

Agreement in Principle

Mr GRAHAM WEST (Campbelltown—Minister for Gaming and Racing, and Minister for Sport and Recreation) [3.35 p.m.]: I move:

That this bill be now agreed to in principle.

The five-year statutory review of the Gaming Machines Act 2001 was tabled in Parliament on 7 December 2007. At the centrepiece of the proposed package of 42 legislative and non-legislative reforms is the Government's intention to further encourage a reduction in gaming machine numbers through the removal of unnecessary red tape and the strengthening of the Act's existing harm minimisation measures to further assist problem gamblers. At the time I announced a temporary freeze on certain gaming applications. As a consequence of the time lag between announcing the reforms in December 2007 and developing a comprehensive package of reforms for Parliament to consider, it is necessary to introduce these changes to prevent venue operators rushing through new gaming machine applications in the meantime.

The first measure in this bill will impose a freeze on the approval of new social impact assessment applications by hotels and clubs to increase their gaming machine thresholds or, in simple terms, the maximum number of gaming machines that may be authorised to be kept in their venues. This freeze will remain in place until the commencement of the new Gaming Machines Act, which will contain a new and strengthened method for assessing the impact of additional gaming machines in an area. Many local communities already have a higher than average number of gaming machines and they do not want or need any more.

This new method will make it very difficult for hotels and clubs located within certain local government areas to obtain an increase in the number of gaming machines that may be authorised to be kept in their venues. These local government areas will already exhibit a high density of gaming machines, a high level of gaming machine expenditure and a low socioeconomic index for areas as provided by the Australian Bureau of Statistics. Hotels and clubs located within local government areas such as Fairfield, Canterbury, Ashfield, Auburn, Marrickville, Burwood and Bankstown are expected to be captured by this new and strengthened process.

The second measure in this bill relates to the Gaming Machines Act review recommendation to impose a 15 per cent cap on the number of multi-terminal gaming machines that a club may operate on its premises. This bill will impose a temporary freeze on new applications for additional multi-terminal gaming machines by clubs already operating above the proposed 15 per cent cap. It will also impose a temporary freeze on new applications by clubs that would potentially breach the proposed multiterminal gaming machine cap. It should be noted that the final policy determination on this proposed cap is subject to further consultation. The freeze is an interim measure that will remain in place until the finalisation of the new Gaming Machines Act.

Finally, the bill will also clarify who is required to consent to the transfer of poker machine entitlements from a leased hotel. Currently under the Act the Liquor Administration Board must take into consideration when making a decision on an application to transfer poker machine entitlements any submissions that attest to a person's relevant financial interest in the hotelier's licence. The relevant financial interest excludes persons who are the owner of a hotel. Within the review's report I proposed to amend the legislation to ensure that the owner of a hotel who has a beneficial interest in the licence will be able to object to the transfer of entitlements from a leased hotel.

This amendment will prevent new applications for the sale of poker machine entitlements by lessees where consent has not been given by the lessor and others with a financial interest in the licence or business. These amendments apply to applications lodged since 7 December 2007. These amendments do not apply to applications lodged before the announcement. I reiterate that we are continuing to consult with the industry on these measures as we develop a final package to bring before this House. I commend the bill to the House.