



Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013 (Proof)

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Second Reading

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [8.02 p.m.]: I move:

That this bill be now read a second time.

I seek leave to incorporate the remainder of my speech in *Hansard*.

Leave granted.

The Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013 implements a commitment from the Liberals and Nationals Government's memorandum of understanding with ClubsNSW.

The bill implements the memorandum of understanding commitment by relaxing the current multi-terminal gaming machine restrictions for small clubs with up to and including 33 gaming machine entitlements and allowing such venues to operate up to five multi-terminal gaming machine player terminals.

Under the memorandum of understanding the Liberals and Nationals undertook to remove limitations on installing multi-terminal gaming machines [MTGMs] in clubs. Section 61 A of the Gaming Machines Act 2001 currently restricts a club's multi-terminal gaming machine holdings to no more than 15 per cent of the venue's overall number of gaming machines.

A multi-terminal gaming machine is a gaming machine designed to be played by more than one player at a time and which is equipped with more than one player terminal. A multi-terminal gaming machine is typically an electronic version of roulette or blackjack with a virtual croupier or dealer but can also comprise other games.

The bill implements the Government's commitment in a measured fashion by limiting the concessions to small clubs. The measures in the bill focus on small clubs in order to promote their viability. The approach recognises that the current 15 per cent restriction in the Gaming Machines Act adversely impacts small venues by effectively preventing the operation of any multi-terminal gaming machines at all. For example, a club with only 10 gaming machines would immediately breach the 15 per cent limit if they operated a two-terminal multi-terminal gaming machine.

The bill is also faithful to the original policy objective underpinning the 15 per cent cap on multi-terminal gaming machines—namely to prevent large clubs resembling mini casinos and having an entire gaming room floor full of multi-terminal gaming machines. Limiting the proposal to small clubs maintains this policy position while providing relief to small venues.

The bill is also restricted to small clubs on harm minimisation grounds due to multi-terminal gaming machines having higher bet and prize limits compared to those offered on standalone gaming machines. Small clubs with only 33 machines or less do not provide large gaming machine offerings or attract high levels of gambling activities. Furthermore it is unlikely that these clubs will offer the maximum permissible prizes due to their smaller scale operation.

Under clause 16 of the Gaming Machines Regulation if the maximum multi-terminal gaming machine prize exceeds \$20,000 clubs must have a bank guarantee or special account and this account must have a balance of at least the total value of the jackpot prize that may be won. This existing restriction will significantly limit the number of small clubs offering higher prizes and mitigate any associated potential risk that this may pose.

The measures in this bill will not increase the total number of machines authorised in individual clubs or within New South Wales. Small clubs benefitting from the bill will still have to operate within their existing maximum permissible gaming machine limits. This is because one multi-terminal gaming machine seat or player terminal is equivalent to a standalone gaming machine and the current gaming machine entitlement trading scheme will still apply which facilitates an ongoing reduction in the total number of gaming machines in New South Wales.

The bill merely gives small clubs holding a maximum of 33 gaming machine entitlements the option of altering their mix of multi-terminal gaming machines and standalone gaming machines subject of course to a maximum limit of five multi-

terminal gaming machines.

Furthermore the strict gambling harm minimisation requirements that apply to all gaming machine venues will continue to be in force. These measures include the mandatory availability of self-exclusion schemes to support people at risk of problem gambling as well as a mandatory six-hour daily shutdown of gaming machines in all hotels and clubs, a ban on credit card cash withdrawals from automatic teller machines and a prohibition on gaming machine advertising.

In addition, there are then usual requirements for Gambling Help line information to be placed on every gaming machine gaming venues to install accurate clocks and all people working in gaming venues to be trained in the Responsible Conduct of Gambling.

Problem gambling counselling and support services are located across New South Wales and 24-7 help is available via telephone and online services. Contracts worth more than \$48 million over four years were recently awarded for high quality counselling and support services for problem gamblers across New South Wales. These organisations and services will deliver best practice programs and support to efficiently and effectively target problem gambling on the front-line of metropolitan regional and remote communities—right across our State.

These services and measures will assist in keeping problem gambling in New South Wales at a rate among the lowest in the country as confirmed by the recent prevalence study into gambling and problem gambling in New South Wales.

This bill implements a Government election commitment in a measured and appropriate manner. It promotes the viability of small clubs while safeguarding the interests of their members and the wider community.

I commend the bill to the House.