross-border recognition scheme provided for in the legislation.

Consistency with legislation of other jurisdictions

Amendments to ensure casino integrity and modernise gambling legislation

The Bill is specific to the State of Queensland and is not uniform with or complementary to legislation of the Commonwealth or another state.

However, other jurisdictions' legislation have been taken into consideration in developing the Bill particularly in respect of the amendments to strengthen casino integrity and regulation.

Amendment to introduce a framework for Wagering on simulated events

The introduction of provisions specific to wagering on simulated products will broadly align Queensland with the majority of other Australian jurisdictions.

Relevant legislation in New South Wales, Victoria, Tasmania and Western Australia expressly provides for wagering on simulated racing (e.g. animated thoroughbred, harness or greyhound racing). Both New South Wales and Victoria require a simulated racing product to be approved by instrument (e.g. the gazette), subject to conditions imposed by the Minister. Similar to the Bill, Tasmania and Western Australia restrict betting on simulated races to retail outlets only. Wagering on simulated sporting or other events is not explicitly provided for in their respective legislation.

In the Australian Capital Territory, following consideration by the Australian Capital Territory Gambling and Racing Commission, an approval to conduct a lottery may be issued specifying conditions related to the approval. It is noted the simulated racing product Trackside is approved as a lottery under these provisions.

Neither the Northern Territory nor South Australia appear to explicitly enable or restrict wagering on simulated events. However, it is considered existing approval mechanisms for declared 'sporting events' or 'other contingencies' respectively in these jurisdictions could likely be utilised to enable wagering on simulated event products.

Amendments to extend New Year's Eve gaming hours

The Gaming Machine Act amendments to extend approved gaming hours on New Year's Eve are unique to the State of Queensland. While there may be similarities with aspects of authorised gaming hours in other jurisdictions, the amendments contained in the Bill are specific to Queensland as they formalise longstanding administrative arrangements and align New Year's Eve gaming hours with liquor hours authorised under the Liquor Act.

Amendments to introduce a cross-border recognition scheme for charitable fundraising

Legislation in New South Wales, South Australia, the Australian Capital Territory and Victoria recognises ACNC registration as authorisation to conduct fundraising in these jurisdictions. The precise implementation varies from State to State. Broadly, South Australia and Victoria's legislation automatically recognise a Commonwealth

registered entity's registration with the ACNC upon receiving the appropriate notification.

Whereas for New South Wales, an application for fundraising authority must still be made by Commonwealth registered entities and considered by the Minister. However, the application is not subject to satisfying other eligibility requirements under the *Charitable Fundraising Act 1991* (NSW).

The framework for deemed registration introduced by the Bill is most like the frameworks implemented in South Australia, Victoria and New South Wales. This framework is considered to be closely aligned with the deemed registration model endorsed by CFFR.

The *Charitable Collections Act 2003* (ACT) exempts Commonwealth registered entities from the usual requirement to hold a fundraising licence.

The Northern Territory does not regulate charitable fundraising and relies on relevant provisions of the Australian Consumer Law to oversee the activities of fundraisers.

In Western Australia, all fundraising requires a licence issued under the *Charitable Collections Act 1946*. In Tasmania, all non-incorporated associations and non-Tasmanian incorporated associations must seek approval under the *Collections for Charities Act 2001* before conducting an appeal for support.

Notes on provisions

Part 1 Preliminary

Clause 1 provides the short title by which the Bill will be known once enacted.

Clause 2 provides for the provisions of the Bill that will commence by proclamation. The remainder of the Bill commences on assent.

Part 2 Amendment of Casino Control Act 1982

Clause 3 provides that Part 2 of the Bill amends the *Casino Control Act 1982*.

Clause 4 amends section 14 to provide that the disclosure of confidential information is permitted to an external adviser for the purpose of the adviser exercising the adviser's functions.

Clause 5 inserts a new section 15A to provide that the chief executive may make guidelines about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the Act. The guidelines must be published on the Department's website.

Clause 6 omits section 21(2) which provides that, except in the case of an assignment under section 32, a ground for cancellation or suspension of the casino licence arises if the casino licensee ceases to be the owner of the freehold, or the lessee of the land used for the relevant hotel-casino complex. The omitted provision is moved to section 31 by clause 9 so that all grounds for disciplinary action can be contained under section 31.

Clause 7 amends section 30(1) to provide that the Minister may also cause such investigations as are necessary to satisfy the Minister that the casino licensee, casino lessee or casino operator under a casino management agreement and all associated persons are suitable to be associated or connected with the management and operations of a hotel-casino complex or casino. The amendment recognises that, as the Minister is able to carry out disciplinary action, the Minister should also be able to carry out probity investigations to satisfy himself or herself of the suitability of investigated persons.

The clause also amends section 30(2) to provide that in determining the suitability of a casino entity (that is, a casino licensee, casino lessee, and casino operator under a casino management agreement) and their associates to be associated or connected with the management and operations of a hotel-casino complex or casino, regard may be given to a report by an external adviser, or to the findings of certain investigations undertaken by a State authority or under a law of a State or Commonwealth if the findings relate to the casino entity or their associates or associate's associates.

Clause 8 inserts new sections 30A, 30B, 30C, and 30D.

New section 30A imposes on a casino licensee, casino lessee, casino operator under a casino management agreement and their associates a duty to cooperate. The duty

involves complying with all reasonable requests made by the Minister, chief executive or an inspector under the Act, and doing everything necessary to ensure that the management and casino operations of the relevant casino operator are conducted in an honest and fair manner. A breach of the duty attracts a maximum penalty of 160 penalty units.

New section 30A defines who is an associate of a casino entity (that is, a casino licensee, casino lessee and casino operator under a casino management agreement) more narrowly than who could be considered by the Minister to be an associate under section 30(1) of the Act. Under section 30(1) of the Act, an associate of a casino entity is a person who, in the Minister's opinion, is associated with the ownership, administration or management of the operations or business of the casino entity. The breadth of persons who could therefore, be considered by the Minister to be an associate is large. For the purposes of new section 30A, it is considered that it would only be fair to impose a duty to cooperate on those associates who, due to their financial interest or power in the business of a casino entity, may exercise significant influence over the management and operation of a casino entity's business.

New section 30B applies to particular entities – that is, a casino licensee, casino lessee, casino operator under a casino management agreement and their associates. If an entity believes it has contravened the Act; an agreement Act for the casino licence relevant to the entity; a direction given to them by the chief executive or Minister; or believes it has breached a prescribed agreement to which they are a party, the entity must provide written notice of the breach or contravention to the chief executive no later than five days after forming the belief. A contravention of the self-reporting obligation attracts a maximum penalty of 160 penalty units.

New section 30B defines who is an associate of a casino entity (that is, a casino licensee, casino lessee and casino operator under a casino management agreement) more narrowly than who could be considered by the Minister to be an associate under section 30(1) of the Act. Under section 30(1) of the Act, an associate of a casino entity is a person who, in the Minister's opinion, is associated with the ownership, administration or management of the operations or business of the casino entity. The breadth of persons who could therefore, be considered by the Minister to be an associate is large. For the purposes of new section 30B, a more narrowly defined group of associates is required to ensure that particular associates know that new section 30B applies to them.

New section 30C provides that the chief executive or Minister may, by written notice, require an entity that may be investigated under section 30(1) of the Act to give information, or enable documents to be examined or copied by the chief executive or Minister. A failure to comply with the requirement attracts a maximum penalty of 160 penalty units. An entity is not excused from complying with the written notice on the ground that the information is the subject of legal professional privilege. However, information does not cease to be the subject of legal professional privilege only because it is given in accordance with the written notice.

New section 30D prohibits a casino licensee, casino lessee, casino operator under a casino management agreement, and any entity given an information requirement under new section 30C(2) from giving information to the chief executive or Minister that they know, or ought reasonably to know, is false or misleading in a material particular.

Providing false or misleading information attracts a maximum penalty of 160 penalty units unless when providing the information in a document, the entity advises the chief executive or Minister how the document is false or misleading and gives the correct information where possible. New section 30D does not capture existing offences dealing with false or misleading information that are provided for under sections 107(b), 107(c) and 110(f).

Clause 9 makes a number of amendments to section 31 to deal with disciplinary action against casino licensees, casino lessees and casino operators under casino management agreements.

The amendments make it clear that section 31 is intended to deal with all types of disciplinary action, not just the suspension or cancellation of a casino licence and letters of censure.

The amendments to section 31 lower the threshold for instituting a show cause process by removing the need for the Minister to first form an opinion that an act or omission constituting a prescribed ground is of such a serious and fundamental nature that the integrity of the operation of the casino is jeopardised or the interest of the public is adversely affected. Instead, if the Minister believes a prescribed ground for taking disciplinary action against a casino entity has arisen and that disciplinary action is the only way to address the initiating incident, the Minister must institute a show cause process.

The Minister may however, issue a letter of censure without commencing a show cause process if the Minister is satisfied the matter relating to the ground for taking disciplinary action may be sufficiently addressed by a letter of censure.

The amendments to section 31 additionally clarify that a prescribed ground for taking disciplinary action includes where the land used for the hotel-casino complex ceases to be held by the licensee in freehold or under a lease from the State (except in the case of an assignment under section 32); there is a finding of unsuitability under section 30(1); or there is a conviction of certain indictable offences, whether or not the conviction is recorded. Further, a contravention of a provision of the Casino Control Act is added to the prescribed grounds.

After considering all responses and submissions received in response to a show cause notice before the end of the response period and any responses and submissions received after the end of the response period at the Minister's discretion, the Minister may take no further action if the Minister considers disciplinary action is not warranted against the casino entity. If the Minister considers that disciplinary action is warranted, the Minister may take one or more of the following actions against the casino entity – give a letter of censure; give a written direction to rectify a matter; direct the payment of a pecuniary penalty of not more than $5 million.

Alternatively, the Minister may, in lieu of a letter of censure, a direction to rectify or a direction to pay a pecuniary penalty of not more than $5 million, recommend to the Governor in Council that a pecuniary penalty of more than $5 million be imposed, the casino licence be cancelled or suspended, or the casino lease or casino management agreement be terminated.

After considering the Minister's recommendation, the show cause notice relevant to the recommendation, and the responses and submissions considered by the Minister, the Governor in Council may take no action, or may take one or more of the following actions in relation to the casino entity – cause a letter of censure to be given; give or cause to be given a written direction to rectify a matter; appoint an administrator unless a receiver and manager has been appointed under section 32; order the payment of a pecuniary penalty of not more than $50 million; take action under section 31(15) to suspend or cancel the casino licence or direct the termination of the casino lease or casino management agreement where the Governor in Council is satisfied that the circumstances are so extraordinary that it is imperative in the public interest to do so.

The pecuniary penalty is a new type of disciplinary measure. It is a debt payable to the State. The cancellation or suspension of a casino licence or the termination of a casino lease or casino management agreement does not relieve a casino entity of an obligation to pay a pecuniary penalty.

In determining the appropriate amount to be imposed on a casino entity, the Minister and Governor in Council, as the case may be, must consider the nature and extent of the act or omission that forms the basis of the grounds for taking disciplinary action; whether the act or omission undermines the objects of the Act; whether there is any loss or damage to the State or the public; whether any disciplinary action has been taken against the casino entity before; the seriousness of the grounds for taking disciplinary action; and any other relevant matters.

Section 31(13) is amended to provide that a letter of censure may be published on the Department's website.

Section 31 is also amended to provide that a decision by the Governor in Council to take any disciplinary action against a casino entity is final and conclusive, and may not be appealed against, reviewed or quashed in any way. At present, only the decision to cancel or suspend a casino licence, or terminate a management agreement or lease, is unreviewable.

Clause 10 inserts a new section 31A to provide that the chief executive may recover from a casino entity that is the subject of disciplinary action the reasonable costs and expenses incurred by the Department in assisting the Minister or Governor in Council in preparing for and taking the disciplinary action against the entity (such as for example, investigating whether a ground for the disciplinary action arose under section 31(1), obtaining legal advice about a matter relating to the disciplinary action, or engaging a suitably qualified person to advise on a matter relating to the disciplinary action), and considering responses and submissions made in relation to the show cause notice, and considering responses and submissions made about a recommendation of the Minister under section 31. Before recovering the costs and expenses, the casino entity must be given a written notice stating the amount of the costs and expenses; how the amount was calculated; and when the amount must be paid.

If a casino entity does not comply with the written notice, the Minster may recommend to the Governor in Council that the casino licence be suspended or cancelled, or the casino lease or casino management agreement be terminated as relevant. If the Minister

proposes to make such a recommendation, the Minister must first provide the casino entity with an opportunity to make a submission as to why the Minister should not make the recommendation. The Minister must then consider all submissions properly made and decide to either take no further action about the recommendation or make the recommendation to the Governor in Council.

The Governor in Council may, after considering the Minister's recommendation and all submissions properly made to the Minister, either take no action or take action under section 31(15). The Governor in Council's decision is final and conclusive and may not be appealed against, reviewed or quashed in any way.

Clause 11 amends section 35 to remove the need for an application for a casino key employee licence or a casino employee licence to specify the type of licence applied for. Further, the requirement for such applications to be accompanied by a letter from the casino operator stating that the operator intends to employ the applicant is removed.

Additionally, the requirement for an applicant for a casino key employee licence or a casino employee licence to agree to have their photograph and fingerprints taken as part of their licence application is removed.

Clause 12 amends section 37(1) to remove the need for the chief executive to cause the photograph and fingerprints of an applicant of a casino key employee licence or a casino employee licence to be taken.

Clause 13 amends section 38(3) to remove the need for the chief executive to destroy an applicant's fingerprints taken in relation to an application for a casino key employee licence or a casino employee licence if the chief executive refuses to grant the licence. This is because it will no longer be a requirement for an applicant to agree to have their fingerprints taken as part of their application.

Clause 14 amends section 39A(2) to remove the requirement for a casino key employee licence and a casino employee licence to include a recent photograph of the licensee. This is because it will no longer be a requirement for an applicant to agree to have their photograph taken as part of their application.

Clause 15 removes section 40 so that it will no longer be a requirement for a casino operator to notify the chief executive when a casino key employee or casino employee begins employment with the casino operator.

Clause 16 amends section 44(2) of the Act to replace a provision reference.

Clause 17 amends section 47A to provide that where a casino key employee licence or a casino employee licence held by a person ceases to be in force, the chief executive must, as soon as practicable, cause the fingerprints and palm prints of the person to be destroyed if they were taken under former section 37(1)(a) for the person as part of their application for a casino key employee licence or a casino employee licence.

Clause 18 amends section 62(4) to provide that the chief executive's approval of gaming equipment must include any electronic payment methods to be used with the gaming equipment, including the technology used for the electronic payment methods.

If the gaming equipment is a gaming machine, the chief executive's approval must also include approval of the machine game to be played on the gaming machine and the artwork for the machine game.

Clause 19 amends section 63 to remove the requirement for the making of a rule to be notified in the gazette. Instead, the notification must be made on the Department's website. A rule takes effect on the day the making of the rule is notified on the Department's website or on the day stated in the Minister's notice or the rule.

Clause 20 amends section 65(2) to future proof the ways in which chips could be paid for other than in cash or by chip purchase voucher. The provision is amended to provide that a casino operator may also issue chips for gaming if the chips are paid for using another payment method approved by the chief executive.

Additionally, the clause amends section 65(6A) to provide for other ways in which chips and chip purchase vouchers may be redeemed subject to the approval of the chief executive.

Clause 21 amends section 67 to provide that besides cash, cheque, the use of a debit card, and a credit card transaction, a casino operator may accept a deposit into a person's player account using another method approved by the chief executive.

Section 67 is also amended to provide that instead of paying a person, for whom a player account is established, cash up to the amount in their account, the casino operator may, if requested by the person, pay the person using another method approved by the chief executive.

Clause 22 inserts a new section 67A to enable a casino operator, other than in ways already permissible under section 67(8) and 68(1), to issue a chip purchase voucher to a person in exchange for payment from the person using a method approved by the chief executive.

Clause 23 amends section 68(2) to provide that a casino operator shall not accept a cheque from a person for a chip purchase voucher, other than a traveller's cheque, unless the cheque satisfies the requirements specified in section 67(5)(c).

Clause 24 amends section 69 to provide that a cheque may be redeemed by a person, other than the ways already prescribed under the section which include cash, cheque, chip purchase voucher and chips, for payment using a method approved by the chief executive.

Clause 25 amends section 72(2) to remove the requirement for a casino operator to seek the chief executive's approval for training courses to be provided by the casino operator's nominee.

Clause 26 inserts a new section 72C to provide that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from casino gambling and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the casino operators that

must implement the prescribed measure. A maximum penalty of 200 penalty units applies if a prescribed casino operator fails to implement the prescribed measure that applies to the casino operator.

Clause 27 amends section 73(2) to increase the maximum penalty that applies if a casino operator contravenes the operator’s approved control system from 200 penalty units to 400 penalty units.

Clause 28 amends section 89 to increase the maximum penalty for offences relating to inspectors from 40 penalty units to 160 penalty units.

Clause 29 inserts new sections 91AA and 91AB.

New section 91AA provides that the Minister may direct a casino entity (that is, a casino licensee, casino lessee or casino operator under a casino management agreement) to engage, and pay for, a suitably qualified person as an external adviser on terms and conditions approved by the Minister to report to the Minister on a matter relating to the operation of casino; the conduct of the casino entity; the suitability of the casino entity and persons associated with the casino entity; or another matter relating to the casino entity and the administration of the Act.

The person engaged as an external adviser must be approved by the Minister for the engagement.

The casino entity must, if asked by the external adviser engaged by the casino entity, give the adviser all information the external adviser reasonably requires to perform their functions. A casino entity is not exempt from complying with a request for information on the ground that the information is the subject of legal professional privilege. Information does not cease to be the subject of legal professional privilege because it is given to the external adviser.

New section 91AB provides that the Minister, chief executive or inspector may require a person to give information on oath, or information or a document to be verified by statutory declaration. Failure to comply with the requirement without a reasonable excuse is punishable by a maximum penalty of 160 penalty units. New section 91AB also provides that the Minister, chief executive, inspector or other person appointed by the Minister may administer an oath.

Clause 30 repeals section 105 to remove the detention power which may be considered to limit the right to freedom of movement, and the right to liberty and security.

Clause 31 repeals section 118. The repeal of the provision is consequential to the repeal of section 105.

Clause 32 provides a transitional provision. New section 152 provides that section 31 as amended by the Casino Control and Other Legislation Amendment Act 2022 applies in relation to initiating incidents that happened before or after the commencement. Section 31A as inserted by the Casino Control and Other Legislation Amendment Act applies in relation to initiating incidents that happened before or after the

commencement but does not apply to disciplinary action started before the commencement.

Clause 33 amends the schedule dictionary to define 'external adviser'.

Part 3 Amendment of Casino Control Regulation 1999

Clause 34 provides that Part 3 of the Bill amends the Casino Control Regulation 1999.

Clause 35 amends section 22 to replace a reference to a section of the Casino Control Act.

Part 4 Amendment of Charitable and Non-Profit Gaming Act 1999

Clause 36 provides that Part 4 of the Bill amends the *Charitable and Non-Profit Gaming Act 1999.*

Clause 37 amends section 72 to remove the requirement for the making of a rule to be notified in the gazette. Instead, the notification must be made on the Department's website. A rule takes effect on the day the making of the rule is notified on the Department's website or on the day stated in the Minister's notice or the rule.

Clause 38 amends section 100 to clarify that after considering an application for approval of regulated general gaming equipment or for approval to modify regulated general gaming equipment, the chief executive must approve the equipment or modification; approve the equipment or modification with conditions; or refuse to approve the equipment or modification. The chief executive must give the applicant written notice of a decision to approve equipment or a modification. For a decision to approve equipment or a modification with conditions, or a decision to refuse to approve equipment or a modification, the chief executive must give the applicant an information notice.

Clause 39 inserts a new section 100AA which provides that at any time after granting approval of regulated general gaming equipment or approval to modify regulated general gaming equipment, the chief executive may impose conditions on the approval, or vary or remove a condition of the approval. The chief executive must give the approval holder notice in writing if a condition is removed. For a decision to impose or vary a condition, the chief executive must provide the approval holder with an information notice.

Clause 40 amends section 100B to provide that a person must not use approved equipment in conducting a game unless the use is consistent with an approval of the equipment or a modification of the equipment, including any conditions of the approval. A maximum penalty of 200 penalty units applies.

Clause 41 inserts a new division 10A under Part 5 of the Act. New section 102A under the division provides that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from general gaming

and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the persons involved in conducting games who must implement the prescribed measure. A maximum penalty of 200 penalty units applies if a prescribed person fails to implement the prescribed measure that applies to the person.

Clause 42 amends section 174 to clarify that an application may also be made to the tribunal for a review of a decision to – approve regulated general gaming equipment or a modification of the equipment with conditions; impose a condition on an approval for, or modification of, regulated general gaming equipment; and vary a condition of an approval for, or modification of, regulated general gaming equipment.

Clause 43 amends section 186(2) to provide that a regulation may also be about the methods of payment used with general gaming equipment; to participate in a game; or for paying prizes or refunding a fee paid to enter a game.

Clause 44 amends the definition of 'general gaming equipment' in schedule 2 to provide the term means a machine or other device (whether electronic, electrical or mechanical), computer software, or another thing, used, or suitable for use, in connection with a game. The expanded definition enables a thing used, or suitable for use, in the participation of a game (and not just in the conduct of a game) to be considered general gaming equipment.

Part 5 Amendment of Collections Act 1966

Clause 45 provides that Part 5 of the Bill amends the *Collections Act 1966.*

Clause 46 amends section 5 to relocate existing definitions to new schedule 2 (Dictionary). The definition of 'constitution*'* is amended to extend the application of the definition to include other governing documents. A reference to new section 23M is noted against the definition of charity to recognise deemed registrants as charities under the Collections Act.

Clause 47 amends section 6 to insert a note that the application of the term charity for deemed registrants is provided for in new section 23L.

Clause 48 amends section 13 to insert a note that a Commonwealth registered entity will not receive an automatic sanction under section 13 if they already hold authorisation as a deemed registrant under the Collections Act, as provided in new section 23N(3).

Clause 49 amends section 13A to relocate the definition of 'parents and citizens associations' to new schedule 2 (Dictionary). The clause also amends the section heading to replace 'Parent' with 'Parents'.

Clause 50 amends section 18 to omit the extension phrase 'as such' in subsection 18(1).

Clause 51 amends section 21 to remove the right for a person to object to an application to register as a charity under subsection 21(2). A person may still apply to have a charity removed from the register after it has been registered in Queensland, under provisions

in existing section 21. These provisions are specific to charities locally registered under the Collections Act, and do not apply to deemed registrants. The clause also amends the existing section 21 heading to remove reference to claims and objections to appropriately convey the process remaining in this section.

Clause 52 inserts new Part 6A, after Part 6, to provide for the registration of Commonwealth registered entities under the Collections Act.

New section 23A provides the foundation of the deemed registration framework. New section 23A(1) identifies that Commonwealth registered entities (which are defined in schedule 2), other than excluded entities, will be subject to the deemed registration framework. 'Excluded entities' are those that cannot obtain deemed registration due to already being subject to specific fundraising provisions or exemptions under the Collections Act or another Act.

New section 23A(3) identifies the excluded entities for the deemed registration framework under Part 6A. Entities excluded are: the Council of the Queensland Institute of Medical Research established under the *Queensland Institute of Medical Research Act 1945*, a foundation established under the *Hospital Foundations Act 2018,* a local ambulance committee established under the *Ambulance Service Act 1991*, parents and citizens associations, and religious denominations.

New section 23B provides that a Commonwealth registered entity is *taken to be* registered as a charity by the Minister under the Collections Act. The Commonwealth registered entity is taken to have 'deemed registration' when the Minister receives notice in the approved form that the Commonwealth registered entity intends to conduct appeals for support in Queensland, or if the Minister receives notice from the ACNC commissioner on behalf of the Commonwealth registered entity that it intends to conduct appeals for support in Queensland.

Once a Commonwealth registered entity has deemed registration, they are referred to as a 'deemed registrant'. However, a Commonwealth registered entity is not a deemed registrant if it is prohibited from giving notice of an intention to fundraise under new section 23J(4). Whilst a deemed registrant is taken to be registered as a charity, it is not subject to the requirement to be registered on the register of charities under section 19(1).

New section 23C provides for the duration of deemed registration. Pursuant to new section 23C(2) a Commonwealth registered entity is taken to have deemed registration on and from the day the Minister receives notice in the approved form. Deemed registration will not end until either: the Minister ends its registration (pursuant to new section 23I); the deemed registrant's ACNC registration is revoked; or the deemed registrant gives the Minister notice in the approved form that it wishes its deemed registration to end.

New section 23D inserts a power for the Minister to impose conditions on deemed registration by giving written notice to the deemed registrant. The conditions may be about a particular appeal for support or may be applied to all appeals for support made for the deemed registrant in Queensland. Conditions may also be amended or revoked under this section. This includes the power for the Minister to amend or revoke a

condition that has been carried over to the deemed registration from a pre-existing local charity registration or sanction under new sections 23E and 23F respectively. A conditioning power is necessary to ensure that oversight of fundraising conducted by deemed registrants can be maintained, if required.

New section 23E applies to Commonwealth registered entities that were registered as a charity under existing subsection 19(1) of the Collections Act immediately before becoming a deemed registrant. A Commonwealth registered entity cannot hold two simultaneous authorisations under the Collections Act. To prevent duplication, under new subsection 23E(2) the pre-existing registration ends upon the Minister receiving the notice under new section 23B. Additionally, upon becoming a deemed registrant the entity will no longer be subject to section 19(1) provisions. As a result of the pre-existing registration ending, the Minister is obligated to remove the deemed registrant's pre-existing registration from the register of charities. A record of deemed registrants may still be viewable online as new section 23K provides for the discretionary publishing of a list of deemed registrants.

New subsection 23E(3) provides that any condition imposed on the pre-existing registration of the now deemed registrant is taken to be a condition of the Commonwealth registered entity's deemed registration imposed by the Minister under section 23D.

New subsection 23E(4) provides for the Minister to re-instate the pre-existing registration if the Commonwealth registered entity chooses to voluntarily end its ACNC registration or similarly gives written notice to the Minister to end its deemed registration (pursuant to new sections 23C(3)(b) and (c). In these cases, new section 23E(5) provides that the pre-existing registration may be reinstated with the same effect as if the Minister had granted registration under subsection 19(1) of the Collections Act, including the pre-existing conditions.

New section 23F applies to Commonwealth registered entities that had a sanction in force, under existing section 12 of the Collections Act, immediately before becoming a deemed registrant. Provisions under new section 23F largely replicate new section 23E, by ending the pre-existing sanction and transferring the conditions and decisions of the sanctioned entity to the deemed registrant. It also provides for the reinstatement of a pre-existing sanction should deemed registration end.

Under new subsection 23F(3), conditions attached to the pre-existing sanction will be carried over to deemed registration. As with pre-existing registrations, pre-existing sanctions may be reinstated in circumstances where the deemed registrant chooses to voluntarily end its ACNC registration or similarly gives written notice to the Minister to end its deemed registration (pursuant to new sections 23C(3)(b) and (c)). In these circumstances, the pre-existing sanction may be reinstated with the same effects and conditions as if it had been granted under existing section 12 of the Collections Act.

New section 23G provides that decisions already made by the Minister for a pre-existing registration or pre-existing sanction will automatically become decisions made for the same Commonwealth registered entity's deemed registration.

While not limiting decisions that automatically carry across in new subsection 23G(2), new paragraph 23G(3) outlines previous decisions for pre-existing registrations and sanctions that will carry over to a deemed registration. Such approvals include the assignment of days for door-to-door appeals and street collections, and the approval of agreements with commercial third-party fundraisers. Additionally, for pre-existing sanctions an additional Ministerial approval of a person as a promoter under section 11(1)(b)(ii) of the Collections Act will also carry over. To reduce timing delays and allowing for a smooth transition between authorisations, decisions are carried over to remove additional administrative burdens on deemed registrants.

New section 23H prohibits deemed registrants from applying for a sanction under section 12 or for registration as a charity under section 19 of the Collections Act. This will ensure only one fundraising authority per entity is held under the Collections Act at any one time.

New section 23I outlines the grounds and procedure by which the Minister may end the deemed registration of a Commonwealth registered entity. Under new subsection 23I(1), before ending a deemed registration, the Minister must be satisfied:

- the registrant has contravened a provision of the Collections Act;
- the registrant has contravened a condition of its deemed registration;
- the proceeds of an appeal conducted by the deemed registrant in Queensland have been mismanaged or misapplied; or
- there are other circumstances which justify ending deemed registration.

Before a Minister ends a deemed registration, new subsection 23I(2) requires the Minister to give written notice to the governing body of the Commonwealth registered entity. The notice must state the grounds on which the Minister is considering ending its deemed registration. The notice must also invite the entity to make a submission within a specified time (no less than 14 days after the notice is given). The Minister must consider any submissions from the entity before ending the deemed registration.

New section 23I broadly mirrors existing provisions which state the grounds on which a local authorisation ends; for charities (section 22 of the Collections Act) and sanctions (subsection 12(8) of the Collections Act).

New section 23J provides for the effect of deemed registration ending under new section 23I. New subsection 23J(2) obligates a Commonwealth registered entity to give the Minister a record of the assets of any appeal for support it has conducted in Queensland within one month of its deemed registration ending. New subsection 23J(3) prohibits a Commonwealth registered entity whose deemed registration has ended from distributing or dealing with assets obtained in an appeal for support conducted in Queensland during its deemed registration period without the Minister's written consent. These sections ensure that, especially in cases where deemed registration has ended due to the mismanagement or misapplication of funds, further inappropriate dealing can be prevented.

New sections 23J(4) and (5) grant the Minister discretion to prevent a former deemed registrant from obtaining a new deemed registration within a stated period or until the Minister gives written notice that they may again notify under section 23B(1) of an

intention to make an appeal for support in Queensland. The Minister's ability to prohibit a Commonwealth registered entity from again becoming a deemed registrant ensures that further inappropriate appeals for support can be prevented.

New section 23K grants the chief executive the discretion to publish a list of the names of deemed registrants on the Department's website. If such a list is published, the chief executive must ensure that a Commonwealth registered entity's name is removed from the list if its deemed registration ends. The legislation does not prescribe for particular information to be posted on the list, other than the names of the deemed registrant, as additional information regarding the deemed registration would be available on the ACNC website.

New section 23L provides that deemed registrants are subject to existing provisions of the Collections Act, except for excluded provisions, as if they were a charity. Practically, a reference to a 'charity' and 'charity registered under this Act' is taken to include a reference to a deemed registrant. This means that sections providing for offences, conduct requirements and reporting all extend to deemed registrants. This is to ensure that the Queensland Government retains the necessary oversight of appeals for support conducted in Queensland.

New section 23L(3)(a) provides for the following specific excluded provisions of the Collections Act which do not apply to a deemed registrant:

- Part 5 - Deemed registrants are not required to apply to the Minister for exclusive use of devices (e.g., red poppies). It is not considered necessary to require deemed registrants to apply to the Minister to use devices such as pins and emblems as part of their fundraising activities, as the use of these items is generally protected by intellectual property law;
- Part 6 - Deemed registrants are not subject to local registration requirements which include an application process in which the chief executive can request documents to evidence and support the registration. Additionally, deemed registrants are not required to abide by: restrictions on the use of charity names, public applications to remove a charity from the register, and the general process of removal from the register. The exclusion of Part 6 allows Commonwealth registered entities to be recognised in Queensland upon receipt of the appropriate notice of intention to fundraise; and
- section 29 - Deemed registrants are not required to prepare or supply a constitution as a condition of their registration. A constitution is not required as the Commonwealth registered entity supplies this as part of the ACNC registration process.

New section 23L(3)(b) provides that a regulation may provide that a provision of a regulation made under the Collections Act does not apply to deemed registrants.

The excluded provisions relieve deemed registrants from various administrative obligations that would otherwise unnecessarily impede the conduct of an appeal and are consistent with the purpose of the deemed registration model.

New section 23M (Application of other Acts to deemed registrants) provides that a reference to a charity registered under the Collections Act in another Queensland Act includes a reference to a deemed registrant, to the extent context permits.

New section 23N seeks to clarify that deemed registrants remain subject to the Charitable and Non-profit Gaming Act in the conduct of relevant games. The displacement of section 13 for deemed registrants is to ensure clarity around the source of a deemed registrant's authority to conduct fundraising, which would be complicated if statutory sanctions were to apply.

Clause 53 amends section 27 to insert 'registered under this Act' into paragraph 27(1)(a) to specify that the power to investigate a charity under section 27 only extends to charities registered under the Collections Act. The investigation power will apply to a deemed registrant by virtue of new section 23L of the Collections Act.

Clause 54 amends section 35E to update terminology reflective of the new deemed registration model. The existing definition of 'commissioner' has been omitted, as the equivalent definition for 'ACNC commissioner' is now provided in schedule 2 (Dictionary). Additionally, references in this section to 'commissioner' have been updated to 'ACNC commissioner', and references to 'ACNC registered entity' have been updated to 'Commonwealth registered entity'. This is to ensure consistent terminology is used throughout the Collections Act.

Clause 55 amends section 37 to prescribe an offence for a person, who in relation to making an appeal for support, specifies the entity has deemed registration under the Collections Act, when it is not so registered. A maximum penalty of 20 penalty units applies. This is consistent with the existing maximum penalty amount for offence provisions for a person claiming to be authorised when they are not so authorised. Offence provisions under section 37 ensure that entities are not inappropriately or falsely claiming to be authorised to fundraise in Queensland, and ensure the integrity of the new framework.

Clause 56 amends section 47 to update the heading to 'Regulation-making power' which is a change to better reflect the intent of this section. Additional amendments are made to the following sections:

- section 47(3)(g) – to clarify that conditions may also be prescribed for a deemed registration;
- section 47(3)(za) – to clarify that parents and citizens associations are taken to be sanctioned under section 13A of the Collections Act, as opposed to being registered as a charity under section 19; and
- section 47(3)(zw) – to clarify that only a charity registered under the Collections Act is obligated to notify the Minister of a change in membership of its governing body.

Clause 57 amends the existing schedule (Section 29(5) registered charities) to renumber it as schedule 1, to allow for the insertion of additional schedules.

Clause 58 inserts a new schedule 2 (Dictionary).

Clause 59 inserts new dictionary definitions specific to the deemed registration framework – ‘ACNC commissioner’, ‘Commonwealth registered entity’, ‘deemed registrant’ and ‘deemed registration’. The definition of ‘parents and citizens association’ from section 13A, has been relocated to new schedule 2.

Part 6 Amendment of Gaming Machine Act 1991

Clause 60 provides that Part 6 of the Bill amends the *Gaming Machine Act 1991*.

Clause 61 amends section 231 to replace all references to ‘an electronic monitoring system’ with ‘a gaming related system’. The amendment ensures that the installation of or modification to a gaming related system on licensed premises must be undertaken by the commissioner or a licensed monitoring operator with the approval of the commissioner. Section 231 is also amended to make clear that changing the gaming tokens used with a gaming related system is taken to be a modification to the gaming related system.

Clause 62 amends section 235 to provide that trading hours are extended to 2am on New Year’s Day for all gaming machine licensees. This will remove the need for gaming machine licensees to apply to the Commissioner for a temporary extension to trading hours, reducing administrative and regulatory burden for licensees. The insertion of a 2am trading extension on New Year’s Day will align gaming machine trading hours with liquor trading hours for New Year’s Eve celebrations. The provision also provides that if the Commissioner of Liquor and Gaming (commissioner) has granted an extended trading hour to a gaming machine licensee that the later time afforded is taken as the trading hour.

Clause 63 amends section 239 to make clear that a licensee in conducting gaming on the licensee’s licensed premises must only use Australian currency, a gaming token that forms part of a gaming related system approved under section 231(4) or a gaming token approved by the commissioner under section 240A.

Clause 64 amends section 240(1) to provide that section 240 does not apply to a gaming related system approved under section 231(4), other than a TITO system. The clause also amends section 240(3) to provide that a licensee in conducting gaming on the licensee’s licensed premises must not use, or allow the use of, a gaming token that is not in good condition. A maximum penalty of 200 penalty units applies if section 24(3) is breached.

Clause 65 inserts new section 240A to provide that a licensee may apply to the commissioner for approval of gaming tokens for use on the licensee’s licensed premises. Approval is not required to be sought under new section 240A for Australian currency or for a gaming token that forms part of a gaming related system.

In considering an application made under new section 240A, the commissioner must decide to approve, or refuse to approve, the application.

The commissioner’s approval of a gaming token under the section approves the gaming token for use on the premises for the purpose of gaming; the value that the gaming token represents; the physical characteristics of the gaming token; and the way in which

the gaming token displays the value that it represents; and the name of, or the symbol for, the licensee and licensed premises.

If the commissioner decides to approve the application, the commissioner must provide a written notice to the applicant. If the commissioner decides to refuse the application, the commissioner must give the applicant an information notice.

Clause 66 inserts a new division 11A under Part 6 of the Act. New section 264AA under the division provides that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from gaming machine gambling and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the licensees and licensed suppliers that must implement the prescribed measure. A maximum penalty of 200 penalty units applies if a prescribed licensee or licensed supplier fails to implement the prescribed measure that applies to the licensee or licensed supplier.

Clause 67 amends section 294(3)(a)(ii) to replace a provision reference.

Clause 68 amends section 344(2) to provide the commissioner or Minister may in respect of any approval or authorisation by them subject the approval or authorisation to conditions; and may at any time, add further conditions, vary the conditions, and withdrawal the approval or authorisation if they consider it necessary or appropriate in the public interest or for the proper conduct of gaming, having regard to the objects of the Act.

Clause 69 amends schedule 1, part 1 to include that the tribunal may review a decision to refuse to approve gaming tokens under new section 240A.

Clause 70 amends the definitions of ‘gaming equipment’ and ‘gaming related system’ in schedule 2 to broaden what may be considered ‘gaming equipment’ and ‘gaming related system’.

Part 7 Amendment of Interactive Gambling (Player Protection) Act 1998

Clause 71 provides that Part 7 of the Bill amends the *Interactive Gambling (Player Protection) Act 1998*.

Clause 72 amends section 120 to remove the requirement for the making of a rule to be notified in the gazette. Instead, the notification must be made on the Department’s website. A rule takes effect on the day the making of the rule is notified on the Department’s website or on the day stated in the Minister’s notice or the rule.

Clause 73 inserts a new section 136A which provides that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from interactive gambling and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the interactive wagering operators and authorised providers that must implement the

prescribed measure. A maximum penalty of 200 penalty units applies if an interactive wagering operator or authorised provider fails to implement the prescribed measure that applies to the interactive wagering operator or authorised provider.

Clause 74 amends section 162 to clarify that after considering an application for approval of regulated interactive gambling equipment or to modify regulated interactive gambling equipment, the chief executive must grant the approval, grant the approval with conditions or refuse to grant the approval. The chief executive must give the applicant written notice of a decision to approve equipment or a modification. For a decision to approve equipment or a modification with conditions, or a decision to refuse to approve equipment or a modification, the chief executive must give the applicant an information notice.

The amendments also clarify that at any time after granting an approval, the chief executive may impose conditions on the approval, or vary or remove a condition of the approval. However, the chief executive may only do so if the chief executive considers such an action is necessary or appropriate for the proper conduct of interactive gambling, or is otherwise in the public interest. The chief executive must give the licensed provider notice in writing if a condition is removed. For a decision to impose or vary a condition, the chief executive must provide the licensed provider with an information notice.

Clause 75 amends section 163 to clarify that a licensed provider or agent must not use approved interactive gambling equipment in conducting an authorised game unless the use is consistent with an approval for the equipment or a modification of the equipment, including any conditions of the approval. A maximum penalty of 200 penalty units applies.

Clause 76 inserts a new section 261D to provide that the chief executive may make guidelines about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the Act. The guidelines must be published on the Department's website.

Clause 77 amends section 263(4) to provide that a regulation may also be about the methods of payment used with regulated interactive gambling equipment; to participate in interactive gambling; for paying prizes or refunding an amount wagered on an interactive game; or for making a deposit to, or withdrawal from, a player's account.

Clause 78 amends part 1 of schedule 2 to clarify that an application may also be made to the tribunal for a review of a decision to approve regulated interactive gambling equipment or a modification of the equipment with conditions; impose a condition on an approval for, or modification of, regulated interactive gambling equipment; and vary a condition of an approval for, or modification of, a regulated interactive gambling equipment.

Clause 79 amends the definition of 'interactive gambling equipment' in schedule 3 to provide the term means a machine or other device (whether electronic, electrical or mechanical), computer software, or another thing, used, or suitable for use, in connection with an authorised game. The expanded definition enables a thing used, or suitable for use,

in the participation of an authorised game (and not just in the conduct of an authorised game) to be considered interactive gambling equipment.

Part 8 Amendment of Keno Act 1996

Clause 80 provides that Part 8 of the Bill amends the *Keno Act 1996*.

Clause 81 amends section 138 to remove the requirement for the making of a rule to be notified in the gazette. Instead, the notification must be made on the Department's website. A rule takes effect on the day the making of the rule is notified on the Department's website or on the day stated in the Minister's notice or the rule.

Clause 82 amends section 145 to clarify that after considering an application for an approval for regulated keno equipment or for approval to modify regulated keno equipment, the chief executive must decide to grant the approval, grant the approval with conditions, or refuse to grant the approval. The chief executive must give the keno licensee written notice of a decision to approve equipment or a modification. For a decision to approve equipment or a modification with conditions, or a decision to refuse to approve equipment or a modification, the chief executive must give the keno licensee an information notice.

The amendments also clarify that at any time after granting an approval, the chief executive may impose conditions on the approval, or vary or remove a condition of the approval. However, the chief executive may only do so if the chief executive considers such an action is necessary or appropriate for the proper conduct of keno gaming, or is otherwise in the public interest. The chief executive must give the keno licensee notice in writing if a condition is removed. For a decision to impose or vary a condition, the chief executive must provide the keno licensee with an information notice.

Clause 83 amends section 146 to clarify that a keno licensee or appointed agent must not use approved keno equipment in conducting a keno game unless the use is consistent with the approval for the equipment or a modification of the equipment, including any conditions of the approval. A maximum penalty of 200 penalty units applies.

Clause 84 amends section 147 to provide that a person may deposit amounts into their player account using cash, cheque or a payment method approved by the chief executive. The amendment also provides that the keno licensee may, up to the value of the amount standing to the person's credit in their player account, issue keno tickets, pay cash or pay the person using another method approved by the chief executive.

Clause 85 inserts a new section 153 which provides that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from keno gambling and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the keno licensees that must implement the prescribed measure. A maximum penalty of 200 penalty units applies if a keno licensee fails to implement the prescribed measure that applies to the keno licensee.

Clause 86 inserts a new section 241A to provide that the chief executive may make guidelines about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the Act. The guidelines must be published on the Department's website.

Clause 87 amends section 243(2) to provide that a regulation may also be about the methods of payment used with regulated keno equipment; to participate in a keno game; for paying prizes or refunding an amount wagered on a keno game; or for making a deposit to, or withdrawal from, a player account.

Clause 88 amends part 1 of schedule 2 to clarify that an application may also be made to the tribunal for a review of a decision to – approve regulated keno equipment or a modification of the equipment with conditions; impose a condition on an approval for, or a modification of, regulated keno equipment; and vary a condition of an approval for, or a modification of, regulated keno equipment.

Clause 89 amends the definition of 'keno equipment' in schedule 4 to provide the term means a machine or other device (whether electronic, electrical or mechanical), computer software, or another thing, used, or suitable for use, in connection with keno games. The expanded definition enables a thing used, or suitable for use, in the participation of a game (and not just in the conduct of a game) to be considered keno equipment.

Part 9 Amendment of Lotteries Act 1997

Clause 90 provides that Part 9 of the Bill amends the *Lotteries Act 1997*.

Clause 91 amends section 121 to remove the requirement for the making of a rule to be notified in the gazette. Instead, the notification must be made on the Department's website. A rule takes effect on the day the making of the rule is notified on the Department's website or on the day stated in the Minister's notice or the rule.

Clause 92 inserts a new section 126 which provides that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from lotteries and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the lottery operators that must implement the prescribed measure. A maximum penalty of 200 penalty units applies if a lottery operator fails to implement the prescribed measure that applies to the lottery operator.

Clause 93 amends section 133 to clarify that after considering an application for approval of regulated lottery equipment or for approval to modify regulated lottery equipment, the chief executive must grant the approval, grant the approval with conditions, or refuse to grant the approval. The chief executive must give the lottery operator written notice of a decision to approve equipment or a modification. For a decision to approve equipment or a modification with conditions, or a decision to refuse to approve equipment or a modification, the chief executive must give the lottery operator an information notice.

The amendments also clarify that at any time after granting an approval, the chief executive may impose conditions on the approval, or vary or remove a condition of the approval. However, the chief executive may only do so if the chief executive considers such an action is necessary or appropriate for the proper conduct of lotteries, or is otherwise in the public interest. The chief executive must give the lottery operator notice in writing if a condition is removed. For a decision to impose or vary a condition, the chief executive must provide the lottery operator with an information notice.

Clause 94 amends section 134 to clarify that a lottery operator or agent must not use approved lottery equipment in conducting an approved lottery unless the use is consistent with an approval for the equipment or a modification of the equipment, including any conditions of the approval. A maximum penalty of 200 penalty units applies.

Clause 95 inserts a new section 226A to provide that the chief executive may make guidelines about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the Act. The guidelines must be published on the Department's website.

Clause 96 amends section 228(2) to provide that a regulation may also be about the methods of payment used with regulated lottery equipment; to participate in a lottery; for paying prizes or refunding an amount wagered on a lottery; or for making a deposit to, or withdrawal from, a player account.

Clause 97 amends part 1 of schedule 2 to clarify that an application may also be made to the tribunal for a review of a decision to approve regulated lottery equipment or a modification of the equipment with conditions; impose a condition on an approval for, or modification of, regulated lottery equipment; and vary a condition of an approval for, or modification of, a regulated lottery equipment.

Clause 98 amends the definition of 'lottery equipment' in schedule 3 to provide the term means a machine or other device (whether electronic, electrical or mechanical), computer software, or another thing, used, or suitable for use, in connection with a lottery. The expanded definition enables a thing used, or suitable for use, in the participation of a lottery (and not just in the conduct of a lottery) to be considered lottery equipment.

Part 10 Amendment of Wagering Act 1998

Clause 99 provides that Part 10 of the Bill amends the *Wagering Act 1998*.

Clause 100 amends section 7 to expressly authorise the sports wagering licensee to conduct wagering on simulated events and simulated contingencies approved by the Minister under amended section 57. The clause also clarifies the existing authority of the sports wagering licensee to conduct wagering on non-sporting events or contingencies approved by the Minister under amended section 57.

A new section 7(2) is inserted to provide that a sports wagering licence does not authorise a sports wagering licensee to conduct wagering on an event or contingency for which wagering is authorised to be conducted under a race wagering licence (i.e.,

an event or contingency that is, or relates to, thoroughbred, harness or greyhound racing that may be lawfully held in Queensland or elsewhere). This restriction is necessary to expressly delineate the broader authority of a sports wagering licence from the limited and specific authority of a race wagering licence under the Wagering Act.

Clause 101 inserts new section 33A to provide a mechanism to allow the Minister, with the written agreement of the relevant licensee, to amend a printed race wagering licence or sports wagering licence to reflect amendments to the authority of the licence or other relevant content. Alternatively, if satisfied it is not practicable to amend the existing printed licence, new section 33A(2)(b) allows the Minister to give the relevant licensee a replacement licence incorporating the agreed amendment. The amendment of the licence takes effect on the day the Minister gives the wagering licensee the amended or replacement licence.

Clause 102 replaces existing section 56 with amended section 56 (Application for approval of particular events and contingencies) to expand the current application process to incorporate the new ability for a sports wagering licensee to apply to the Minister for approval to conduct wagering on a simulated event or simulated contingency.

Amended section 56(1) specifies the types of events and contingencies for which a sports wagering licensee may seek approval from the Minister to conduct wagering. For clarity, amended section 56(1) limits applications to: simulated events; simulated contingencies; non-sporting event; or a contingency that relates to non-sporting event.

This approach confirms that amended section 56 (and the approval framework in Part 4, division 6 more broadly), cannot be used as a mechanism to inadvertently expand the authority of a sports wagering licence beyond that provided in section 7.

The clause moves existing section 57(3) to amended section 56(2), to remove all doubt that an application may relate to an event or contingency in Australia or elsewhere. This preserves the current intent that events approved under Part 4, division 6 are not confined to locally-held events only. The clause also clarifies that an application may relate to a particular event or contingency, or a class of event or contingency. Existing requirements relating to the particulars for making the application have been maintained in new section 56(4). Specifically, an application must be made in writing and describe the event or contingency, or class of event or contingency, for which approval is sought.

Further, by amending section 56, the Bill ensures that applications and decisions relating to simulated events and simulated contingencies are embedded in the existing framework for consideration and approval of events and contingencies contained in Part 4, division 6. This ensures existing Ministerial powers and obligations (e.g., the power to impose conditions on an approval; requirement to give notice of a decision; period of approval; and power to withdraw an approval) apply to simulated events and simulated contingencies.

Clause 103 makes consequential amendments to section 57 to reflect amended section 56. For clarity and readability, new section 57(2) restructures provisions contained in existing sections 57(2) and (4) to group together all of the relevant circumstances for which an approval for a particular event or contingency must not be given, being for:

- an event for which wagering is authorised to be conducted under a race wagering licence;
- a sporting event;
- a contingency that relates to an event for which wagering is authorised under a race wagering licence or a sporting event; or
- an event or contingency the Minister considers to be offensive or contrary to the public interest.

Redundant sections 57(3) (new section 56(2)) and 57(4) are subsequently omitted.

Clause 104 amends section 198 to remove the requirement for the making of a rule to be notified in the gazette. Instead, the notification must be made on the Department's website. A rule takes effect on the day the making of the rule is notified on the Department's website or on the day stated in the Minister's notice or the rule.

Clause 105 amends section 206 to restrict the methods by which wagers relating to simulated events and simulated contingencies may be accepted. As a harm-minimisation measure, betting on approved simulated events and simulated contingencies will only be permitted to occur at a terrestrial retail outlet or agency. Accordingly, offence provisions are inserted in new sections 206(3) and (4).

New subsection 206(3) provides that a licence operator (being a wagering licensee or wagering manager) must not accept wagers relating to simulated events or simulated contingencies by phone or another form of communication. A maximum penalty of 200 penalty units is applied, consistent with penalties for similar offences under section 207 of the Wagering Act and other pieces of gambling legislation.

Similarly, new section 206(4) provides that a wagering agent must not accept wagers relating to simulated events or simulated contingencies by phone or another form of communication. For consistency with the penalty for licence operators in new section 206(3), a maximum of 200 penalty units is also applied. A wagering agent is generally a hotel, a community club or another eligible person prescribed in the Regulation with whom the licence operator has entered into an agreement for the conduct of wagering under the relevant wagering licence.

The penalty amounts contained in the new offence provisions are commensurate with ensuring the integrity of the framework and will act as a deterrent from improper conduct by licence operators or wagering agents.

Clause 106 amends section 207 to clarify that a general operator, totalisator supplier or designated operator must not use approved wagering equipment for the conduct of approved wagering unless the use is consistent with an approval of the equipment or a modification of the equipment, including any conditions of the approval. A maximum penalty of 200 penalty units applies.

Clause 107 amends section 208 to clarify that after considering an application for an approval for regulated wagering equipment or for approval to modify approved wagering equipment, the chief executive must grant the approval, grant the approval with conditions, or refuse to grant the approval. The chief executive must give the authority operator written notice of a decision to approve equipment or a modification.

For a decision to approve equipment or a modification with conditions, or a decision to refuse to approve equipment or a modification, the chief executive must give the authority operator an information notice.

The amendments also clarify that at any time after granting an approval, the chief executive may impose conditions on the approval, or vary or remove a condition of the approval. However, the chief executive may only do so if the chief executive considers such an action is necessary or appropriate for the proper conduct of wagering, or is otherwise in the public interest. The chief executive must give the authority operator notice in writing if a condition is removed. For a decision to impose or vary a condition, the chief executive must provide the authority operator with an information notice.

Clause 108 inserts a new division 6 under Part 11 of the Act. New section 228F under the division provides that the Minister may recommend the making of a regulation about a harm minimisation measure if the Minister is satisfied the harm minimisation measure is necessary and appropriate to minimise potential harm from wagering and is consistent with the objects of the Act, or it is in the public interest to prescribe the measure. The regulation may prescribe the licensee and permit holders who must implement the prescribed measure. A maximum penalty of 200 penalty units applies if a prescribed licensee or permit holder fails to implement the prescribed measure that applies to the licensee or permit holder.

Clause 109 amends section 291 to clarify that an application may also be made to the tribunal for a review of a decision to – approve regulated wagering equipment or modification of the equipment with conditions; impose a condition on an approval for, or a modification of, regulated wagering equipment; and vary a condition of an approval for, or a modification of, regulated wagering equipment.

Clause 110 inserts a new section 310A to provide that the chief executive may make guidelines about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the Act. The guidelines must be published on the Department's website.

Clause 111 amends section 312(2) to provide that a regulation may also be about the methods of payment used with regulated wagering equipment; for wagering; for paying out a winning bet or refund; or for making a deposit to, or withdrawal from, an account in the name of an investor with a licence operator.

Clause 112 amends schedule 2 to insert new definitions for 'non-sporting event', 'simulated contingency' and 'simulated event' and replace the existing definition for 'sporting event' to efficiently and successfully implement the simulated events framework.

A definition of 'non-sporting event' is inserted to capture the existing events and contingencies eligible to apply for an approval under existing section 57 of the Wagering Act. 'Non-sporting event' is defined as being any event other than:

- an event for which wagering is authorised to be conducted under a race wagering licence;
- a sporting event; or
- a simulated event.

'Simulated event' is limited to simulated race and sporting events where the outcome of the simulation is solely determined by a random number generator. The simulation must also be modelled by a computer. Restricting what is considered a simulated event in this way limits the sports wagering licensee from applying for any other type of simulated event beyond artificially generated racing and sporting events. It also prevents potential for applications for wagering on broader game-based simulated events.

A 'simulated contingency' is a contingency that relates to a simulated event.

The definition of *'sporting event'* has been replaced to specifically exclude events that are thoroughbred, harness or greyhound racing, or a simulated event from being a sporting event.

Redundant definitions of 'approved contingency' and 'approved' event are also omitted by the clause.

The clause also amends the definition of 'wagering equipment' to provide the term means a machine or other device (whether electronic, electrical or mechanical), computer software, or another thing, used, or suitable for use, in connection with wagering. The expanded definition enables a thing used, or suitable for use, in the participation of wagering (and not just in the conduct of wagering) to be considered wagering equipment.

Part 11 Amendment of Wagering Regulation 1999

Clause 113 provides that Part 11 of the Bill amends the Wagering Regulation 1999.

Clause 114 amends section 3 to insert a definition for 'simulated event random number generator' to facilitate the prescription of this device as regulated wagering equipment.

The clause also replaces amended definitions for 'event' and 'race'.

'Event' is amended to more accurately reflect the authorisation of the race wagering licensee or sports wagering licensee provided in sections 6 and 7 of the Wagering Act respectively. Consequently, section (a) is amended to replace outdated horse racing terminology (i.e., replaces existing references to 'horse' and 'trotting' events with 'thoroughbred' and 'harness' events) and update the authorised location of these events. Section (b) is amended to reflect the changes to the sports wagering licence authorising the licensee to also conduct wagering on a simulated event or simulated contingency approved for the licence under amended section 57 of the Wagering Act. The definition continues to also include other events and contingencies authorised or approved for the sports wagering licence (i.e., a sporting event or sporting contingency, or non-sporting event or non-sporting contingency approved by the Minister under section 57 of the Wagering Act).

The definition of 'race' has been amended to specifically exclude a simulated event from being classed as a race. As with 'event', outdated horse racing terminology has also been updated in this definition.

Clause 115 amends section 15E to provide that if an investor makes an investment using cash, a credit ticket or another payment method approved by the chief executive, the authority operator must issue a printed ticket to the investor.

Clause 116 amends schedule 2 to prescribe 'simulated event random number generator'' as regulated wagering equipment. Consequently, an authority operator (i.e., a licence operator or permit holder) must apply for approval to use or modify the simulated event random number generator. Further, under section 208 of the Wagering act, the chief executive is then authorised to conduct an evaluation and assessment process on the regulated wagering equipment to ensure the fairness and integrity of the simulated event product.