

CASINO CONTROL AMENDMENT BILL 1995

EXPLANATORY NOTE

GENERAL OUTLINE

Objectives of the Legislation

This Bill, which is primarily a machinery Bill, will provide for enhancements in operational arrangements of casinos and administrative arrangements in the regulation of casinos, and will update the penalty provisions in the Act, consistent with the operation of the *Penalties and Sentences Act 1992*.

The major objectives of the proposed Bill are:

- (a) to update a number of technical issues such as definitions and references to legislation;
- (b) to provide for technological advances made in certain gaming areas including gaming machines and card shuffling devices;
- (c) to improve security arrangements, for example, screening prospective and current employees;
- (d) to relax the current restriction on the serving of alcohol at gaming tables, in line with accepted practice in the industry;
- (e) to provide for the Chief Executive to replace the Minister as the point of authority with respect to a number of relatively minor decisions; and
- (f) to update penalty provisions in line with the *Penalties and Sentences Act, 1992*.

Reasons for the Bill

The *Casino Control Act, 1982* is the principal piece of legislation regulating casino operations within Queensland. These amendments are primarily machinery amendments to the legislation which will facilitate enhancements in the operational arrangements of casinos and administrative arrangements in the regulation of casinos.

The Bill is consistent with fundamental legislative principles, and incorporates various amendments which incorporate principles of natural justice and provides appropriate protection against self-incrimination.

Estimated Cost for Government Implementation

This Bill will reduce administrative cost to the Government in relation to the regulation of Queensland casinos by providing increased efficiency in certain administrative activities of the Department, and by providing for the Chief Executive to replace the Minister as the point of authority in respect of operational decisions.

Consultation

Consultation was undertaken both formally and informally with the existing casino operators, and with the two proposed casino operators at Brisbane and Cairns. As many of the proposed amendments were included in the Bill at the request of the casino operators, or are machinery provisions which relate to the operation of the casino regulatory body, results of consultation have been entirely favourable. The draft Bill was circulated in its present form to all of the casino operators, and written advice has been received supporting the proposals.

NOTES ON PROVISIONS

Clause 3 Removes certain definitions rendered unnecessary given the provisions of the *Acts Interpretation Act 1954*, and clarifies the meaning of some minor references within the body of Bill.

Clause 4 Allows the Minister or the Chief Executive to impose certain conditions, where the Minister or the Chief Executive has the power to allow certain functions under the Act, provided that such conditions are reasonably appropriate.

e.g. If a casino operator may sell liquor at a gaming table only if the chief executive approves the sale, the chief executive may approve the sale of liquor during certain hours and at certain gaming tables.

This clause goes on to recast certain existing provisions in line with existing drafting practice and fundamental legislative principles, making relatively minor changes which cater for organisational change within the Department, and removing the necessity for statutory appointments to be approved by Governor-in-Council. They also allow the implementation of programs which ensure the continuing suitability of Inspectors, and make minor amendments to existing secrecy provisions.

It will facilitate the amalgamation of the existing Treasury gaming regulatory agencies into the Queensland Office of Gaming Regulation.

Clause 5 Removes any doubt about the validity of the issue of a Casino Licence to the owner of a Casino which is built upon Crown land, or within buildings owned by the State. This requirement relates specifically to the situations in Brisbane and Cairns where the casinos are being developed on Crown land, subject to Special Lease, rather than freehold.

Clause 6 Allows the Chief Executive to approve suitable programs which ensure the continued suitability of Casino Key Employees and Casino Employees. At present the emphasis in the Act is on initial suitability.

Clause 7 Allows the Supervising Inspector at a casino to vary the placement of CCTV cameras on a temporary basis, whilst their suitability for permanent placement can be evaluated.

The current legislation makes no provision for testing of this kind, which has become a recurrent event given the demands on casinos to meet customer demands.

Clause 8 This clause revises an outdated reference to the *Anzac Day Act, 1921*, and now clearly sets out the allowable operating hours for Anzac Day.

Clause 9 Clarifies the extent to which the rules of operation for gaming machines may be displayed within the artwork upon that machine. It goes on to allow the operator to part with the possession of gaming equipment or chips, with the Chief Executive's approval. This would then allow them to either trade-in, or destroy equipment off-site, with the Chief Executive's approval.

The present requirements—for rules to be displayed separately, and for Inspectors to personally see the destruction of samples or outdated equipment—are unduly and unnecessarily restrictive.

Clause 10 Allows the operator to exhibit gaming equipment, other than in the hotel-casino complex, for the purpose of promoting the casino, after an appropriate approval.

No gaming with the equipment will, of course, be authorised.

Clause 11 Allows the casino operator to provide advice in relation to gaming in forms other than hard-copy, for example—videos, computer based learning, etc. subject to chief executive approval of the texts contained therein. This avoids the need for text-based material (booklets, etc.) in every instance.

It also allows the operator to vary minimum wager limits at a gaming table without the existing '20 minute warning' requirement, as long as all players at the table agree to the change. Circumstances have arisen, especially in 'high-roller' areas, where players have been unable to play for stakes, seen as appropriate by all present, to be played for 20 minutes.

This clause allows for the casino operator to enter into arrangements with patrons that provide for minimum and maximum gaming wagers, other than those posted at the tables, provided that the arrangement is approved by the chief executive, and is in accordance with the established procedures for such arrangements. This is designed to cater for specific 'high roller' activity.

Clause 12 Provides for technological advances in the development of gaming equipment, for example—automatic card shufflers, etc. It also provides, that with the chief executive’s approval, gaming wagers may be placed by the use of certain approved documents, or cash, provided that the rules of the game allow for the use of such documents, or cash. It recognises the possibility—in appropriate circumstances—of promotional activities by casinos.

It also extends the current restriction on the acceptance of tips by gaming staff to include the acceptance of tips off-site which relate to the performance of the licensee’s role within the casino. The current legislation prevents tips ‘on-site’ but does not adequately deal with any payments made outside the casino.

Clause 13 Provides for licensed repairers of gaming machines to be permitted to play gaming machines in the course of evaluating the machines performance, and provides for the non-payment of any winnings that may accrue in the process.

This clause also relaxes the current restriction upon the serving of alcohol in a location related to the playing of a game within the casino, on such terms and conditions as the chief executive may approve.

Clause 14 Provides that the operator may open, with the chief executive’s approval, a bank account which is commonly called a split bank account. This type of account allows the operator to consolidate their banking accounts across their entire operation, yet still maintains the requisite degree of control over the revenues of the casino operation.

Clause 15 Removes any doubt about winnings that may accrue as a consequence of minors gambling within the casino. Essentially, it provides that wins and losses remain the property of the casino, unless the win has accrued as a result of a jackpot, in which case the money is returned to the jackpot pool.

It also provides that documents which are acceptable proof of age for the purposes of the *Liquor Act 1992* shall be acceptable for the purposes of this Act.

Clause 16 Provides for minors to be allowed within a casino, as part of a training or work experience arrangement, if the chief executive believes on reasonable grounds that it is part of the minor's duties or training to be in the casino. The amendment of this section resolves a conflict between this Act and relevant Industrial law, which would seek to permit minors to be exempt from such restriction as part of their employment.

This clause also provides for minors to take part in heritage tours, under an arrangement approved by the chief executive, as long as the tour does not involve areas of the casino where gaming is taking place. This amendment is designed to allow educational tours of areas of cultural and historical significance within the new Brisbane casino.

Clause 17 Clarifies the operation of the current section of the Act which relates to cheating, insofar as it provides an example of a fraudulent act, practice or scheme.

Clause 18 Brings the operation of this Act in line with that of the *Gaming Machine Act 1991*, which allows or exempts an officer of the Department from gambling in a casino, except to the extent necessary for the officer to do so in the course of carrying out the officers duties.

It also replaces the Minister with the chief executive as the point of authority in respect of approvals within this section.

Clause 19 Provides for transitional arrangements for existing Inspectors, existing approvals, and existing forms.

Schedule Provides for miscellaneous amendments of the following type:

- updating penalty provisions in line with the provisions of the *Penalties and Sentences Act, 1992*;
- changing all references from "Casino Control Division" to "the department";
- replacing the Minister with the chief executive as the point of authority in respect of various minor approvals;
- attaching a minor penalty to those provisions which have been affected by the removal of the general penalty provision;
- removal of a mandatory requirement for a catwalk;
- removal of references to regulated forms, replacing them instead with forms which are approved by the Minister;

- replacement of certain references to “Her Majesty” with “the State”;
- various other minor procedural and grammatical matters.