

FACT SHEET

Gaming Control Amendment (Future Gaming Market) Bill 2021

The Government announced its policy on the Future of Gaming in Tasmania in January 2018, which confirmed that the exclusivity arrangements under the Deed for Federal Group to conduct casino operations, operate electronic gaming machines and conduct games of keno in Tasmania will end on 30 June 2023.

The policy also determined that, among other things, the rights to operate EGMs in hotels and clubs from 1 July 2023 will change from a single gaming operator model to an individual venue operator model and that the network monitoring licence for EGMs in hotels and clubs would be put out to public tender.

The *Gaming Control Amendment (Future Gaming Market) Bill 2021* amends the *Gaming Control Act 1993* to:

- end the Deed of Agreement between the State and Federal Group on 30 June 2023, thereby removing Federal Group's exclusive right to conduct casino operations, operate electronic gaming machines (EGMs) and conduct games of keno in Tasmania from that date;
- restructure the gaming industry in Tasmania, including introduction of regulatory and financial arrangements required for an individual venue operator model for EGMs in hotels and clubs, noting that (subject to probity assessment) licences will be granted to existing venues for their existing EGM numbers;
- introduce a mechanism for EGM authorities not required by a licence holder to remain an asset of Government and for any reallocation of authorities to be undertaken by the Tasmanian Liquor and Gaming Commission, taking into account the community interest;
- introduce a high level regulatory objective of the Act;
- introduce a restriction on the share of the hotel and club EGM market that can be controlled by any one entity or business group (maximum of 587 authorities);
- provide for the number of EGMs that can be operated in Tasmania to be reduced and capped at 1 180 for casinos and 2 350 for hotels and clubs, with existing venue caps of 30 per hotel and 40 per club to remain;
- provide new regulatory and financial arrangements for a Licensed Monitoring Operator (LMO) to operate the network monitoring licence for the hotel and club EGM network, with appropriate ring fencing and restrictions to minimise potential conflicts of interest with venue ownership;
- provide for the initial network monitoring licence for EGMs in hotels and clubs being put out to public tender, overseen by the Department of Treasury and Finance;
- provide new regulatory and financial arrangements for non-resident high roller casino licences, including adequate probity and financial guarantees from the operator to ensure payment of taxes and player returns, noting that the northern licence will be subject to a public benefit assessment, and (subject to probity assessment) the southern licence will be offered to MONA;

- provide for additional amendments to existing regulatory and financial arrangements for casino and keno licences, including the introduction of Fully Automated Table Games in casinos and a review of casino games (including the removal of the simulated racing game “Trackside” as a casino game), noting that licences will be granted to Federal Group for its existing casinos and state-wide keno operation;
- enable all licences (casinos, keno, venue and LMO) to be issued for 20 years with the ability for the Commission to review the suitability of a licence holder at any time;
- enable licence holders to apply for the renewal of their licenses up to 5 years before the licence expires, with casino keno and LMO licence holders required to apply for their licence renewal no later than 2 years before licence expiration;
- provide for the collection of the Community Support Levy, from EGM revenue, including increases and extension of the levy (3 per cent from casinos, 5 per cent from hotels and 4 per cent from clubs);
- amend the distribution of the Community Support Levy to replace the current distribution model where funding is restricted to specified categories in accordance with specified weightings. The future funding allocation model will be prescribed in Regulations, and subject to ongoing consultation will contain broader categories and revised allocation weightings to promote flexibility and responsiveness to changes in funding priorities;
- contemporise and streamline the legislative framework by moving a number of existing provisions that are of a machinery nature into Regulations. In addition to this a range of new provisions will be included in Regulations to provide sufficient flexibility to adjust effectively to changes in the future environment;
- provide a range of transitional measures to allow the industry to effectively transition from the current single gaming operator model to the future individual operator model;
- provide the ability for the totalizator operator in Tasmania to conduct simulated racing events in hotels, clubs and totalizator outlets; and
- make a number of miscellaneous amendments to enhance business operations, correct oversights and improve administrative efficiency.