



Speech by

Hon. ANNA BLIGH

MEMBER FOR SOUTH BRISBANE

Hansard Wednesday, 22 August 2007

GAMBLING LEGISLATION AMENDMENT BILL

Second Reading

Hon. AM BLIGH (South Brisbane—ALP) (Deputy Premier, Treasurer and Minister for Infrastructure) (12.36 pm): I move—

That the bill be now read a second time.

The bill I present to the House today amends the seven principal gaming acts—namely, the Casino Control Act 1982, the Charitable and Non-Profit Gaming Act 1999, the Gaming Machine Act 1991, the Interactive Gambling (Player Protection) Act 1998, the Keno Act 1996, the Lotteries Act 1997 and the Wagering Act 1998. The bill makes various miscellaneous amendments to the acts. However, the main objectives of the bill are to strengthen the government's stance against minors entering and gambling in casinos, provide for the review of agreements between third-party operators and eligible associations in the conduct of the more significant art unions, to introduce a licensing regime for those persons who test gaming equipment, and to implement certain recommendations arising from a review of the gaming machine operating authority reallocation scheme for hotels. In view of the other legislation that I have to introduce, I seek leave to have the remainder of my second reading speech incorporated in *Hansard*.

Leave granted.

I will now consider each of these main objectives in more detail before outlining the remaining amendments made by the Bill.

The Bill amends the Casino Control Act 1982 to further limit and discourage minors' involvement in casino gambling. Currently, it is an offence for a casino operator, employee or agent of the operator to allow or suffer a minor to enter or remain in the casino and is punishable by a maximum of 20 penalty units. To reflect the seriousness which the Government places on this issue, the penalty will be increased to 100 penalty units, for casino operators, and to 40 penalty units for employees and agents of the operator.

The Casino Control Act 1998 currently provides for two defences to this offence in addition to the defence of mistake of fact contained in the Criminal Code. Of relevance, it is a defence if the defendant had a reasonable belief that the person was 18 years of age or more.

A new offence for a casino operator, employee or agent of the operator to allow a minor to gamble or attempt to gamble in the casino will be introduced. Where a minor is found gambling or attempting to gamble in the casino, the casino operator, employee or agent of the operator must immediately prevent the minor from continuing or attempting to gamble. It is not intended that dealers be required to check identification of each person who wishes to play at the dealer's table since dealers are not trained in checking identification. However where a prospective player appears to be underage, the dealer should alert an appropriate superior. The maximum penalty for an offence against this provision will be 200 penalty units, for casino operators, and 40 penalty units for employees and agents of the operator.

It will also become an offence, separate to the party offences of the Criminal Code for a person to knowingly aid or enable a minor to enter the casino. This offence will be able to target those persons who lend their own identification cards to minors or who attempt to "smuggle" minors into the casino by blocking a security guard's view of the minor.

The Bill amends the Charitable and Non-Profit Gaming Act 1999 to allow the chief executive to obtain and review agreements between third party operators and eligible associations in the conduct of the more significant art unions. The Government is interested in assessing these agreements under which the third party operator is engaged by an eligible association to sell art union tickets, collect and bank money from the sale of art union tickets, and account for the proceeds of sale. Such an assessment will

primarily focus on whether the arrangement is in the best interest of the eligible association, whether the agreement has been made at 'arms length' and whether payments made under the agreement are reasonable. These agreements will be reviewed as part of the investigation of the suitability of the third party operator to be associated with the holder of a category 3 gaming licence under the Act.

Before such an agreement is executed, the eligible association will be required to submit a copy of the proposed agreement to the chief executive for review. After the agreement is executed, the eligible association must provide a copy of the agreement to the chief executive. Any material changes made to the unexecuted agreement must be notified to the chief executive. Where an executed agreement is amended, a copy of the amended agreement must be given to the chief executive. Similarly, the eligible association must notify the chief executive if the agreement is to be replaced or terminated. These amendments reflect the Government's continuing commitment to ensuring appropriate standards and levels of accountability are set and maintained.

Following a successful trial in which private testing facilities were authorised to evaluate gaming equipment, the Bill will amend the Gaming Machine Act 1991 to introduce a licensing regime for evaluators, who will now be known as licensed testing facility operators. The licensing regime will be based on the current provisions which apply to licensed monitoring operators, major dealers and secondary dealers. By introducing a licensing regime, the State will be able to place greater controls, conditions and reporting requirements on these persons than the current approval process allows. The new licensing regime will ensure that the Government and the community can continue to have confidence in the gambling industry in this state.

The amendments will also implement changes to the Gaming Machine Act 1991 resulting from the review of the gaming machine operating authority reallocation scheme for hotels. This includes removing the restriction on the number of machines which a hotel licensee can decrease at one time and making hotels subject to the same conditions as clubs for decreasing the approved number of machines in the hotel. The need to provide the date of the most recent sale of operating authorities on a gaming machine licence is no longer required and is removed.

I will now briefly describe the remaining amendments contained in the Bill.

The Bill amends the Charitable and Non-Profit Gaming Act 1999 to ensure that eligible associations retain control over licence applications and general gaming and that an applicant for a category 3 licence employs suitable corporate governance principles with respect to conducting significant art unions.

Additionally, the chief executive will gain a power to make guidelines about general gaming. The provisions have been modelled on the guideline provisions contained in the Gaming Machine Act 1999. These guidelines would inform persons about the attitude the chief executive is likely to adopt on a particular matter or how the chief executive administers the Act.

A new offence provision will be created for persons who give the chief executive a report which the person knows is false or misleading in a material particular.

General gaming records will need to be kept for five (5) years after the relevant game ends.

A penalty will be introduced for a breach of the advertising provisions. Although this amendment will have general application, it is particularly targeted towards one-off games where the prospect of being denied a future general gaming licence is of little concern to the operator.

Provision will be made to take prosecution action against certain officers of associations who commit offences and against whom it is not currently possible to take prosecution action.

The Bill amends the Casino Control Act 1982 to increase the penalty for cheating to 500 penalty units or five (5) years imprisonment where the amount illegally obtained is more than \$50,000. This increase reflects the seriousness of the offence and also allows police to place a restraint over the money involved. Where these larger cheating cases are prosecuted summarily, rather than on indictment, the Court will be able to impose a maximum penalty of 300 penalty units or three (3) years imprisonment.

The provisions relating to drop box, deposit receptacle, count room and storage area security will be amended to cater for developments in technology. The amendments will allow a casino operator to apply to the chief executive for approval of a security device.

The Bill amends the Gaming Machine Act 1991 to remove the requirement for a statement about the licensee's compliance program to be lodged with the application for a gaming machine licence. The objectives of the Act can be achieved without the need for this statement to be lodged. This amendment does not affect the current legislation which requires a compliance program document to accompany the application.

An associated gaming machine licence will not be automatically cancelled when a licensee surrenders a general liquor licence as a result of the licensee being issued with a special facility liquor licence. The legislation already provides for an associated gaming machine licence to be retained in the reverse situation, that is, where a licensee surrenders a special facility liquor licence as a result of the licensee being issued with a general liquor licence.

It will be clarified that a club cannot hold more than one gaming machine licence. This has been the Government's long standing policy. The amendment does not affect the current legislation which allows a club's gaming machine licence to apply to additional premises.

Exemptions relating to the ability of a person to serve on a club management committee or board will be notified on the regulator's website rather than in the Government Gazette. This will enable the information to be more accessible to those who seek it.

The Bill amends the Keno Act 1996 to prohibit keno subagents and their employees from taking part in keno gaming where the keno subagent conducts keno gaming. This will bring keno subagents and their employees in line with the prohibition currently imposed on keno agents and their employees.

The Bill amends the seven principal gaming Acts to vary the requirements for a person to be appointed as an inspector. The requirement that a person meet certain training or experience requirements to be appointed as an inspector will be replaced with a requirement that the person either have, or have an ability to quickly acquire, the necessary expertise.

Lastly, the Bill amends the definition of "problem gambler" contained in those gaming Acts which contain gambler exclusion provisions to reflect the national definition of "problem gambling" recommended by Gambling Research Australia.

I commend the Bill to the House.