



# Casino Control and Other Legislation Amendment Bill 2023

Report No. 67, 57th Parliament  
Legal Affairs and Safety Committee  
January 2024

## **Legal Affairs and Safety Committee**

<b>Chair</b>	Mr Peter Russo MP, Member for Toohey
<b>Deputy Chair</b>	Mrs Laura Gerber MP, Member for Currumbin
<b>Members</b>	Mr Stephen Andrew MP, Member for Mirani
	Ms Jonty Bush MP, Member for Cooper
	Mr Jason Hunt MP, Member for Caloundra
	Mr Jon Krause MP, Member for Scenic Rim

### **Committee Secretariat**

<b>Telephone</b>	+61 7 3553 6641
<b>Email</b>	LASC@parliament.qld.gov.au
<b>Technical Scrutiny Secretariat</b>	+61 7 3553 6601
<b>Committee webpage</b>	<a href="http://www.parliament.qld.gov.au/LASC">www.parliament.qld.gov.au/LASC</a>

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All web address references are current at the time of publishing.

## Contents

<b>Abbreviations and acronyms</b>	<b>iii</b>
<b>Chair’s foreword</b>	<b>iv</b>
<b>Recommendations</b>	<b>v</b>
<b>Executive Summary</b>	<b>vi</b>
<b>1 Introduction</b>	<b>1</b>
1.1 Background and referral	1
1.2 Policy objectives of the Bill	2
1.3 Legislative compliance	2
1.3.1 <i>Legislative Standards Act 1992</i>	2
Committee comment	2
1.3.2 <i>Human Rights Act 2019</i>	3
Committee comment	3
1.4 Should the Bill be passed?	3
<b>2 Examination of the Bill</b>	<b>4</b>
2.1 Carded play, cash limits and methods to minimise gambling harm	4
2.1.1 Background	4
2.1.2 Bill amendments	5
2.1.3 Stakeholder feedback	6
2.1.4 Departmental response	7
Committee comment	8
2.2 Use and collection of carded play data	8
2.2.1 Background	8
2.2.2 Bill amendments	9
2.2.3 Stakeholder feedback	9
2.2.4 Department response	10
Committee comment	11
2.3 Gambling terminology	11
2.3.1 Background	11
2.3.2 Bill amendments	11
2.3.3 Stakeholder feedback	12
2.3.4 Department response	13
Committee comment	13
2.4 Compulsory code of conduct for safer gambling	13
2.4.1 Background	13
2.4.2 Bill amendments	14
2.4.3 Stakeholder feedback	14
2.4.4 Department response	14
Committee comment	15
2.5 Supervision levy	15
2.5.1 Background	15

2.5.2	Bill amendments	16
2.5.3	Stakeholder feedback	17
2.5.4	Department response	17
	Committee comment	18
2.6	Periodic reviews into casino operations	18
2.6.1	Background	18
2.6.2	Bill amendments	19
2.6.3	Stakeholder feedback	19
2.6.4	Department response	20
	Committee comment	20
2.7	Exclusions by interstate police commissioners	20
2.7.1	Background	20
2.7.2	Bill amendments	21
2.7.3	Stakeholder feedback	22
2.7.4	Department response	22
	Committee comment	22
	<b>Appendix A – Submitters</b>	<b>23</b>
	<b>Appendix B – Officials at public departmental briefing</b>	<b>24</b>
	<b>Appendix C – Witnesses at public hearing</b>	<b>25</b>
	<b>Appendix D –Site visit to Queensland Wharf Star Brisbane</b>	<b>26</b>

## Abbreviations and acronyms

Abbreviation or acronym	Definition
Alliance	Alliance for Gambling Reform
Attorney-General	Honourable Yvette D'Ath, Attorney-General and Minister for Justice, Minister for the Prevention of Domestic and Family Violence
Bill	Casino Control and Other Legislation Amendment Bill 2023
Casino Control Act	<i>Casino Control Act 1982</i>
Casino Control Regulation	Casino Control Regulation 1999
committee	Legal Affairs and Safety Committee
EGMs	electronic gaming machines
Financial Accountability Act	<i>Financial Accountability Act 2009</i>
FLPs	fundamental legal principles
Gaming Machine Act	<i>Gaming Machine Act 1991</i>
Gaming Machine Regulation	Gaming Machine Regulation 2002
Gotterson Review	Independent review of the Queensland operations of The Star Entertainment Group Limited conducted by the Honourable Robert Gotterson AO KC in 2022
HRA	<i>Human Rights Act 2019</i>
Keno Act	<i>Keno Act 1996</i>
LSA	<i>Legislative Standards Act 1992</i>
OIC	Office of the Information Commissioner
Privacy Act	<i>Privacy Act 1988 (Cth)</i>
Star	The Star Entertainment Group Limited
Wagering Act	<i>Wagering Act 1998</i>

## Chair's foreword

This report presents a summary of the Legal Affairs and Safety Committee's examination of the Casino Control and Other Legislation Amendment Bill 2023.

The committee's task was to consider the policy to be achieved by the legislation and the application of fundamental legislative principles – that is, to consider whether the Bill has sufficient regard to the rights and liberties of individuals, and to the institution of Parliament. The committee also examined the Bill for compatibility with human rights in accordance with the *Human Rights Act 2019*.

Gambling has become an incredibly insidious presence in our society. Despite having a long history in Australia, gambling has evolved and gambling products are now available in pubs and clubs, sporting events, and people's homes.

It's estimated that Australians lose approximately \$25 billion on legal forms of gambling each year, representing the largest per capita losses in the world, with costs of gambling borne not only by the individual gambler, but also by their families and by the community.

In addition to this harm, casinos are a vector for crime and money laundering activities. The Gotterson Report has shown that casinos have been willing to overlook, and even encourage, these illegal and socially harmful activities.

The committee heard that there has never been greater public consciousness and support for gambling reform, and this bill addresses some of those concerns.

This bill introduces amendments to implement the remaining 11 recommendations of the Gotterson Report. These amendments are aimed at minimising the destructive impact of problem gambling and criminal influence inside casinos. Measures introduced include requiring the use of an identity linked-gambling card, setting player time and loss limits, and introducing cashless gambling for transactions over \$1,000.

While the gambling reform agenda before us is unfinished, I am honoured to be part of a government willing to tackle these tough issues affecting society, a government willing to carry out major reform needed to help protect and support all Queenslanders.

On behalf of the committee, I thank those individuals and organisations who made written submissions on the Bill. I also thank our Parliamentary Service staff and the Department of Justice and Attorney-General.

I commend this report to the House.



Peter Russo MP

Chair

## Recommendations

<b>Recommendation 1</b>	<b>3</b>
The committee recommends the Casino Control and Other Legislation Amendment Bill 2023 be passed.	3

## Executive Summary

On 25 October 2023, the Hon Yvette D'Ath MP, Attorney-General, Minister for Justice and Minister for the Prevention of Domestic and Family Violence, introduced the Casino Control and Other Legislation Amendment Bill 2023 (Bill) into the Queensland Parliament. The Bill was referred to the Legal Affairs and Safety Committee (committee) for detailed consideration.

The Bill proposes amending the *Casino Control Act 1982* to implement Recommendations 1-11 of the independent review of the Queensland operations of The Star Entertainment Group Limited, conducted by the Honourable Robert Gotterson AO KC in 2022, which involves:

- introducing mandatory carded play (*Recommendation 1*)
- implementing cashless gambling for transactions over \$1,000 (*Recommendation 2*)
- mandatory and binding pre-commitment, including play and break limits (*Recommendations 3 and 4*)
- providing for the collection of mandatory carded play data, and making this data available to inform research and casino supervision (*Recommendations 5 and 6*)
- establishing a compulsory code of conduct for the gambling sector (*Recommendation 8*)
- creating a supervision levy for casino owners (*Recommendation 9*)
- introducing cost recoverable periodic reviews for casinos (*Recommendation 10*)
- creating a new category of exclusion notices for those excluded from casinos by an interstate police commissioner (*Recommendation 11*).<sup>1</sup>

The committee received a written briefing on the Bill from the Department of Justice and Attorney-General (DJAG) on 8 November 2023, and a public briefing on the Bill from DJAG on 4 December 2023. The committee also received advice from DJAG responding to the submissions on 23 November 2023.

The committee undertook a site visit of the Queensland Wharf Star Brisbane on 30 January 2024.

The committee invited stakeholders and subscribers to make written submissions on the Bill and received 3 submissions. The committee also held a public hearing on 1 December 2023 in Brisbane to speak with submitters. The key issues raised during the committee's examination of the Bill included:

- default play and break limits
- access to and use of player data
- measures to reduce gambling harm
- reviews of gambling licences
- a mandatory code of conduct for casinos that includes penalties for non-compliance
- anti-money laundering measures.

The committee recommends the Bill be passed.

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<sup>1</sup> Explanatory notes, p 2.



## 1 Introduction

### 1.1 Background and referral

*Attorney-General, media release, 25 October 2023*



The new legislation means casinos will have to adopt new technologies and face higher penalties for specific breaches.

This Bill follows last year's law reforms that introduced pecuniary penalties for casinos of up to \$100 million, which were subsequently applied in disciplinary action against The Star Entertainment Group Limited.

The independent expert review conducted by the Honourable Robert Gotterson AO KC in 2022 made 12 recommendations, which were supported in principle by the government at the time, and are now being delivered.<sup>2</sup>

On 25 October 2023, the Hon Yvette D'Ath MP, Attorney-General, Minister for Justice and Minister for the Prevention of Domestic and Family Violence (Attorney-General), introduced the Casino Control and Other Legislation Amendment Bill 2023 into the Queensland Parliament.

According to the explanatory notes, the Bill facilitates the implementation of Recommendations 1 to 11 of the External Review of the Queensland Operations of the Star Entertainment Group Limited (Gotterson Review) and implements other reforms to enhance the casino regulatory framework.<sup>3</sup> It is noted that recommendation 12 of the Gotterson Review was effectively implemented by the *Casino Control and Other Legislation Amendment Act 2022* which was enacted on 21 October 2022.

A timeline of the Gotterson Review is below.<sup>4</sup>

Date	Event
October 2021	Allegations of money laundering, breaches of laws and links to organised crime made against the Star Entertainment Limited (Star)
June 2022	Hon Robert Gotterson AO KC appointed to conduct a review of Star's Queensland casino operations
September 2022	Gotterson Review reported to the Attorney-General with 12 recommendations
October 2022	Queensland Government provides in principle support for Gotterson Review recommendations

While the Gotterson Review focused on Star's operations in Queensland, recommendations were to 'restore public confidence, enhance integrity and minimise the potential for gambling harm across all Queensland casinos'.<sup>5</sup>

<sup>2</sup> Hon Yvette D'Ath MP, Attorney-General and Minister for Justice and Minister for the Prevention of Domestic and Family Violence, 'Reforms mean tighter controls over casinos', media release, 25 October 2023.

<sup>3</sup> R Gotterson, *External review of the Queensland operations of the Start Entertainment Group Limited*, 30 September 2022.

<sup>4</sup> Explanatory notes, p 1.

<sup>5</sup> Explanatory notes, pp 1-2.

## 1.2 Policy objectives of the Bill

The objectives of the Bill are to:

- facilitate the implementation of Recommendations 1 to 11 of the Gotterson Review
- implement a range of other reforms to enhance the casino regulatory framework.

To do this, the Bill amends the following legislation:

- *Casino Control Act 1982* (Casino Control Act)
  - Casino Control Regulation 1999 (Casino Control Regulation)
- *Gaming Machine Act 1991* (Gaming Machine Act)
  - Gaming Machine Regulation 2002 (Gaming Machine Regulation)
- *Keno Act 1996* (Keno Act)
- *Wagering Act 1998* (Wagering Act)

## 1.3 Legislative compliance

The committee's deliberations included assessing whether or not the Bill complies with the Parliament's requirements for legislation as contained in the *Parliament of Queensland Act 2001*, *Legislative Standards Act 1992* (LSA) and the *Human Rights Act 2019* (HRA).

### 1.3.1 *Legislative Standards Act 1992*



Fundamental legislative principles require that legislation has sufficient regard to the rights and liberties of individuals and the institution of Parliament.<sup>6</sup>

The committee's assessment of the Bill's consistency with the LSA considered potential issues relating to the following fundamental legislative principles (FLPs) raised by the Bill:

- regarding rights and liberties of individuals:
  - proposed new offences
  - proposed penalty increases
  - restriction of ordinary activities (i.e. gambling cards and cash limits)
- regarding the institution of Parliament:
  - regulation-making powers.

### **Committee comment**

The committee is satisfied that the Bill gives sufficient regard to the rights and liberties of individuals and the institution of Parliament. Any relevant considerations of FLPs are discussed in section 2 of this report.

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<sup>6</sup> LSA, s 4(2).

### 1.3.2 Human Rights Act 2019



A law is compatible with human rights if it does not limit a human right, or limits a human right only to the extent that is reasonable and demonstrably justifiable.<sup>7</sup>

The committee's assessment of the Bill's compatibility with the HRA considered the potential issues and limitations relating to the following human rights raised by the Bill:

- right to privacy and reputation
- right to freedom of movement, peaceful assembly and association
- right to recognition and equality before the law
- right to fair hearing and rights in criminal proceedings
- right not to be tried and punished more than once
- property rights
- right to liberty and security of the person.

#### **Committee comment**

The committee is satisfied that any potential limitations on human rights proposed by the Bill are demonstrably justified. Any relevant considerations of human rights issues are discussed in section 2 of this report.

A Statement of Compatibility was tabled with the introduction of the Bill as required by section 38 of the Human Rights Act. The statement contained a sufficient level of information to facilitate understanding of the Bill in relation to its compatibility with human rights.

### 1.4 Should the Bill be passed?

The committee is required to determine whether or not to recommend that the Bill be passed.

#### **Recommendation 1**

The committee recommends the Casino Control and Other Legislation Amendment Bill 2023 be passed.

<sup>7</sup> HRA, s 8.

## 2 Examination of the Bill

This section discusses key issues raised during the committee’s examination of the Bill. It does not discuss all consequential, minor or technical amendments.

### 2.1 Carded play, cash limits and methods to minimise gambling harm

#### 2.1.1 Background

Cashless gaming with partial, voluntary, non-binding pre-commitment is currently available in many licensed venues in Queensland for machine gambling at the licensee’s discretion. Players who reach their preset expenditure or time limit may remove their card and continue to play anonymously using cash.

The Gotterson Review made a number of recommendations to minimise gambling harm in Queensland casinos.<sup>8</sup> These recommendations included:

#### Recommendation 1: Carded play

Carded play (that is, play requiring the use of an identity linked gambling card) be mandatory in Queensland casinos.<sup>9</sup>

#### Recommendation 2: Cashless gambling

Cashless gambling be implemented, save for gambling transactions of \$1,000 or less.<sup>10</sup>

#### Recommendations 3: Limits on gambling (full and mandatory pre-commitment)

There should be a full, mandatory and binding pre-commitment system for all patrons gambling on EGMs in casinos, to operate in the following manner:

- each player must set a daily, weekly or monthly time limit, and a daily, weekly or monthly loss limit;
- if the pre-set time limit or the pre-set loss limit is reached, the player cannot continue to gamble on an EGM and the limit(s) cannot be altered, for 36 hours;
- no person can gamble on an EGM for more than 12 hours in any 24-hour period;
- if a player has gambled for 12 hours in any 24-hour period, the player must take a break for 24 hours;
- a player cannot gamble continuously on an EGM for more than three hours;
- a player must take a break of at least 15 minutes after three hours of continuous gambling;
- a player cannot gamble on EGMs for more than 28 hours per week;
- there should be a default pre-set loss limit that the player can modify by means of a defined process which requires the player to justify the modification sought; and
- the default pre-set loss limit should be set by regulation, and reviewed at least annually.<sup>11</sup>

<sup>8</sup> Gotterson Review, pp v-viii.

<sup>9</sup> Gotterson Review, p v.

<sup>10</sup> Gotterson Review, p v.

<sup>11</sup> Gotterson Review, p v.

**Recommendation 4: Limits on gambling (play and break limits)**

There should be a full, mandatory and binding play and break limit system for all patrons gambling in casinos. The limits in respect of EGMs should mirror those in the pre-commitment system. The play and break limit system should operate in the following manner:

- the system set maximum play period limits;
- the system prescribe how long a break in play should be; and
- the system should identify the periods at which players should be interacted with, and the form of the interaction, while gambling.<sup>12</sup>

**2.1.2 Bill amendments**

According to the explanatory notes, the Bill provides a framework for carded play, cash limits, and pre-commitment and play and break limits. The explanatory notes state that:

- the requirements for carded play, cash limits and pre-commitment, and play and break limits are defined and activated under regulation
- using regulation allows for ‘a staged implementation of the measures’
- the framework does not apply to Keno and wagering in casinos under agency agreements with the respective Keno and wagering licensees under the *Keno Act 1996* (Keno Act) and *Wagering Act 1998* (Wagering Act).<sup>13</sup>

**2.1.2.1 Mandatory carded play**

The Bill amends the Casino Control Act to:

[P]rovide that a regulation may provide that a person must not be allowed to play a stated game or carry out a stated activity associated with playing a game in a stated casino other than by use of a player card in accordance with the regulation.<sup>14</sup>

The regulation may prescribe a range of matters relating to player cards including:

- card issue
- card cancellation
- card deactivation.<sup>15</sup>

To ensure the proper use of player cards, the Bill provides for the following offences:

- a casino operator must ensure a person does not play a prescribed game or carry out a prescribed activity in the casino, other than by use of a player card
- a casino operator must not allow a person to use a player card that the casino operator knows, or ought reasonably to know, was issued to someone else
- a person must not:
  - play a prescribed game or carry out a prescribed activity in a casino other than by use of a player card in accordance with a regulation

<sup>12</sup> Gotterson Review, p v.

<sup>13</sup> Explanatory notes, p 7.

<sup>14</sup> Explanatory notes, p 8.

<sup>15</sup> Explanatory notes, p 8.

- use a player card that belongs to someone else, or allow someone else to use the person's player card.<sup>16</sup>

The Bill prohibits a casino operator from sending promotional or advertising material directly to a person in Queensland unless the person has given their express and informed consent. A casino operator must not require a person to give consent as a condition of registering the person for, or issuing the person with, a player card. This is to protect players from unwanted gambling promotions and advertising.<sup>17</sup>

#### 2.1.2.2 Cash limits for gambling

The Bill provides that a regulation may prescribe a maximum limit on the amount of cash transactions that a person may carry out in a prescribed casino within a 24-hour period. This is to facilitate compulsory cashless gambling for transactions over a certain amount as contemplated by Recommendation 2 of the Gotterson Review.<sup>18</sup>

#### 2.1.2.3 Full, mandatory and binding pre-commitment and play and break limits

The Bill provides that a regulation may provide that a person must not be allowed to play a stated game or carry out a stated activity associated with playing a game in a stated casino other than under a pre-commitment system in accordance with the regulation. This is to facilitate the implementation of Recommendations 3 and 4 of the Gotterson Review as it relates to full, mandatory and binding pre-commitment and play and break limits.

A regulation may prescribe a range of matters relating to a pre-commitment system including:

- the types of pre-commitment limits which must be made available
- how pre-commitment limits are to be measured
- the periods to which pre-commitment limits apply
- ways of accessing a pre-commitment system.

A casino operator must ensure a person does not play a prescribed game or carry out a prescribed activity in the casino other than under a pre-commitment system in accordance with the regulation. A maximum penalty of 200 penalty units applies for a breach.<sup>19</sup>

### **2.1.3 Stakeholder feedback**

#### 2.1.3.1 Mandatory carded play

The Alliance for Gambling Reform (Alliance) strongly supports gambling products having mandatory, identity linked cards 'with the objective of both minimising gambling harm and preventing money laundering'. The Alliance has recommended the following features for a mandatory carded system:

- cards should be linked to third-party self-exclusion registers
- the carded system must be linked to all gambling products (including Keno and sports or race wagering)
- the carded system must not be linked to a loyalty scheme, or at the very least, it must be an opt-in system
- gamblers must not be able to use credit cards to transfer money to the gambling card.<sup>20</sup>

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<sup>16</sup> Explanatory notes, p 8.

<sup>17</sup> Explanatory notes, p 8.

<sup>18</sup> Explanatory notes, p 8. A cash limit is a limit on the amount of physical cash used in betting, and is separate from a pre-commitment limit.

<sup>19</sup> Explanatory notes, pp 8-9.

<sup>20</sup> Alliance, submission 1, p 3.

### 2.1.3.2 *Full, mandatory and binding pre-commitment and play and break limits*

Regarding pre-commitment and play and break limits, the Alliance stated that:

Cashless gambling without harm minimisation measures is likely to facilitate less controlled gambling behaviour and may lead to an increase in gambling harm. Therefore, it is necessary for a carded system to have mandatory pre-commitment with binding and reasonable default limits... Without default limits, it is possible people may set loss limits at very high amounts.<sup>21</sup>

The Alliance has recommended that Queensland commit to the same limits as used in Tasmania, with one limit for all gambling products, whether they be electronic gaming machines (EGMs), or table games (such as roulette). The recommended limits are:

- \$5,000 a year
- \$500 a month
- \$100 a day.<sup>22</sup>

The Alliance has also recommended that play and break limits should apply across all gambling products. For example, if a limit of 2 hours is set, those 2 hours could be spent gambling on any products, including EGMs, table games, Keno, or sports or racing wagering in the casino.<sup>23</sup>

### 2.1.4 Departmental response

#### 2.1.4.1 *Mandatory carded play*

DJAG's response to submissions stated that the Bill does not propose to apply mandatory carded play to Keno and wagering in Queensland casinos, as Keno and wagering systems are not casino property. Instead, casino operators offer Keno and wagering through agency agreements with the respective Queensland Keno and wagering licensees.

DJAG stated that significant technical, privacy and legal obstacles will need to be overcome before these external systems can be interfaced with a casino's carded play and cashless and pre-commitment systems. Additionally, any system would also need to account for the ability of patrons to evade casino-based controls by simply using their phones to place online bets.

DJAG stated that other jurisdictions undertaking similar reforms are not initially capturing Keno and wagering either, and that if mandatory carded play was to be applied to Keno and wagering in casinos in the future, it would be appropriate to do so through the Keno Act and Wagering Act.<sup>24</sup>

Regarding loyalty schemes, DJAG stated that it is possible player cards may have some loyalty functionality for practical reasons. However, DJAG pointed out:

- new section 72E inserted by the Bill is sufficiently broad to provide restrictions or guidance on loyalty schemes as they relate to player cards
- casino operators are expressly prohibited from requiring a person to consent to receive promotional material as a condition of registering for a player card<sup>25</sup>
- the Bill expressly prohibits casino operators from sending promotional or advertising material directly to a person in Queensland unless the person has given their express and informed consent, with a similar maximum penalty.<sup>26</sup>

<sup>21</sup> Alliance, submission 1, p 4.

<sup>22</sup> Alliance, submission 1, p 4.

<sup>23</sup> Alliance, submission 1, pp 4-5.

<sup>24</sup> DJAG, correspondence, 23 November 2023, p 1.

<sup>25</sup> DJAG, correspondence, 23 November 2023, p 1. A maximum penalty of 200 penalty units applies for a breach.

<sup>26</sup> DJAG, correspondence, 23 November 2023, p 1.

### 2.1.4.2 *Full, mandatory and binding pre-commitment and play and break limits*

DJAG’s response to submissions stated that new section 72E(2), the regulation making power for player cards, is:

... sufficiently broad to enable implementation of the harm minimisation features suggested by the Alliance, many of which are accepted as the basic features of a card-based cashless gaming system aimed at harm minimisation, as proposed by the Bill.<sup>27</sup>

DJAG added that matters relating to player limits under a pre-commitment system are matters for consideration and consultation with targeted stakeholders during the development of the regulation amendments relating to the detailed requirements for pre-commitment.<sup>28</sup>

#### **Committee comment**

The committee notes that the purpose of the Bill is to implement the recommendations of the Gotterson Review and create a regulatory framework for mandatory carded play in casinos. Such a framework includes the requirements for carded play; and the introduction of cash limits, mandatory pre-commitment limits, and play and break limits.

The committee notes the submission from the Alliance that supported mandatory carded play and the recommendations regarding pre-commitment limits, applying pre-commitment limits across all gambling products in a casino, and not linking player cards to loyalty schemes.

The committee notes the response from DJAG regarding the application of a universal carded play scheme across all gambling products, and that the regulation-making powers created under the Bill are broad enough to ensure player cards are not used inappropriately.

The committee recognises the difficulty in applying a new regulatory framework across multiple schemes simultaneously. Keno and wagering systems in Queensland have their own statutory framework and regulations.

The Bill is aimed at casinos, as were the recommendations made by the Gotterson Review. The committee recognises the potential to expand this framework to other areas once it has rolled out, but that is not the objective of this Bill.

## **2.2 Use and collection of carded play data**

### **2.2.1 Background**

According to the explanatory notes and the Gotterson Review, the success of several Gotterson Review recommendations rely on casinos collecting real time data on gambling behaviour through player cards. However, the Casino Control Act does not require the collection of player data.

Accordingly, the Gotterson Review made two recommendations for the collection and availability of player card data:

#### **Recommendation 5: Collection of carded play data**

Player cards collect data relating to:

- player buy-in (time, amount);
- player buy-out (time, amount);
- play periods (date, start time, end time);
- player turnover;
- player losses and wins;

<sup>27</sup> DJAG, correspondence, 23 November 2023, p 2.

<sup>28</sup> DJAG, correspondence, 23 November 2023, p 4.



- gambling product; and
- such further information as may be required for anti-money laundering and counterterrorism financing strategies, and the promotion of safer gambling.<sup>29</sup>

#### Recommendation 6: Availability of carded play data

Such data should be collected for the purposes of research and to inform casino staffing levels and the proper supervision of casino activities. Such data should be made available to researchers in order for there to be comprehensive data available for any future studies into gambling related harm in Queensland.<sup>30</sup>

### 2.2.2 Bill amendments

The Bill amends the Casino Control Act to provide that a regulation may make requirements for the collection of information in the course of issuing or using player cards, and in the storage, use and disclosure of that information.

Other amendments include:

- the power of the chief executive to, by written notice to the casino, request that player cards are capable of securely recording and transferring any other information that is required for:
  - the administration or enforcement of the Act in relation to the casino
  - research (by the chief executive or another entity) into harm from gambling.
- a requirement on casinos to report to the chief executive with de-identified carded play data prescribed by regulation
- the power for the chief executive to give de-identified player card data to an entity for the purpose of research into harm from gambling
- the power for the chief executive to direct a casino to provide specific carded play data (de-identified or not) in addition to the regular reporting requirement:
  - identifying information provided via this direction cannot be shared by the chief executive unless it is authorised under section 14 of the Casino Control Act.<sup>31</sup>

### 2.2.3 Stakeholder feedback

The Alliance supports collecting data through a carded system, noting that ‘the evidence often lacking in gambling research is due to independent researchers and governments not being able to access de-identified gamblers data’.<sup>32</sup> The Alliance stated that:

[d]e-identified data from the card system should be available to relevant jurisdictional authorities to support monitoring, review, and ongoing policy and program development; and bona fide researchers should be able to request de-identified data from the system for research that seeks to support harm minimisation.<sup>33</sup>

The Alliance recommends that the legislation prohibit conflicts of interest between casinos and companies that hold gambling consumer data. The Alliance offers the example of Intralot, which runs the voluntary pre-commitment system in Victoria and collects gambling consumer data, but also provides gambling products.

<sup>29</sup> Gotterson Review, p vi.

<sup>30</sup> Gotterson Review, p vi.

<sup>31</sup> Explanatory notes, p 9.

<sup>32</sup> Alliance, submission 1, p 5.

<sup>33</sup> Alliance, submission 1, p 5.

The Alliance also urges against the casino operator being the main repository of the data ‘to ensure an independent and conflict free system without delays to access of data or the possibility of inaccurate data’.<sup>34</sup>

The Alliance points out Spain, France and the Netherlands as possible models, where data is held and managed by the gambling regulator.<sup>35</sup>

The Office of the Information Commissioner (OIC) raised concerns about the private and personal information collected as a result of a mandatory carded play system. The OIC stated that:

- information collected should be limited to what is strictly necessary to establish player credentials
- personal information must be adequately secured and only used for their legislative purposes, namely harm minimisation and prevention of criminal activity
- there should be appropriate restrictions to prevent card data being used for unrelated marketing schemes or loyalty and reward schemes.

The OIC has stated its preference for privacy protections to be in primary legislation rather than subordinate legislation to ‘help entrench privacy protections by requiring any future proposals to amend these protections to be the subject of an appropriate level of Parliamentary oversight’.<sup>36</sup>

#### **2.2.4 Department response**

Regarding the sharing of data with jurisdictional authorities and researchers, DJAG stated in its response to submissions that the chief executive can give confidential information, including information on carded play, to prescribed entities in schedule 1 of the Casino Control Regulation.<sup>37</sup>

DJAG added that new section 72K of the Bill authorises the chief executive to give de-identified player card data to an entity for the purpose of research into harm from gambling, and such an entity ‘could include a researcher or a jurisdictional authority’.<sup>38</sup>

Regarding ownership, control, and access to player data, DJAG stated in its response to submissions that the Bill:

- has measures to ensure the regulator can access player card information regularly and at any time
- requires casino operators to give regular reports containing de-identified player card information to the chief executive at the times prescribed by regulation
- authorises the chief executive to, by written notice, request particular player card information from casino operators by a stated day
- provides the chief executive with access to particular electronic casino systems.<sup>39</sup>

DJAG added that, the Casino Control Act already obligates casino operators to proactively cooperate with the regulator, and prohibits the provision of false information.<sup>40</sup>

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<sup>34</sup> Alliance, submission 1, p 5.

<sup>35</sup> Alliance, submission 1, p 6.

<sup>36</sup> OIC, submission 2, p 2.

<sup>37</sup> DJAG, correspondence, 23 November 2023, p 3. This is authorized under section 14 of the Casino Control Act. The list of entities in schedule 1 of the Casino Control Regulation include jurisdictional entities, such as domestic and overseas liquor and gambling commissions.

<sup>38</sup> DJAG, correspondence, 23 November 2023, p 3.

<sup>39</sup> DJAG, correspondence, 23 November 2023, p 3.

<sup>40</sup> Casino Control Act, ss 30A, 30D.

Replying to the issues raised by the OIC, DJAG stated that the *Privacy Act 1988* (Cth) (Privacy Act) regulates how organisations with an annual turnover of more than \$3 million, such as casinos, handle personal information.

DJAG stated that it considers the Privacy Act ‘contains sufficient safeguards to protect the privacy of individuals who participate in a player card scheme’ and that, if more privacy protection measures are called for, specific regulations can be made under new section 72E(2) of the Bill.<sup>41</sup>

### **Committee comment**

The committee recognises the importance of careful stewardship of personal and identifying information, which will be required in an identity-linked carded player scheme.

The committee notes that the Bill creates a regulatory framework that prioritises the regulator’s quick and easy access to data, and that there are penalties for casinos in the case of non-compliance. The committee also notes the federal Privacy Act will apply in many circumstances, which creates regulatory certainty for casinos (and their owners) who likely operate casinos in other parts of Australia.

The committee also recognises that in certain circumstances it will be necessary to share information with other authorities. Key examples include sharing player data with extra-territorial authorities as part of criminal investigations, or sharing de-identified data for academic research. While personal privacy is a key principle of democracy, it does not exceed the public benefit that can be achieved from disrupting crime or carrying out research into gambling harm.

The committee believes the Bill strikes the right balance between protection of a player’s personal information along with upholding the public good that can be achieved when that information is shared to disrupt crime or carry out important research.

## **2.3 Gambling terminology**

### **2.3.1 Background**

The Gotterson Review noted a tendency to blame individuals for gambling harm. Gambling harm was dismissed as a symptom of personality disorders rather than the effect of effective gambling products that were designed to be addictive.

The Gotterson Review recommended changes to terminology in gambling legislation to reduce stigma, shame and the implication of personal irresponsibility for gambling behaviour:

#### **Recommendation 7: Terminology**

The language of the Casino Control Act and Regulations be updated when next amended to include terms that better accord with modern understandings, such as ‘safer gambling’ and ‘persons who suffer, or might suffer gambling harm and gambling related harm’ instead of ‘problem gamblers’.<sup>42</sup>

### **2.3.2 Bill amendments**

The Bill implements Recommendation 7 of the Gotterson Review and replaces terms that may stigmatise, shame, or imply sole personal responsibility for gambling problems rather than a shared responsibility with gambling providers. The Bill applies the recommendation more broadly by updating all Queensland gambling legislation, including the:

- Casino Control Act
- Wagering Act

<sup>41</sup> DJAG, correspondence, 23 November 2023, p 4.

<sup>42</sup> Gotterson Review, p vi.

- Keno Act
- Gaming Machine Act
- Gaming Machine Regulation.<sup>43</sup>

The Bill replaces the term ‘problem gambler’ with:

- ‘persons experiencing harm from gambling’ or
- ‘persons adversely affected by, or at risk of, harm from gambling’.<sup>44</sup>

The Bill also amends the Casino Control Act and Gaming Machine Act to replace ‘responsible gambling’ with ‘safer gambling’.<sup>45</sup>

A consequence of the new terminology is a change to the requirements for gaming machine licence applications. These applications:

- are made under the Gaming Machine Act
- must include a statement of responsible gambling initiatives for the premises.<sup>46</sup>

The Bill replaces the requirement for a statement of ‘responsible gambling’ initiatives with a statement of ‘safer gambling’ initiatives. The purpose of the statement of safer gambling initiatives will be to help the Commissioner assess the adequacy of the applicant’s approach to providing a safer gambling environment for patrons. This means that applicants will be required to demonstrate how they provide a safer gambling environment rather than how they encourage patrons to gamble responsibly.

The explanatory notes state that the terms ‘problem gambling’ and ‘gambling problems’ are not amended by the Bill, as these phrases are not considered to stigmatise or imply sole personal responsibility for gambling issues.<sup>47</sup>

### **2.3.3 Stakeholder feedback**

The Alliance welcomes the amendments that replace phrases such as ‘responsible gambling’ and ‘problem gambler’. The Alliance states that:

[r]emoving stigmatising language from all Queensland gambling legislation is a positive step towards creating an environment where people are more encouraged to seek treatment services and speak openly about gambling harm risks.<sup>48</sup>

The Alliance also urges the Queensland Government to consistently use ‘gambling’ instead of ‘gaming’ when referring to gambling products like EGMs, table games and wagering services. The Alliance states that ‘[u]sing the word “gaming” minimises the harmful nature of the product, likening it to a “game” such as a video game or board game’.<sup>49</sup> At the public hearing, the Alliance stated:

[T]he American blind spot of guns is perplexing to us. The rest of the world looks at us and cannot believe the level of gambling losses. It is our blind spot, it really is... I use the guns analogy because what happened here was effectively like the guns analogy. You have a second amendment, which is that every American has the right to a ball and musket rifle...

That second amendment then technically became semiautomatics and the right to carry them. What happened with pokies is that they went from coin operated and pulling a lever, where they did not do hardly any damage at all. Once they were digital they became like the semiautomatic rifle and regulation

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<sup>43</sup> Explanatory notes, p 9.

<sup>44</sup> Explanatory notes, pp 9-10.

<sup>45</sup> Explanatory notes, pp 9-10.

<sup>46</sup> Explanatory notes, p 10.

<sup>47</sup> Explanatory notes, p 10.

<sup>48</sup> Alliance, submission 1, p 6.

<sup>49</sup> Alliance, submission 1, p 6.

just did not keep up with the freedom to play. Then the message was, 'It's irresponsible people. Gamble responsibly. It's not the industry'. They now had, in gambling terms, semiautomatic rifles...<sup>50</sup>

### 2.3.4 Department response

DJAG noted the Alliance's support and its suggestion in relation to the term 'gaming'.<sup>51</sup>

In the public briefing, departmental officials stated that changing the term from 'gaming' to 'gambling' across all Queensland legislation 'was not among Mr Gotterson's specific recommendations nor discussed in his report' and 'would require over 1,700 changes to the Gaming Machine Act, which is not the act primarily sought to be amended by this particular bill'.<sup>52</sup>

### **Committee comment**

The committee notes the importance of terminology in public policy and notes the support the Alliance has for the Bill. Removing stigmatising language is part of recognising that gambling can be a powerful and addictive activity and that addiction is not solely the fault of the gambler.

The committee also notes that the Bill does not seek to change terminology across the Queensland statute book and that the Bill and the Gotterson Review focused on casinos, not all forms of gambling. The committee sees this change as being outside the scope of the Bill.

## 2.4 Compulsory code of conduct for safer gambling

### 2.4.1 Background

Queensland has no requirement for casinos to comply with a code of conduct for safer gambling under the Casino Act. Casinos can choose to follow the voluntary Queensland Responsible Gambling Code of Practice and its associated Casinos Resource Manual.<sup>53</sup> These commit casinos to implement safer gambling practices.<sup>54</sup>

The Gotterson Review found a voluntary safer gambling regime was not enough to deter casino operators from conduct that may facilitate gambling harm, and made the following recommendation:

#### **Recommendation 8: Code of Conduct for Safer Gambling**

The Casino Control Act be amended to:

- require compliance with a Code of Conduct for Safer Gambling by casino licensees;
- empower the regulator to issue fines for contraventions of the Code (such penalties being sufficient to deter non-compliance); and
- require the regulator to have regard to the casino licensee's compliance with the Code in its review of the suitability of the licensee.<sup>55</sup>

<sup>50</sup> Public hearing transcript, 1 December 2023, Brisbane, p 6.

<sup>51</sup> DJAG, correspondence, 23 November 2023, p 5.

<sup>52</sup> Public briefing transcript, 4 December 2023, Brisbane, p 2.

<sup>53</sup> Department of Justice and Attorney-General, *Queensland responsible gambling Code of Practice*, v4.1, 2015; Department of Justice and Attorney-General, *Queensland responsible gambling resource manual: casinos*, Section C, v.3.2, 2020.

<sup>54</sup> Explanatory notes, p 4.

<sup>55</sup> Gotterson Review, p vi.

### 2.4.2 Bill amendments

The Bill amends the Casino Control Act to create a regulation making power to provide for a compulsory code of conduct for casino operators in accordance with Recommendation 8 of the Gotterson Review. The code may:

- impose obligations on casino operators, their employees and agents to ensure safer gambling in casinos
- impose obligations to ensure the appropriate conduct of casino operations and the implementation of appropriate practices, systems and procedures relating to the governance, accountability and integrity of casino operators.<sup>56</sup>

The explanatory notes state that this allows the code to deal with the other kinds of issues highlighted in the Gotterson Review, such as poor risk management and deficiencies in corporate culture. According to the explanatory notes, applying a code through regulation rather than primary legislation ensures the requirements can be quickly updated to stay across new technologies, research into gambling harms, and any emergent governance issues in the industry.<sup>57</sup>

### 2.4.3 Stakeholder feedback

The Alliance believes gambling operators should be required to follow a Code of Conduct and be penalised if they are found to be breaching it. The Alliance recommends the code be drafted by ‘people with lived experience of gambling harm, community health organisations and gambling harm experts and be independent of the casino operators’.<sup>58</sup>

The Alliance states that the main objective of such a Code should be to:

... ensure patrons exhibiting signs of harm, based on current research and data, receive meaningful intervention from casino staff that demonstrably leads to the prevention or reduction of harm. It is critical that casinos are legally obliged to adhere to the Code and there be suitable penalties for breaches.<sup>59</sup>

### 2.4.4 Department response

DJAG’s response to submissions stated that the Alliance’s view is consistent with the Bill, and that:

- a mandatory code of conduct for casino operators was a specific recommendation from the Gotterson Review
- the Bill provides that a regulation may contain a code of conduct for casino operators with penalties for breaches of the code.

DJAG added that it has begun a review of the existing voluntary code of practice to strengthen and encourage effective harm minimisation outcomes, with this work being part of the Gambling Harm Minimisation Plan for Queensland 2021-2025.<sup>60</sup> The review includes:

- the development of safer gambling principles that will apply to all gambling sectors
- the development of a safer gambling code of practice for gaming machine environments, with consideration of mandatory requirements.

Regarding drafting of the code of conduct, DJAG stated that appropriate consultation will be undertaken with targeted stakeholders, including the Alliance and people with lived experience.<sup>61</sup>

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<sup>56</sup> Explanatory notes, p 10.

<sup>57</sup> Explanatory notes, p 10.

<sup>58</sup> Alliance, submission 1, p 6.

<sup>59</sup> Alliance, submission 1, p 6.

<sup>60</sup> Queensland Government, *Gambling harm minimisation plan for Queensland 2021-25*, n.d., accessed 30 January 2024.

<sup>61</sup> DJAG, correspondence, 23 November 2023, p 6.

**Committee comment**

The committee sees value in creating a mandatory code of conduct for Queensland's casinos. Industry self-regulation has its place as a way to reduce compliance costs and offer cheaper dispute resolution between members of a sector.

The committee believes self-regulation is not always appropriate when the industry is large, concentrated, or has the potential for a major public impact, such as the gambling sector.

The committee notes the code of conduct will be enforced by penalties and will be developed in consultation with stakeholders, including those who have lived experience of gambling harm. The committee notes the Alliance's support and DJAG's response regarding these matters.

**2.5 Supervision levy****2.5.1 Background**

Modern casinos are more vulnerable to money laundering, criminal influence and exploitation, and have the potential to cause considerable gambling harm. An appropriate level of regulation and oversight of casinos is required to protect players and the community and prevent criminal activity.<sup>62</sup>

Without a significant level of regulation, it is more likely that gambling harm, integrity issues, criminal influence, and player fairness issues would arise. A robust regulatory system creates accountability and promotes public confidence.<sup>63</sup>

Properly regulating Queensland's casinos involves:

- ongoing probity assessment and monitoring
- compliance monitoring
- investigation
- enforcement
- complex audit activities across the full ambit of casino management and operation
- revenue and tax assurance
- approval of internal controls, systems and new or modified games
- policy and legislation work to ensure casino legislation keeps pace with new risks.<sup>64</sup>

The full cost of these regulatory activities are not levied on Queensland casinos. Queensland's casino operators are instead required to pay a monthly casino tax and a quarterly licence fee. These are paid into the consolidated fund.

The Gotterson Review stated that casinos financially benefit from being lawfully authorised to conduct gambling operations in a regulatory framework, and that '[t]he cost of casino regulation ought to be funded by casinos themselves, rather than leaving taxpayers to do so'.<sup>65</sup> As such, the Gotterson Review recommended:

<sup>62</sup> Explanatory notes, pp 4-5.

<sup>63</sup> Explanatory notes, p 5.

<sup>64</sup> Explanatory notes, p 4.

<sup>65</sup> Gotterson Review, p 145.

**Recommendation 9: Supervision levy**

It ought to be a condition of a casino licence that the licensee pay a supervision levy of the kind provided for in New South Wales.<sup>66</sup>

The Gotterson Review recommended a ‘user pays’ levy, noting ‘it is appropriate that those who benefit financially from the casinos pay for the regulation of those activities’, but warned that the levy ‘ought to be structured in a way that leaves no doubt that the casinos are not “clients” of the regulator, and that they cannot control or direct that which the regulator does’.<sup>67</sup>

The explanatory notes state that the regulation of casinos will only get more complex. There have been five inquiries into Australian casinos (including the Gotterson Review) following concerns about money laundering and other integrity issues.<sup>68</sup> Each of these inquiries found substantial integrity issues relating to:

- internal governance of listed companies
- lack of money laundering controls
- engagement with organised crime.<sup>69</sup>

The explanatory notes state that these inquiries demonstrate the increasing difficulty for a single regulator to have the wide range of knowledge and skills needed to regulate casinos. It is reasonable to expect that the regulator may need to engage specialist services or resources to discharge its functions. A dedicated levy would assist to ensure that the proper regulation of casinos is not held back by insufficient resources.<sup>70</sup>

**2.5.2 Bill amendments**

The Bill amends the Casino Control Act to provide for an annual supervision levy. The levy will be used to fund:

- the regulation and oversight of casinos in a way that promotes the objectives of the Casino Control Act
- programs aimed at reducing harm from gambling in Queensland.<sup>71</sup>

The Bill specifies that revenue received from the levy, including penalties on late payment, is a controlled receipt for the *Financial Accountability Act 2009* (Financial Accountability Act). This will provide the regulator with the greatest amount of administrative flexibility to determine the appropriate use of the levy including for a broader range of harm minimisation activities beyond those that solely relate to casino gambling. The Bill also specifies that:

- the levy replaces the quarterly licence fee, however the levy is in addition to existing fees and taxes required to be paid under the Casino Control Act, including the:
  - casino tax
  - cost of suitability investigations
  - cost of taking disciplinary action

<sup>66</sup> Gotterson Review, p vi.

<sup>67</sup> Gotterson Review, p 150.

<sup>68</sup> Explanatory notes, pp 2, 4. In addition to the Gotterson Review, the following inquiries and reviews have been undertaken: the Bergin Inquiry into Crown Sydney (February 2021), the Finkelstein Inquiry into Crown Melbourne (October 2021), the Owen Inquiry into Crown Perth (March 2022), and the Bell Review into The Star Sydney (August 2022).

<sup>69</sup> Explanatory notes, p 4.

<sup>70</sup> Explanatory notes, p 5.

<sup>71</sup> Explanatory notes, p 10.



- fees for evaluating gaming equipment and assessing individual employee licence applications
  - costs relating to a special manager
  - costs for periodic reviews and any commissions of inquiry under the Casino Control Act.
- the levy will be fixed by the Minister before the commencement of each financial year
  - the levy will be notified on the department’s website
  - the Minister may fix the total amount of the levy after the commencement of a financial year if required, and for the amount to be applied retrospectively to that year
  - a regulation will define the proportion of the levy that each casino licensee is required to pay
  - the Minister may have regard to a casino gross revenue for one or more previous financial years, or the casino gross revenue for all casinos for the same period
  - the levy is payable in quarterly instalments
  - the chief executive will issue a contribution notice to each casino licensee which details the amount of the levy the casino licensee must pay for the financial year and when the quarterly instalments must be made
  - the Bill provides for the levy framework to be reviewed within three years after commencement, and thereafter at intervals of not more than 5 years.<sup>72</sup>

The explanatory notes state that this approach ensures that:

- regulatory services which are driven by casino operations remain recoverable
- high expense, circumstance-dependent items (such as suitability investigations or taking disciplinary action) do not inflate the levy beyond what would reasonably be expected for an average year
- the risk of a shortfall to the regulator is mitigated, as high expense items are separate to the levy.<sup>73</sup>

### 2.5.3 Stakeholder feedback

The Alliance states that ‘taxpayers should not bear the cost of the supervision of casinos ... it should be the financial responsibility of the casinos whether that be via a levy, casino tax or licence fees’.<sup>74</sup>

The Alliance notes that if the proposed levy is to be used for funding programs aimed at reducing harm from gambling, it is important that the casino cannot influence the development of such programs and resources and it be completely independent of the casino.<sup>75</sup>

### 2.5.4 Department response

In its response to submissions, DJAG referred to the Gotterson Review’s recommendation that the supervision levy:

[O]ught to be structured in a way that leaves no doubt that the casinos are not ‘clients’ of the regulator, and that they cannot control or direct that which the regulator does with the levy.<sup>76</sup>

DJAG stated that the Bill provides that:

<sup>72</sup> Bill, cl 17, new Part 5, Division 1.

<sup>73</sup> Explanatory notes, p 11.

<sup>74</sup> Alliance, submission 1, p 7.

<sup>75</sup> Alliance, submission 1, p 7.

<sup>76</sup> DJAG, correspondence, 23 November 2023, p 6.

- the supervision levy is a controlled receipt for the Financial Accountability Act
- controlled receipts are retained by the department for specified uses
- the levy may be used to fund the regulation and oversight of casinos in a way that promotes the object of the Casino Control Act and the conduct of programs aimed at reducing harm from gambling in Queensland.<sup>77</sup>

DJAG noted that the Bill contains no suggestion that casino operators will have influence over the use of the levy.<sup>78</sup>

### **Committee comment**

The committee recognises that casino owners are some of the largest and most complex corporations in Queensland, and indeed Australia. The Star Entertainment Group alone boasts of over \$6 billion in investment,<sup>79</sup> has 7 locations, and is currently developing additional sites in Brisbane and Sydney.

Casinos must comply with a mixture of state and federal legislation regarding corporate structuring, tax, gambling and anti-money laundering/counter-terrorism financing. The cost of regulating casinos, which involves processing applications, carrying out investigations and audits, and taking disciplinary action, can be significant.

The committee recognises that casino owners are entitled to operate in a way that reduces cost and increases profitability as part of its duty to its shareholders (as all businesses are), so long as such operations are within the law.

The committee does not see the sense in a sector operating and earning revenue while the taxpayer funds the cost of regulating the industry, especially if the sector is large, complex, profitable, and requires specialist investigators and regulators.

The committee is pleased to note that the supervision levy is controlled under the Financial Accountability Act and may be used to fund oversight of casinos and fund programs that reduce gambling harm in Queensland.

## **2.6 Periodic reviews into casino operations**

### **2.6.1 Background**

Queensland law provides for inquiries to be conducted into the operation of casinos at any time subject to the following limits:

- the Minister can only appoint the chief executive or another departmental officer to hold the inquiry
- there is no requirement to conduct an inquiry on a periodic basis.<sup>80</sup>

Under New South Wales law, casino licence reviews are required every five years (by way of an inquiry similar to a royal commission). These reviews examine:

- the suitability of the casino operator
- whether it is in the public interest that the casino licence should continue.<sup>81</sup>

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<sup>77</sup> DJAG, correspondence, 23 November 2023, p 6.

<sup>78</sup> DJAG, correspondence, 23 November 2023, p 6.

<sup>79</sup> The Star Entertainment Group, *About*, [www.starentertainmentgroup.com.au/about](http://www.starentertainmentgroup.com.au/about).

<sup>80</sup> Explanatory notes, p 6.

<sup>81</sup> *Casino Control Act 1992 (NSW)*, section 143.

The Gotterson Review recommended adopting the New South Wales approach in Queensland, specifically:

#### Recommendation 10: Periodic review

A power akin to that in s 143 of the *Casino Control Act (NSW)* be instituted to allow periodic investigations, including as to suitability. It ought to allow for the costs to be recovered from the relevant casino.<sup>82</sup>

The Gotterson Review stated that such amendments would permit investigations when circumstances require, and to periodically determine whether a casino operator is still a suitable person to hold a casino licence.

Periodic suitability reviews would also encourage casino licensees and their relevant associates to be vigilant in maintaining their good reputation and integrity, and in continuing to be honest.<sup>83</sup>

### 2.6.2 Bill amendments

The Bill amends the Casino Control Act to provide that the chief executive must review each casino licence at intervals of not more than five years, unless otherwise postponed by regulation. For each casino licence, the full reviews must include:

- an inquiry into the operation of the casino (including corporate governance)
- the suitability of each casino entity to be associated or connected with the management and operations of the hotel-casino complex or casino
- the compliance of each casino entity with the Casino Control Act, and relevant agreement Act and casino agreement
- whether it is in the public interest for the casino licence (and if applicable, casino management agreement and casino lease) to remain in force
- the casino operator's compliance with any code of conduct, which may be prescribed under new section 126A.

The Bill grants the chief executive the power to appoint any appropriately qualified person to carry out a review. The person doing the review has the ordinary commission powers under the *Commissions of Inquiry Act 1950* (COI Act).<sup>84</sup>

The reviewer must give a report of the review to the Minister and chief executive. The chief executive may, in turn, publish the report (in full or partially) as the chief executive considers appropriate.

The Bill makes clear that the chief executive is able to order a review about any matter relating to a casino licence at any time outside of the timeframes for a full review, as circumstances warrant. The costs incurred for a full review, or any other review conducted outside the full review timeframes, may be recouped from the casino licensee (and if applicable, the associated casino operator and casino lessee).<sup>85</sup>

### 2.6.3 Stakeholder feedback

The Alliance supports periodic reviews at intervals of no more than 5 years, but recommends 'more frequent over the next few years due to the significant changes which will be required by the casinos'.

<sup>82</sup> Gotterson Review, p vi.

<sup>83</sup> Explanatory notes, p 5.

<sup>84</sup> The reviewer also has special commission powers, normally only given under the COI Act to a commission whose chairperson is Supreme Court judge, if the reviewer is a Supreme Court judge, or an Australian lawyer of at least seven years standing; and the reviewer's appointment states that the reviewer has the special commission powers.

<sup>85</sup> Explanatory notes, p 12.

The Alliance states that '[i]t is important [casinos] are held accountable and are being reviewed regularly to ensure they are meeting the new standards in both minimising gambling harm and preventing money laundering'.<sup>86</sup>

#### **2.6.4 Department response**

In its response to submissions, DJAG stated that the Bill's new section 90L requires the chief executive to do full reviews for each casino licence to be carried at intervals of not more than 5 years.

However, a regulation may postpone a full review to a day not more than 7 years after the last full review was completed for the licence. This is to provide for unforeseen circumstances that may delay a review – for example, a pandemic or other unforeseen event.<sup>87</sup>

#### **Committee comment**

The committee notes that the Bill amends the Casino Control Act to require suitability investigations of casinos every 5 years, unless postponed by regulation. The committee notes that this mechanism to postpone an investigation is to provide for unforeseen circumstances that may change the date for a review.

The committee notes the Alliance's recommendation that casino owners be reviewed more regularly due to the significant changes required for casinos. The committee notes that new section 90L(1) of the Bill grants the chief executive the power to carry out a review 'at any time'. The committee believes this provision is adequate to ensure for more frequent reviews if the regulator sees fit.

### **2.7 Exclusions by interstate police commissioners**

#### **2.7.1 Background**

The Casino Control Act provides for four types of exclusions, where a person is excluded from entering or remaining in a casino:

- self-exclusion order (section 91O)
- general casino-initiated exclusion (section 92) for prescribed reasons, such as:
  - engaging in dishonest acts in relation to gaming
  - acting in a way that is affecting the proper conduct or integrity of gaming, or the safety or wellbeing of other persons in the casino
  - engaging in unlawful conduct.
- exclusion direction (section 93A), when a casino excludes a person believed to be a problem gambler
- exclusion at the direction of the police (section 94), when the casino operator is required to exclude a person as directed by the Queensland Police Commissioner.

The Gotterson Review found Star was 'deficient' in acting on exclusion directions made by interstate police commissioners,<sup>88</sup> and that incentives were even offered to persons who were subject to exclusion directions. These actions exposed Star's Queensland casinos to the risk of criminal infiltration or influence.<sup>89</sup>

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<sup>86</sup> Alliance, submission 1, p 7.

<sup>87</sup> DJAG, correspondence, 23 November 2023, p 7.

<sup>88</sup> Gotterson Review, p 154.

<sup>89</sup> Gotterson Review, p 57; Explanatory notes, p 6.

The Gotterson Review noted that if a police commissioner in another state believed that a person should be barred from casinos in that state, such an exclusion is relevant for Queensland. As such, the Gotterson review recommended:

**Recommendation 11: Giving effect to Interstate Police Commissioner directions**

The Casino Control Act ought be amended to require casino licensees and operators to make reasonable endeavours to ascertain the persons subject to exclusion directions of police commissioners in other Australian jurisdictions, and to take reasonable steps to effect the exclusion of such persons from the casinos they control. The regime should impose penalties for non-compliance.<sup>90</sup>

### 2.7.2 Bill amendments

The Bill implements the Gotterson Review's Recommendation 11 of by introducing a fifth type of exclusion that must be initiated by a casino operator if the casino operator is aware a person is subject to an interstate exclusion.

An interstate exclusion is defined as an order, direction or notice that is made or given by an interstate police commissioner and excludes, or requires another entity to exclude, a person from an interstate casino or a place at an interstate casino.<sup>91</sup>

The Bill obligates a Queensland casino operator to issue an exclusion notice to a person who is the subject of an interstate exclusion, prohibiting them from entering or remaining in the operator's Queensland casino (or casinos) as soon as it is practicable. This obligation does not apply if the casino operator cannot establish the person's identity without making reasonable inquiries.<sup>92</sup>

The Bill also requires casino operators to:

- notify the chief executive and the Queensland Police Commissioner within 14 days after becoming aware that a person is the subject of an interstate exclusion, whether:
  - the casino operator has given the person an exclusion notice
  - if the casino operator has not given the person an exclusion notice, then the enquiries the casino operator has made to establish the person's identity.
- notify other Queensland casino operators about a person immediately after the casino operator becomes aware that the person is the subject of an interstate exclusion:
  - if the casino operator cannot establish the person's identity at that time, the casino operator must immediately notify other casino operators after establishing the person's identity.
- keep a register of persons who the casino operator is aware are the subject of an interstate exclusion
- take any other steps which may be prescribed under a regulation to affect the person's exclusion from the casino operator's Queensland casinos
- prohibit a casino operator from giving or offering an inducement to a person to enter or remain in a casino if the casino operator knows, or ought reasonably to know, that the person is the subject of an interstate exclusion.

The Bill imposes penalties on a person who enters or remains in a Queensland casino if they have been issued an exclusion notice on the basis of an interstate exclusion.<sup>93</sup>

<sup>90</sup> Gotterson Review, p vii.

<sup>91</sup> Explanatory notes, p 12.

<sup>92</sup> Explanatory notes, pp 12-13.

<sup>93</sup> Explanatory notes, p 13.

Exclusion notices may only be revoked, at the casino operator's discretion, after the interstate exclusion ceases to have effect, or earlier if the casino operator has obtained the written permission of the Queensland Police Commissioner.

If the casino operator intends to revoke the exclusion notice after the interstate exclusion ceases to have effect, notification must be provided to the Queensland Police Commissioner at least 30 days in advance.

The purpose of the notification is to provide the Queensland Police Commissioner an opportunity to consider the circumstances and, if required, issue a direction requiring the casino operator to exclude the person under a Queensland Police Commissioner-initiated exclusion.<sup>94</sup>

### **2.7.3 Stakeholder feedback**

The Alliance supports the amendments regarding exclusion orders by interstate police commissioners, stating:

It is crucial that there is a mechanism in place to ensure that each jurisdiction is working together to prevent those with an exclusion order due to criminal activity at one casino from being able to attend another interstate.<sup>95</sup>

### **2.7.4 Department response**

DJAG noted the Alliance's support for the proposed amendments.<sup>96</sup>

### **Committee comment**

The committee notes the Bill's intention to add a fifth type of exclusion for persons who have been excluded from casinos by an interstate commissioner. The committee also notes the support by the Alliance for the new exclusion.

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<sup>94</sup> Explanatory notes, p 13.

<sup>95</sup> Alliance, submission 1, p 7.

<sup>96</sup> DJAG, correspondence, 23 November 2023, p 7.

## Appendix A – Submitters

<b>Sub #</b>	<b>Submitter</b>
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- |   |  |
|---|--|
| 1 | Alliance for Gambling Reform           |
| 2 | Office of the Information Commissioner |
| 3 | Confidential                           |

## Appendix B – Officials at public departmental briefing

### Department of Justice and Attorney-General

- Victoria Thomson, Deputy Director-General, Liquor Gaming and Fair Trading
- David McKarzel, Executive Director, Office of Regulatory Policy, Liquor Gaming and Fair Trading
- Martin Scott, Director, Policy & Projects, Office of Regulatory Policy, Liquor Gaming and Fair Trading



## **Appendix C – Witnesses at public hearing**

### **Alliance for Gambling Reform (via videoconference)**

- Carol Bennett, Chief Executive Officer
- Reverend Tim Costello, Chief Advocate

### **Office of the Information Commissioner**

- Stephanie Winson, Acting Information Commissioner
- Clare Foster, Senior Privacy Officer

## Appendix D –Site visit to Queensland Wharf Star Brisbane

### Star Brisbane – officials present

- Hugh Fraser, General Manager Gaming
- Laurent Fresnel, Group Chief Technology and Innovation Officer
- Beata Ofierzynski, Senior Manager Gaming Planning and Execution

