



Speech by

**Hon. K. LINGARD**

**MEMBER FOR BEAUDESERT**

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Hansard 16 May 2001

#### **POKER MACHINE TAX**

**Hon. K. R. LINGARD** (Beaudesert—NPA) (7.01 p.m.): Two very important groups in the hotel industry have been affected by the new poker machine tax. Of course, the first group comprises the 150 hotels that have had the special levy placed upon them. The second group is that group of small hotels, especially small rural hotels, that acted when former Treasurer Hamill told state parliament on 13 April 2000 that gaming machine limits would be frozen at 280 for clubs and 40 for hotels from January 2001.

The new laws, which stem from last year's industry green paper, follow recent crackdowns on poker machine numbers in New South Wales and Victoria. The Queensland rules will override a 1997 review that would have allowed clubs to expand to 300 machines and hotels to expand to 45 machines from July next year. Hotels, such as one on the Cunningham Highway in my electorate, took that decision to mean that they would be allowed to have poker machines within 12 months. So some of those hotels went ahead with construction of new gaming rooms.

The difficulty is that, for those hotels to make an application for the extra poker machines, some of them had to have new rooms and then provide a floor plan to the authorities. Some hotels, such as the hotel on the Cunningham Highway to which I have referred, have undertaken extensive changes. They have allowed for 10 extra poker machines. In fact, one hotel bought 10 second-hand machines.

Of course, well we might say, 'They did not get approval.' However, certainly from what former minister Hamill said in April last year, those hotels were under the belief that they would certainly be allowed to have those extra machines. So some hotels have built extra rooms and bought extra poker machines; but now, with the stroke of a pen, they have found that those extensions of poker machine numbers will not be allowed. This is an anomaly. The government should make some allowance for that group of hotels or provide some compensation. Certainly, the government should do something for them.

The other thing is that someone from the club industry has advised the minister that this is a way in which to raise extra revenue. There is no doubt that the club industry is in trouble. Certainly, some of those big clubs have found that they do not have the cash flow to make their repayments.

There is no doubt that this has been a very clever poker machine tax, because whilst 150 hotels are affected, probably 50 of them are Carlton hotels, 30 or 40 of them are multiowners, and 14 or so are from Myers. So really, the only people who are affected by the new tax—other than those small hotels—are about 70 individuals.

Time expired.

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