

DRAFT SECOND READING SPEECH

HON. PETER GUTWEIN MP

Gaming Control Amendment (Community Interest) Bill 2016

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Madam Speaker,

On 17 March of this year, through my Ministerial Statement to this House, the Government announced a new way forward for gaming in Tasmania

In this announcement, I outlined the principles guiding the Government's thinking about the future of gaming in the State and our policy positions on key structural elements of the gaming sector from 2023 onwards.

A key policy is that local communities should have a greater voice in determining the future location of electronic gaming machines (EGMs) in their community. The way in which the Government intends to deliver this is through a public interest test to become part of the licensing process for EGMs.

This Bill amends the *Gaming Control Act 1993* to give effect to this policy.

Through the introduction of the test, to be applied by the Tasmanian Liquor and Gaming Commission, local communities will have the opportunity to be heard before the Commission make decisions in relation to the granting of new licences for new EGM venues.

Madam Speaker

The public interest test as announced in my Ministerial Statement on Gaming made on 17 March 2016, has been renamed as the community interest test for reasons of clarity to ensure that conflicts with existing terminology in the Act don't occur.

Madam Speaker

To date the placement of electronic gaming machines outside the casinos has been driven by industry. Under the current Act, the Tasmanian Liquor and Gaming Commission has no capacity to consider community interest aspects, and the licensing decision broadly hinges on the extent to which licence applicants (and the venue) are suitable to conduct EGM gaming.

However, this Government, in step with community expectations, recognises that community interests should be considered as part of this process.

Accordingly, this Bill delivers on the Government's commitment of ensuring that the community interest is a matter that must be considered when an application is made to put electronic gaming machines into a premises for the first time or where there has been a six month (or greater) interruption of an authority to possess electronic gaming machines on the premises.

Madam Speaker

The main purpose of this Bill is to introduce provisions that incorporate the community interest test with current licence application and amendment sections of the Act. This includes several

administrative sections including updates to the grounds for objection and requirements when updating an application.

It includes provisions requiring that the Commission must consider community interest matters as part of a licence application, or request for amendment to an existing licence seeking to authorise the possession of electronic gaming machines on a new premises or where there has been a six month (or greater) interruption of an authority to possess electronic gaming machines on the premises.

The community interest matters will be prescribed in regulations. This is a similar structural framework that applies in the case of liquor licensing, where details of the best interests of the community test are captured in Regulations.

In line with this Government's policy of transparency and accountability, I will request that the Commission conduct a public consultation process to inform the consideration of community interest matters. I expect that there will be a high level of interest in this process from all stakeholders.

Following this consultation period the Commission will report to the Government on matters for inclusion in the regulations.

Without wishing to constrain the consultation process, it is useful to note the matters that are considered in other jurisdictions when determining community impact include: socio-economic profile of expected patrons and local government area; estimated patron expenditure, investment and revenue distribution; estimated social, recreational and entertainment opportunities; details of the premises' responsible gaming practices and harm minimisation strategies; and how the premises will provide a responsible gaming environment.

The Bill also allows the Commission discretion in considering additional community interest matters to those prescribed where it is in the community interest to do so, striking a suitable balance between certainty for industry and the community, and the ability for the regulatory body to consider other matters that may be relevant on a case by case basis.

The provisions relating to the community interest test will take effect upon proclamation of the Amendment Act which will occur once the community interest regulations are complete.

Madam Speaker

The remaining part of the Bill consists of transitional provisions. It should be noted that no new licenses have been granted since the announcement earlier this year that the Government would be introducing a community interest test.

It was our view, informed by consultation with the industry, that until the test was in place, prospective licensees would be reluctant to proceed with new applications due to the risk associated with the retrospective application of the test. However, one application has been received recently, and, therefore, it is important to ensure that our policy intent be protected.

These remaining provisions ensure that the Government's policy intent is achieved prior to proclamation of the Amendment Act.

The first part introduces a suspension on license or amendment requests seeking authorisation to possess electronic gaming machines in a premises for the first time, or where there has been a six month (or greater) interruption of an authority under an existing license to possess

electronic gaming machine operations on the premises. Once the community interest test is in place, this restriction will no longer be required.

The suspension will apply to current new license and amendment requests that have yet to be determined by the Commission.

Madam Speaker

The second transitional part suspends the operation of electronic gaming machines should there be a case where an authority to possess those machines was applied for, and granted or approved after the Government's announcement on 17 March 2016 and before the date that the Bill receives Royal Assent.

Given that there has only been one application lodged, and not yet determined by the Tasmanian Liquor and Gaming Commission, depending on the time taken to have the Act achieve Royal Assent, this clause may not have any practical effect. However, if there are licences applied for and granted by the Commission under the existing framework before this Bill receives Royal Assent, these transitional arrangements will ensure that the commitment we made in the 17 March announcement that electronic gaming machines would not be operated in new venues until a community interest test has been applied will be delivered.

Madam Speaker

To ensure that any licenses issued after the Government's announcement and before the Bill receives Royal Assent are still subject to a community interest test, the third transitional part of this Bill provides for the application of the community interest provisions.

These provisions will apply to relevant licences that have been applied for and granted following the Government's announcement on 17 March of this year up until Royal Assent.

Upon proclamation of the Amendment Act, a licence holder subject to these provisions will have 90 days to provide a community interest submission to the Commission, with the Commission empowered to remove an authorisation to possess electronic gaming machines if it is found not to be in the community interest.

Madam Speaker

An application for authorisation to possess electronic gaming machines made after the Government's announcement will have been made in the full knowledge that the Government was fully intent on introducing legislation to implement its policy. This risk therefore lies with the applicant and accordingly, the Bill provides that a person will not be entitled to compensation or a refund in respect to any matter arising from: the removal of the authorisation to possess electronic gaming machines due to the community interest provisions, or from a prohibition on the operation of electronic gaming machines under these transitional provisions.

Madam Speaker

This Government has previously made it very clear that its policy position was that the location of electronic gaming machines in new venues would be subject to a community interest test to be applied by the Tasmanian Liquor and Gaming Commission.

The provisions in this Bill fulfil that commitment and give local communities a greater voice in determining the future location of these machines in their community. Therefore I commend the Bill to the House.