




Speech By
Brittany Lauga

MEMBER FOR KEPPEL

Record of Proceedings, 16 March 2016

MOTION: CASINO GAMING LICENCES

 **Mrs LAUGA** (Keppel—ALP) (6.16 pm): First and foremost, I want Queensland and the world to know that Great Keppel Island is well and truly open for business. I admire all of the business operators on the island who have kept pushing on and persevering in the face of adversity over the past eight years. Great Keppel Island is a beautiful island with white sandy beaches, blue water, great bushwalking, quality snorkelling and many friendly locals. I acknowledge the Woppaburra people, the traditional owners of Great Keppel Island, and the important role that they play in preserving the island's history and culture.

I have spoken with many community members and I know that the vast majority of constituents in my electorate are keen to see some form of development start on the island. I know our local community needs jobs and we need them now. Every single day I work hard to grow jobs now and jobs for the future. That is why I want to see this development started just as much as the majority of people in the electorate.

This issue has been going on for far too long. Two weeks ago in Sydney, I called a meeting with Tower Holdings to find solutions to the stalled development and get shovel to ground as soon as possible. It was a positive meeting where I identified some real opportunities to help kickstart this development. I have written to the federal minister for northern Australia and the federal member for Capricornia because we need Tower Holdings to apply for a slice of the \$5 billion worth of Northern Australia infrastructure funding to assist in the provision of infrastructure. That is a legitimate pathway forward. I table a copy of my letter for the House.

Tabled paper: Letter, dated 15 March 2016, from the member for Keppel, Mrs Brittany Lauga MP, to the Minister for Northern Australia, Senator Matthew Canavan, regarding the Great Keppel Island Revitalisation Plan, Tower Holdings [\[357\]](#).

I asked Tower Holdings whether their development could be revised or staged differently so that it could be started sooner rather than later. Tower Holdings representatives said that if they did not get a casino licence they would start work on a scaled back version of stage 1 of their planned development. I argue that they need to start that now.

This morning we heard from the general manager of the Department of Justice and Attorney-General that it is unlikely that Governor in Council or the minister would approve an applicant for a casino licence without an agreement with a suitable casino operator. Tower Holdings does not have an agreement with any casino operator. I table letters from Australia's two largest casino operators, Crown and Echo, both confirming that they do not have an agreement with Tower Holdings.

Tabled paper: Letter, dated 16 September 2015, from the Chief Executive Officer and Managing Director, Echo Entertainment Group, Mr Matt Bekier, to the member for Keppel, Mrs Brittany Lauga MP, regarding the Great Keppel Island Revitalisation Plan [\[358\]](#).

Tabled paper: Letter, dated 1 October 2015, from the Chief Executive Officer, Crown Resorts Limited, to the member for Keppel, Mrs Brittany Lauga MP, regarding the Great Keppel Island Revitalisation Plan [\[359\]](#).

Casino operators must have a serious lack of confidence in Tower Holdings' ability to deliver this development. In May 2014, Tower Holdings was told by the Newman government—by you guys—that they had missed out on a casino licence. Why did Tower Holdings, that same month, go out to the global investment market with their proposed development and advertise a casino opportunity?

Page 55 of Tower's 2014 investment prospectus—and I table a copy for the benefit of the House—advertises a casino opportunity despite the fact that they were not awarded a licence.

Tabled paper: Document, undated, titled 'Great Barrier Reef Australia, Great Keppel Island—The World's Premier Eco-Luxury Island Resort & Villa Development Opportunity' [360].

I table a copy of Tower's project website which today is still advertising a casino opportunity.

Tabled paper: Extract from Queensland Tourism website, undated, titled 'Great Keppel Island: Great Barrier Reef Australia—The World's Premier Eco-Luxury Island Resort & Villa Development Opportunity' [361].

This is extremely misleading to genuine investors—false advertising almost. Page 55 of the investment prospectus also forecasts half a billion dollars in revenue from a casino in the first five years. This is an extraordinarily inflated revenue forecast given that the Reef Hotel Casino in Cairns reported \$24 million in revenue in 2013 and \$23 million in revenue in 2014. That is a far cry from the hundreds of millions of dollars in revenue Tower forecasts a casino on Great Keppel Island will generate. I table a copy of the Reef Hotel Casino's 2014 profit and loss statement.

Tabled paper: Document, undated, titled 'Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2014' [362].

Mr Springborg interjected.

A government member interjected.

Mr SPEAKER: Leader of the Opposition and minister, if you want to have a private conversation I would urge you to take it outside.

Mrs LAUGA: According to Mr Agnew, Tower's cash flow projections are based on 70 per cent of casino revenue coming from the local market, essentially lining investors' pockets with hundreds of millions of dollars and bleeding local Central Queenslanders dry.

In September 2014, four months after they were told by the Newman government they did not get a licence, Tower signed detailed lease agreements with the government which required them to start work within three years. The reality is that, even if there were another casino licence made available, there is no guarantee that Tower Holdings would be the successful bidder. I was adamant, as they are, that a casino licence was the only way forward.

In 2014 Mr Agnew promised that work would start in the second half of 2015, whether or not a casino licence was granted. I table a copy of Mr Agnew's promise for the benefit of the House.

Tabled paper: Article from the *Morning Bulletin* online, dated 3 April 2014, titled 'Casino aspect sets back Tower Holdings' plans 12 months' [363].

Tower Holdings should be focused on getting shovel to ground on this project. However, it is clear that sadly Tower Holdings has a political agenda. Tower Holdings need to honour their numerous promises and get to work. They need to apply for the Northern Australia infrastructure funding and start the scaled back development ASAP.