

Gaming Machine (Approved Financiers) Amendment Regulation 2019

Explanatory notes for SL 2019 No. 231

made under the

Gaming Machine Act 1991

General Outline

Short title

Gaming Machine (Approved Financiers) Amendment Regulation 2019

Authorising law

Section 366 and Schedule 2 of the *Gaming Machine Act 1991*

Policy objectives and the reasons for them

The policy objective of the *Gaming Machine (Approved Financiers) Amendment Regulation 2019* (the Amendment Regulation) is to enable Tabcorp Gaming Solutions (Qld) Pty Ltd (TGS) to undertake certain business activities in Queensland including leasing electronic gaming machines and associated systems to licensed premises, under terms contained within a Venue Service Agreement (service agreement).

Under Part 7 of the *Gaming Machine Act 1991* (the Act) certain functions relating to the control of gaming machines, including the sale, supply and possession of machines, are restricted to a licensed monitoring operator or an approved financier. The business activities contemplated by the service agreement are of the kind undertaken by an approved financier.

TGS is a subsidiary of Tabcorp Gaming Holdings Pty Ltd and forms part of Tabcorp Holdings Limited (Tabcorp). The Tabcorp Group conducts similar business operations in New South Wales and Victoria to those proposed to be conducted in Queensland under the service agreement.

Achievement of policy objectives

The Amendment Regulation achieves the policy objective by prescribing Tabcorp Gaming Solutions (Qld) Pty Ltd as an approved financier in the *Gaming Machine Regulation 2002* (the Regulation)

There is no application process for an approved financier under the Act. Schedule 2 of the Act provides for automatic recognition of an entity as an approved financier if the

entity is considered a financial institution under the *Acts Interpretation Act 1954*, or is registered under the *Financial Sector (Collection of Data) Act 2001* (Cwlth).

Schedule 2 also provides means to prescribe an entity as an approved financier in circumstances where the entity does not fall within either category. Section 58 of the Regulation prescribes all entities approved as an approved financier for the purposes of Schedule 2 of the Act.

TGS does not hold a monitoring operator licence, nor does it satisfy the criteria required for automatic recognition as an approved financier. In order to allow TGS to conduct its proposed operations in Queensland, TGS is to be prescribed as an approved financier under section 58 of the Regulation.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the policy objectives of the *Gaming Machine Act 1991*.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is not inconsistent with the policy objectives of the other legislation.

Alternative ways of achieving policy objectives

There is no alternative way of achieving the policy objective.

Benefits and costs of implementation

There are no anticipated costs associated with implementing the Amendment Regulation. As a result of the Amendment Regulation, a benefit will be provided to TGS as it will be allowed to conduct the activities contemplated by the service agreement in Queensland.

Consistency with fundamental legislative principles

The Amendment Regulation is consistent with fundamental legislative principles.

Consultation

OLGR has undertaken consultation with TGS in relation to the proposed operations and content of the service agreement. OLGR is satisfied the terms of the proposed service agreement are reasonable and do not contravene provisions of the Act.

In accordance with *The Queensland Government Guide to Better Regulation*, the Office of Best Practice Regulation was not consulted in relation to the proposal. The Department of Justice and Attorney General applied a self-assessable exclusion from undertaking further regulatory impact analysis (category 'g' – regulatory proposals of a machinery nature) as the proposed amendments are considered machinery in nature and do not affect the current policy or operation of the legislation.