

Gaming Machine Amendment Regulation (No. 2) 2014

Explanatory notes for SL 2014 No. 24

made under the

Gaming Machine Act 1991

General Outline

Short title

Gaming Machine Amendment Regulation (No. 2) 2014

Authorising law

Sections 60(4)(b), 60(5)(b), 64(4)(b), 85(3), 85(4) and 366 of the *Gaming Machine Act 1991* (Gaming Machine Act).

Policy objectives and the reasons for them

A club can only hold one electronic gaming machine gaming licence in Queensland but may establish more than one premise under this licence. However, the maximum number of gaming machines that it may operate across all of its premises cannot exceed 280.

The club industry has submitted that it has struggled in recent times as a result of a number of key external drivers such as softened demand for leisure activities as a result of the global financial crisis and increased competition from online gambling providers.

In recent consultation with the club industry as part of the Government's liquor and gaming red tape reduction program, the club industry submitted that the maximum number of gaming machines approved under a club licence should be increased in order to better cater to the needs of their members.

Cabinet has approved that the maximum number of gaming machines permissible for a category 2 licensed premises be increased to 300.

Achievement of policy objectives

The policy objectives are achieved by amending section 9 of the *Gaming Machine Regulation 2002* to prescribe 300 as the maximum number of gaming machines a category 2 licensed premises can possess.

The implementation of this proposal will increase the maximum number of machines that a club can hold under a category 2 gaming machine licence from 280 to 300. The overall State-wide gaming machine cap of 24,705 will be maintained. Therefore, these proposed reforms will not result in an increase in the number of gaming machines in Queensland beyond the existing cap.

Consistency with policy objectives of authorising law

The subordinate legislation is consistent with the objectives of the Gaming Machine Act.

Inconsistency with policy objectives of other legislation

The subordinate legislation is consistent with the policy objectives of other legislation.

Benefits and costs of implementation

The club industry reports that it has struggled in recent times as a result of a number of key external drivers such as softened demand for leisure activities as a result of the global financial crisis and increased competition from online gambling providers. As gaming machines are a major source of revenue for clubs, the increase in the amount of machines able to be operated will aid the ability of clubs to grow financially.

While the increase may create an additional workload for the Office of Liquor and Gaming Regulation, which processes gaming machine applications, this will be absorbed within existing budgetary parameters.

Consistency with fundamental legislative principles

The Amendment Regulation has been drafted with regard to fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*. The regulation is consistent with fundamental legislative principles.

Consultation

Consultation with industry was undertaken as part of the Government's liquor and gaming red tape reduction program through a public discussion paper process and Liquor and Gaming Red Tape Reduction Expert Panel. The expert panel comprises government, community, and industry representatives with a background in hospitality and tourism.

Government consultation for this amendment has been undertaken with the Department of the Premier and Cabinet (DPC) and Queensland Treasury and Trade (QTT) and the Office of Best Practice Regulation (OBPR) as part of the Authority to Prepare submission which approved this amendment.

DPC and QTT have identified no concerns with these amendments. OBPR has advised that a RIS is not required. The expert panel is supportive of the proposal.