



Queensland

# Gaming Legislation Amendment Regulation (No. 1) 2011

## Explanatory Notes for SL 2011 No. 199

made under the

*Casino Control Act 1982*

*Charitable and Non-Profit Gaming Act 1999*

*Gaming Machine Act 1991*

*Interactive Gambling (Player Protection) Act 1998*

*Keno Act 1996*

*Lotteries Act 1997*

*Wagering Act 1998*

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## General outline

### Short title

This regulation may be cited as the *Gaming Legislation Amendment Regulation (No. 1) 2011*.

### Authorising law

*Casino Control Act 1982* — Section 62

- *Casino Control Regulation 1999* — Section 47 and Schedule 4

*Charitable and Non-Profit Gaming Act 1999* — Section 99

- *Charitable and Non-Profit Gaming Regulation 1999* — Section 11 and Schedule 2

*Gaming Machine Act 1991* — Section 232

- *Gaming Machine Regulation 2002* — Section 56 and Schedule 5

*Interactive Gambling (Player Protection) Act 1998* — Section 162

- *Interactive Gambling (Player Protection) Regulation 1998* — Section 21 and Schedule 3

*Keno Act 1996* — Section 145

- *Keno Regulation 2007* — Section 17 and Schedule 3

*Lotteries Act 1997* — Section 133

- *Lotteries Regulation 2007* — Section 19 and Schedule 3

*Wagering Act 1998* — Section 208

- *Wagering Regulation 1999* — Section 17 and Schedule 3

## **Policy objectives and the reasons for them**

On 28 January 2009 Internal Audit, Shared Services Agency completed an audit of “Fee for Service and Costing” across the Office of Liquor, Gaming and Racing (OLGR) and the Office of Economic and Statistical Research (OESR) in accordance with the approved Queensland Treasury Internal Audit Plan.

The objectives of the audit were to review whether the Technical Unit’s (in OLGR) and OESR charging processes were sufficient and robust. More specifically, the review—

- (a) assessed the transparency, validity, rigour and robustness of methodology, procedures and processes for the full cost recovery for services provided to clients, including—
  - (i) the existence, accuracy and robustness of current methodology;
  - (ii) whether the fee structure and fees were appropriate (including overheads);
  - (iii) whether fees were charged in accordance with applicable legislation and regulations; and
  - (iv) reviewing systems utilised to capture the time to be charged to clients;

- (b) confirmed whether appropriate and consistent policies and procedures had been developed for charging and whether those policies and procedures were complete and accurate; and
- (c) confirmed whether there was reliable, accurate and periodic management review of the adequacy of pricing methodology and structure.

As part of the findings, it was recommended that ‘the Manager, Gaming Services Technical Unit in OLGR consider an amendment to the regulation to ensure clarity as to the fees being levied in accordance with the relevant Gaming Regulations in terms of charging of part hours on a pro ration basis.’ Currently the Regulations provide for the evaluation fee to be charged “for each hour, or part of an hour, involved in” carrying out the individual type of evaluation activity. The charges relating to “part of an hour” are currently billed in 15 minute intervals and have been consistently billed on this basis since the provisions in the respective Regulations were passed. This has been a long standing method accepted by the gaming industry and is considered to be a fair method which reflects the requirements of section 30A of the *Statutory Instruments Act 1992*.

It is proposed that this practice continue and clarity sought in the Regulations to ensure the charge of “part of an hour” is clearly stated as a charge that is calculated using 15 minute periods and the fee for this is one quarter of the relevant hourly fee shown in the schedule.

## ***Structure of amendments and explanation***

### **Part 1**

Section 1 States the short title of the regulation.

### **Part 2**

Section 2 States the regulation to be amended in Part 2 as the *Casino Control Regulation 1999*.

Section 3 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 4, item 6 of the Casino Control Regulation for part of an hour (in relation to an evaluation carried out by the chief

executive under section 47 of the Casino Control Regulation) to consist of, or include, an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).

Section 4 Inserts a note referring to section 47(5) of the Casino Control Regulation for how to calculate a fee for part of an hour in schedule 4, item 6 of the Casino Control Regulation.

### **Part 3**

Section 5 States the regulation to be amended in Part 3 as the *Charitable and Non-Profit Gaming Regulation 1999*.

Section 6 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 2, item 9 of the Charitable and Non-Profit Gaming Regulation for part of an hour (in relation to an evaluation of equipment carried out by the chief executive under section 99 of the Charitable and Non-Profit Gaming Act) to consist of, or include, an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).

Section 7 Inserts a note referring to section 11(2) of the Charitable and Non-Profit Gaming Regulation for how to calculate a fee for part of an hour in schedule 2, item 9 of the Charitable and Non-Profit Gaming Regulation.

### **Part 4**

Section 8 States the regulation to be amended in Part 4 as the *Gaming Machine Regulation 2002*.

Section 9 This is an amendment to delete an incorrect reference in the regulation to the schedule of the Act and replace it with the correct reference to schedule 2 of the Act.

Section 10 This is an amendment to delete an incorrect reference in the regulation to the schedule of the Act and replace it with the correct reference to schedule 2 of the Act.

- Section 11 This is a minor technical amendment to provide clarity in the legislation and bring the Regulation in line with current drafting practice.
- Section 12 This is a minor technical amendment to provide clarity in the legislation and bring the Regulation in line with current drafting practice.
- Section 13 This is an amendment to delete an incorrect reference in the regulation to the schedule of the Act and replace it with the correct reference to schedule 2 of the Act.
- Section 14 This is an amendment to delete an incorrect reference in the regulation to section 296(2) of the Act and replace it with the correct reference to section 296(4) of the Act.
- Section 15 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 5, items 54, 57 or 58 of the Gaming Machine Regulation for part of an hour (in relation to testing of a gaming related system, testing of a gaming machine type or game, or testing of a linked jackpot arrangement carried out by the chief executive under sections 232, 281 and 288 of the Gaming Machine Act) to consist of, or include, an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).
- Section 16 This is an amendment to delete an incorrect reference in the regulation to the schedule of the Act and replace it with the correct reference to schedule 2 of the Act.
- Section 17 This is an amendment to delete an incorrect reference in the regulation to the schedule of the Act and replace it with the correct reference to schedule 2 of the Act.
- Section 18 This is a minor technical amendment to provide clarity in the legislation and bring the Regulation in line with current drafting practice.
- Section 19 Inserts a note referring to section 56(2) of the Gaming Machine Regulation for how to calculate a fee for part of an hour in schedule 5, items 54, 57 and 58 of the Gaming Machine Regulation.

## **Part 5**

- Section 20 States the regulation to be amended in Part 5 as the *Interactive Gambling (Player Protection) Regulation 1998*.
- Section 21 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 3, item 4 of the Interactive Gambling (Player Protection) Regulation for part of an hour (in relation to an evaluation of regulated interactive gambling equipment carried out by the chief executive under section 162 of the Interactive Gambling (Player Protection) Act) to consist of, or include, an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).
- Section 22 This is an amendment to correct a typographical error from ‘Gaming’ to ‘Gambling’ in reference to the particular South African entity.
- Section 23 Inserts a note referring to section 21(2) of the Interactive Gambling (Player Protection) Regulation for how to calculate a fee for part of an hour in schedule 3, item 4 of the Interactive Gambling (Player Protection) Regulation.

## **Part 6**

- Section 24 States the regulation to be amended in Part 6 as the *Keno Regulation 2007*.
- Section 25 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 3, item 3 of the Keno Regulation for part of an hour (in relation to an evaluation of regulated keno equipment carried out by the chief executive under section 145 of the Keno Act) to consist of, or include, an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).
- Section 26 Inserts a note referring to section 17(2) of the Keno Regulation for how to calculate a fee for part of an hour in schedule 3, item 3 of the Keno Regulation.

## **Part 7**

- Section 27 States the regulation to be amended in Part 7 as the *Lotteries Regulation 2007*.
- Section 28 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 3, item 4 of the Lotteries Regulation for part of an hour (in relation to an evaluation of regulated lottery equipment carried out by the chief executive under section 133 of the Lotteries Act) to consist of, or include, an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).
- Section 29 Inserts a note referring to section 19(2) of the Lotteries Regulation for how to calculate a fee for part of an hour in schedule 3, item 4 of the Lotteries Regulation.

## **Part 8**

- Section 30 States the regulation to be amended in Part 8 as the *Wagering Regulation 1999*.
- Section 31 Achieves the main policy objectives of this amendment regulation to provide for the charge for a fee in schedule 3, item 4 of the Wagering Regulation for part of an hour (in relation to an evaluation of regulated wagering equipment carried out by the chief executive under section 208 of the Wagering Act) to consist of, or include an amount for part of the hourly rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).
- Section 32 Inserts a note referring to section 17(2) of the Wagering Regulation for how to calculate a fee for part of an hour in schedule 3, item 4 of the Wagering Regulation.

## **Achievement of policy objectives**

The policy objectives will be achieved in this Regulation by inserting wording in the legislation to provide that, for the evaluation of all gaming, keno, lottery and wagering equipment and testing of gaming related systems and games, a charge (under the scheduled hourly fee made by the chief executive) may consist of, or include, an amount for part of the hourly

rate, stated in the schedule, worked out using 15 minute periods (wholly or partly completed).

### **Consistency with policy objectives of authorising law**

This Regulation is consistent with the policy objectives of the authorising law.

### **Inconsistency with policy objectives of other legislation**

The regulation is consistent with policy objectives of other legislation.

### **Alternative ways of achieving policy objectives**

The policy objectives for this Regulation can only be achieved by amending the Regulation. The charge imposed by the chief executive is accepted industry-wide and has been implemented consistently since the commencement of the legislation. This amendment is purely from a risk-mitigation point of view to ensure clarity and transparency in the legislation.

### **Benefits and costs of implementation**

There are no costs associated with the implementation of this Regulation. This is a technical change only and does not alter the policy position of the Department.

### **Consistency with fundamental legislative principles**

This Regulation raises no fundamental legislative principle issues as it is merely a technical amendment. The amendment has been drafted with regard to fundamental legislative principles and is considered to comply with these principles.

### **Consultation**

The Department of Justice and Attorney-General, Department of the Premier and Cabinet and Queensland Treasury/Queensland Office of Regulatory Efficiency were consulted.



ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Justice and Attorney-General.

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