

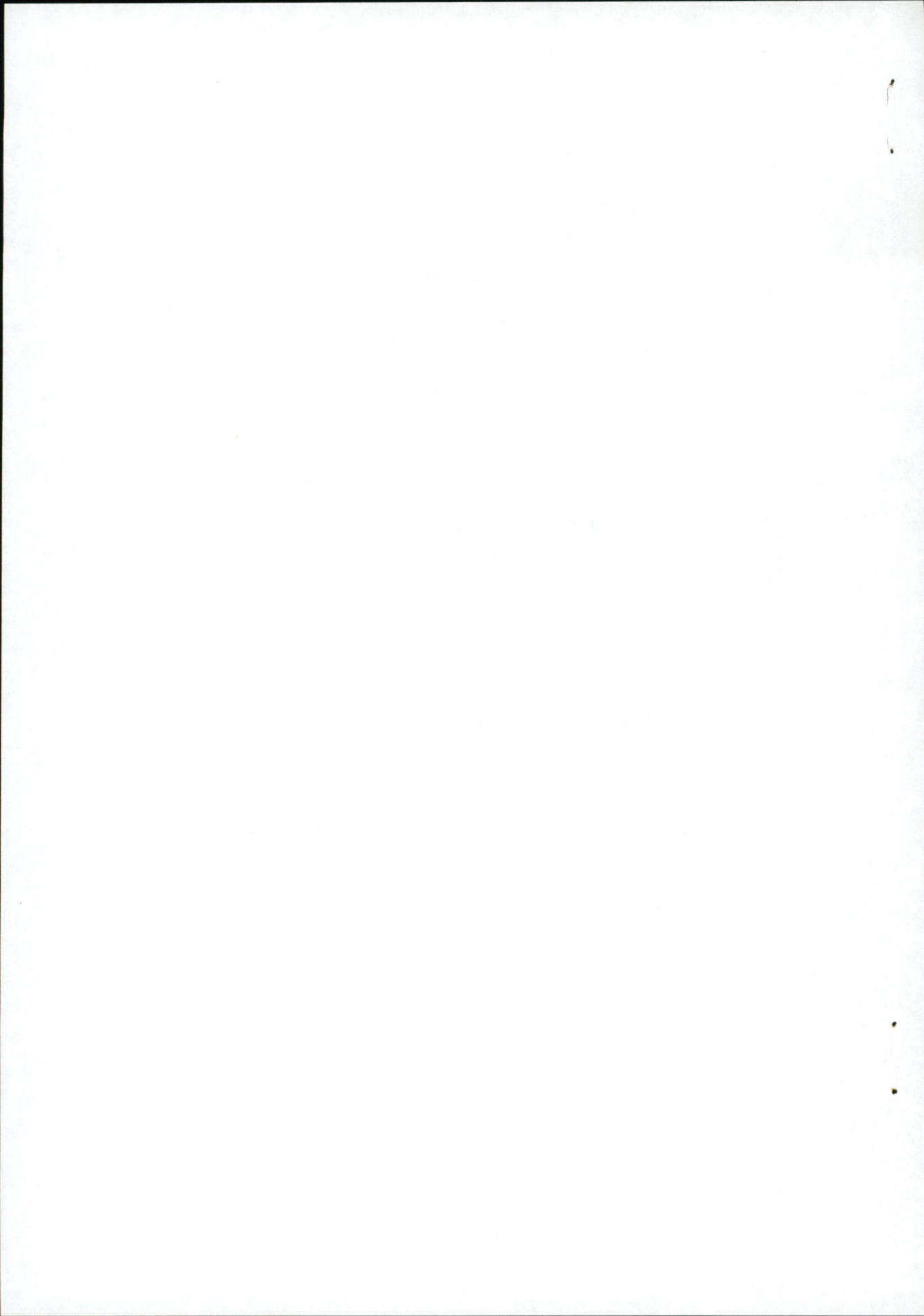


New South Wales

Casino Control Amendment Act 1995 No 56

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Casino Control Act 1992 No 15	2
4 Consequential amendment of Defamation Act 1974 No 18	2
 Schedule 1 Amendments	 3





New South Wales

Casino Control Amendment Act 1995 No 56

Act No 56, 1995

An Act to amend the *Casino Control Act 1992* with respect to contracts concerning the casino, and inquiries; and for other purposes. [Assented to 30 November 1995]

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Casino Control Amendment Act 1995*.

2 Commencement

This Act commences on a day or days to be appointed by proclamation.

3 Amendment of Casino Control Act 1992 No 15

The *Casino Control Act 1992* is amended as set out in Schedule 1.

4 Consequential amendment of Defamation Act 1974 No 18

The *Defamation Act 1974* is amended by omitting section 17N and by inserting instead the following section:

17N Hearings under Casino Control Act 1992

There is a defence of absolute privilege for a publication to or by the Casino Control Authority, or the person presiding at an inquiry under section 143 of the *Casino Control Act 1992*, for the purpose of such an inquiry.

Schedule 1 Amendments

(Section 3)

[1] Section 23 Disciplinary action against casino operator

Omit section 23 (7). Insert instead:

- (7) The Authority is not to take action under this section unless a member of the Authority who is or has been a Judge, or is a legal practitioner of at least 7 years' standing, is present at the meeting of the Authority at which the decision to take the action is made.

[2] Sections 37, 37A

Omit section 37. Insert instead:

37 Requirements for controlled contracts

- (1) A casino operator must not enter into or become a party to a controlled contract, or the variation of a controlled contract, relating to the casino until the operator has given the Authority written notice (*contract notice*) of the details of the proposed contract or variation of contract and the investigation time that the Authority is allowed by this section has elapsed. The contract notice must be accompanied by the prescribed fee.
- (2) The Authority may object to the proposed contract or variation of contract by notice in writing given to the casino operator during the investigation time that the Authority is allowed by this section, in which case the casino operator must not enter into or become a party to the contract or variation of contract.
- (3) The Authority is allowed 28 days investigation time (starting from when the contract notice was given to the Authority) but that time can be shortened or extended in a particular case by the Authority by notice in writing to the casino operator.

- (4) Investigation time is not to be extended unless the Authority is of the opinion that the special circumstances of the case (such as, for example, the complex nature of the inquiries that need to be made or the need to consult other agencies) make the extension necessary or desirable and that public interest considerations justify the extension.
- (5) Investigation time can be extended more than once but cannot in any case be extended to more than 6 months after the contract notice was given to the Authority.
- (6) It is a condition of a casino licence that the casino operator must comply with this section but a failure to comply with this section does not affect the validity of any contract or variation of contract.

37A Requirements for notifiable contracts

- (1) A casino operator must, within 14 days after the operator enters into or becomes a party to a notifiable contract, or the variation of a notifiable contract, relating to the casino, notify the Authority of that fact in writing giving the prescribed details of the contract or variation.
- (2) It is a condition of a casino licence that the casino operator must comply with this section.

[3] Section 59 Disciplinary action against licensee

Omit section 59 (7). Insert instead:

- (7) The Authority is not to take action under this section unless a member of the Authority who is or has been a Judge, or is a legal practitioner of at least 7 years' standing, is present at the meeting of the Authority at which the decision to take the action is made.

[4] Section 143 Authority may hold inquiries

Insert "or by some other person appointed by the Authority to preside" after "member of the Authority" in section 143 (1).

[5] Section 143 (2)

Omit "member presiding". Insert instead "person presiding".

[6] Section 143 (2)

Omit "approved by the member". Insert instead "approved by the person presiding".

[7] Section 143 (3)

Omit "member" wherever occurring. Insert instead "person".

[8] Section 143 (5)

Insert after section 143 (4):

- (5) The person presiding at an inquiry is required to report to the Authority on the results of the inquiry and is subject to the control and direction of the Authority with respect to the matters that are to be the subject of inquiry, the procedures to be adopted at an inquiry and the time within which the person is to report to the Authority.

[9] Section 171

Omit the section. Insert instead:

171 Savings and transitional provisions

Schedule 4 has effect.

[10] Schedule 4

Omit the Schedule. Insert instead:

Schedule 4 Savings and transitional provisions

(Section 171)

Part 1 Preliminary

1 Regulations

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of the following Acts:

Casino Control Amendment Act 1995

- (2) A provision referred to in subclause (1) may, if the regulations so provide, take effect from the date of assent to the Act concerned or a later date.
- (3) To the extent to which a provision referred to in subclause (1) takes effect from a date that is earlier than the date of its publication in the Gazette, the provision does not operate so as:
- (a) to affect, in a manner prejudicial to any person (other than the State or an authority of the State), the rights of that person existing before the date of its publication, or
 - (b) to impose liabilities on any person (other than the State or an authority of the State) in respect of anything done, or omitted to be done, before the date of its publication.

Part 2 Casino Control Amendment Act 1995

2 Notice of controlled contracts

Section 37, as in force immediately before the substitution of that section by the *Casino Control Amendment Act 1995*, continues to apply in respect of a contract or variation of contract the details of which were notified to the Authority under that section before the substitution of that section.

[Minister's second reading speech made in—
Legislative Assembly on 10 October 1995
Legislative Council on 22 November 1995]

BY AUTHORITY



LEGISLATIVE COUNCIL - SECOND READING SPEECH

CASINO CONTROL AMENDMENT BILL 1995

MR PRESIDENT

I MOVE THAT THIS BILL BE NOW READ A SECOND TIME.

THE MEASURES IN THIS BILL, MR PRESIDENT, REPRESENT THE FIRST SUBSTANTIVE AMENDMENTS TO THE CASINO CONTROL ACT SINCE THAT ACT WAS PASSED BY THE PARLIAMENT IN 1992.

THE AMENDMENTS FLOW FROM A REPORT AND RECOMMENDATION RECEIVED FROM THE CASINO CONTROL AUTHORITY WHICH HAS HAD THE BENEFIT OF SOME THREE YEARS' EXPERIENCE WITH THE OPERATION OF THE ACT. THE AMENDMENTS HAVE THE AUTHORITY'S FULL SUPPORT.

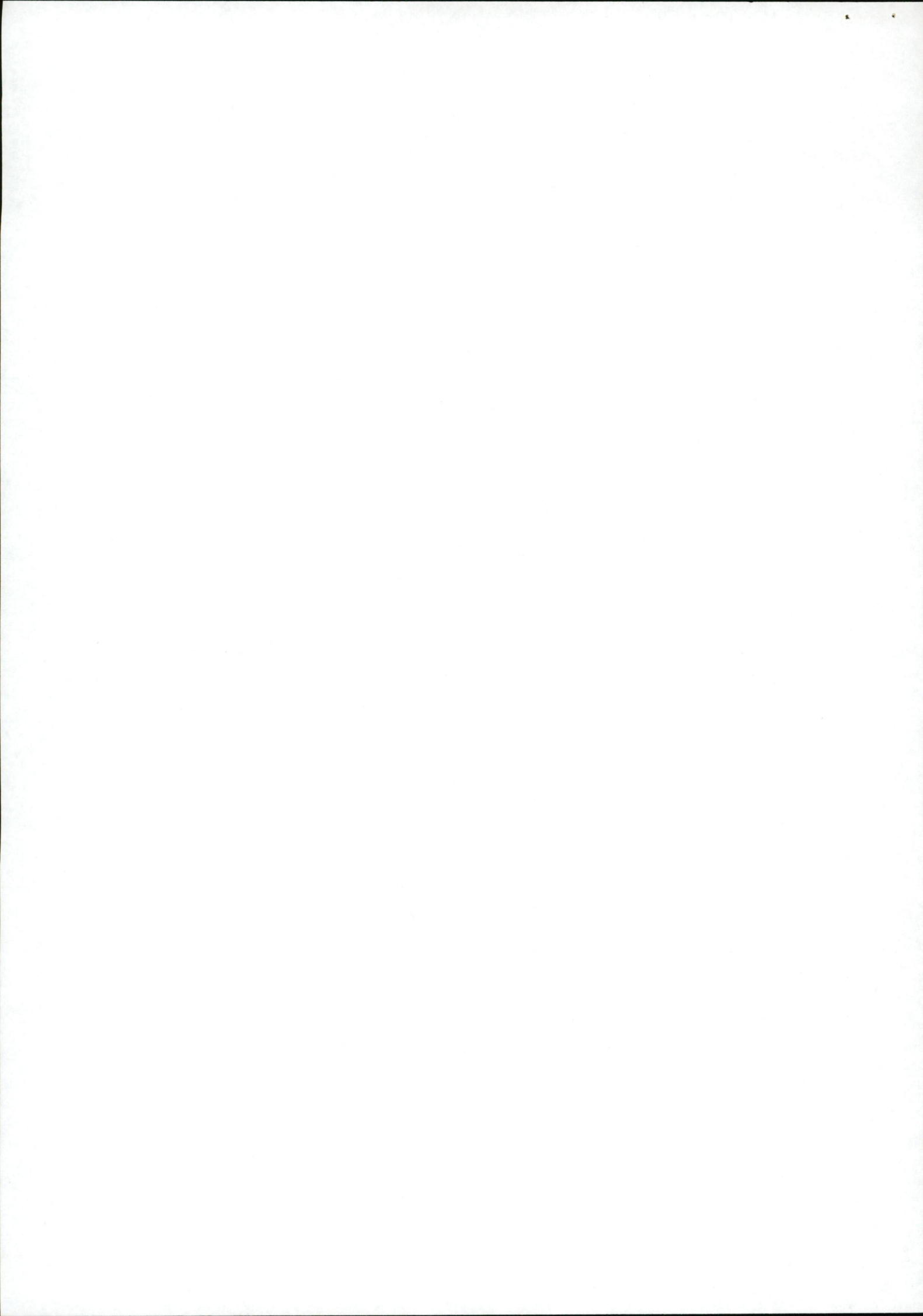
THE PROPOSALS IN THE BILL HAVE TWO MAIN OBJECTIVES.

FIRST, THE BILL AIMS TO ENHANCE THE OPERATIONAL EFFECTIVENESS OF EXISTING STATUTORY CONTROLS OVER THE SUPPLY OF GOODS AND SERVICES TO THE SYDNEY CASINO. I WILL COME TO THAT IN MORE DETAIL SHORTLY.

THE SECOND MAIN PURPOSE OF THE BILL IS TO BROADEN THE RANGE OF PERSONS WHO MAY PRESIDE OVER AN INQUIRY ESTABLISHED BY THE CASINO CONTROL AUTHORITY.

SECTION 143 OF THE CASINO CONTROL ACT EMPOWERS THE AUTHORITY, FOR THE PURPOSE OF EXERCISING ITS FUNCTIONS, TO ARRANGE FOR THE HOLDING OF INQUIRIES IN PUBLIC OR IN PRIVATE.

TO DATE, ONLY ONE INQUIRY.....



TO DATE, ONLY ONE INQUIRY OF THIS NATURE HAS BEEN HELD. THAT WAS AN INQUIRY BY MR MURRAY TOBIAS QC INTO ALLEGATIONS VENTED LAST YEAR BY THE PREMIER (WHEN LEADER OF THE OPPOSITION), AND OTHERS, INTO THE PROBITY OF THE LEIGHTON GROUP AND THE SHOWBOAT GROUP.

THE NATURE OF THOSE ALLEGATIONS, MR PRESIDENT, NEED NOT BE CANVASSED AGAIN. BUT SUFFICE TO SAY THAT THE ALLEGATIONS WERE SERIOUS ENOUGH FOR THE AUTHORITY TO COMMISSION THE INQUIRY BY MR TOBIAS.

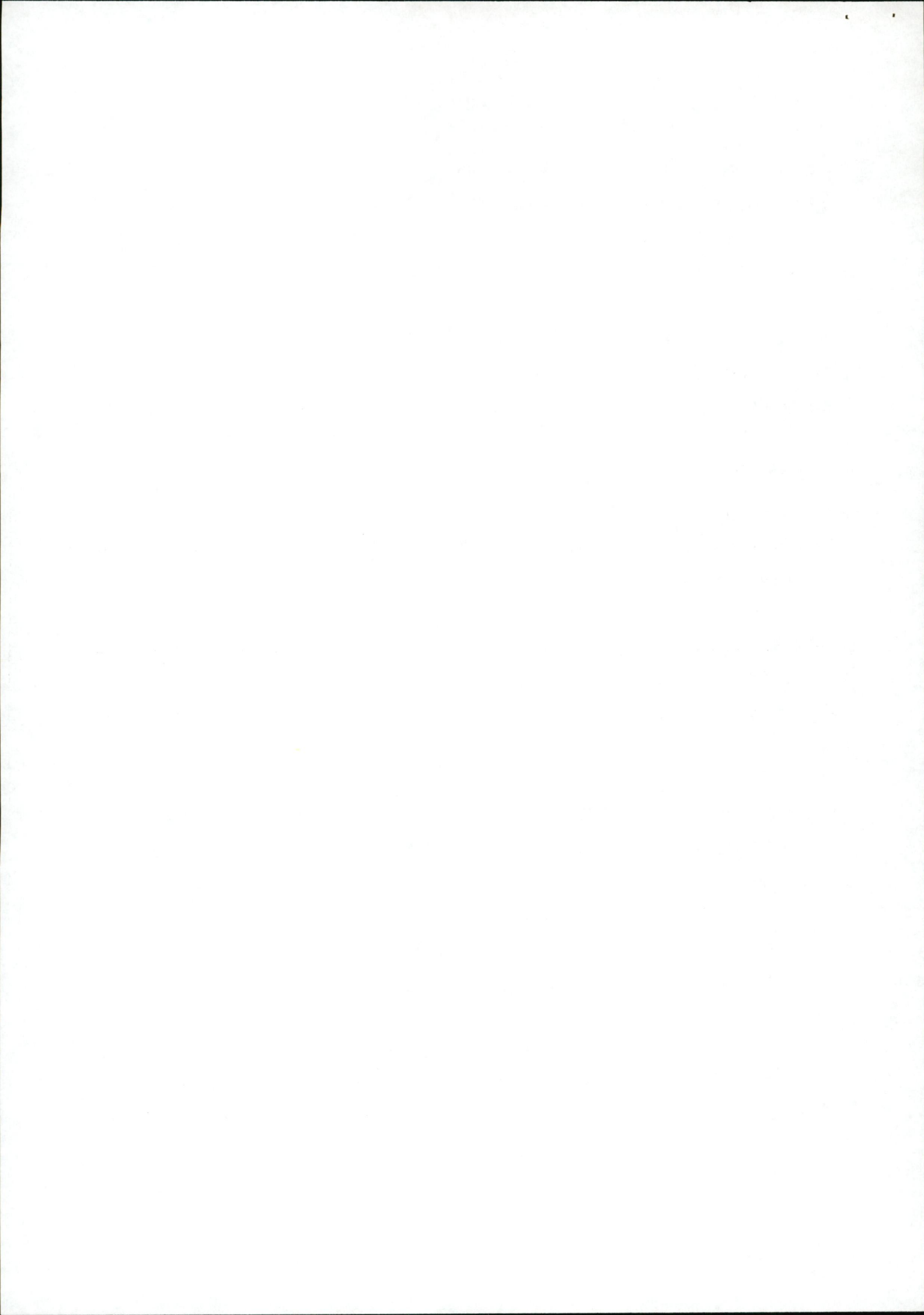
THE ACT PROVIDES THAT AN INQUIRY OF THIS KIND MUST BE PRESIDED OVER BY A MEMBER OF THE AUTHORITY. LEGAL ADVICE OBTAINED CONCLUDES THAT THE ACT PROVIDES NO ALTERNATIVE TO A MEMBER OF THE AUTHORITY BEING THE PRESIDING OFFICER AT AN INQUIRY.

THE GOVERNMENT BELIEVES THAT IT IS APPROPRIATE THAT THE AUTHORITY HAVE THE POWER TO DELEGATE THE CONDUCT OF SUCH AN INQUIRY TO ANOTHER PERSON WITH APPROPRIATE EXPERTISE WHERE IT IS CONSIDERED PRUDENT TO DO SO.

CIRCUMSTANCES, MR PRESIDENT, WHERE IT MAY BE CONSIDERED DESIRABLE TO DELEGATE THE RESPONSIBILITY FOR CONDUCTING AN INQUIRY TO A NON-MEMBER OF THE AUTHORITY INCLUDE WHERE:

- * THE AUTHORITY MEMBER WITH RELEVANT EXPERTISE IN THE AREA HAS A CONFLICT OF INTEREST OR IS UNAVAILABLE;
- * A PERSON OTHER THAN AN AUTHORITY MEMBER HAS THE SPECIAL EXPERTISE RELEVANT TO THE CIRCUMSTANCES SURROUNDING A PARTICULAR INQUIRY; OR

IT IS APPROPRIATE TO DIVIDE.....



- * IT IS APPROPRIATE TO DIVIDE THE RESPONSIBILITY FOR CONDUCTING A PARTICULAR INQUIRY BETWEEN A MEMBER AND A NON-MEMBER OF THE AUTHORITY IN ORDER TO EXPEDITE THE FINALISATION OF PROCEEDINGS.

THE BILL SEEKS TO AMEND SECTION 143 OF THE CASINO CONTROL ACT IN ORDER THAT, IF THE AUTHORITY SO DETERMINES, AN INQUIRY MAY BE PRESIDED OVER BY A PERSON APPOINTED BY, BUT WHO IS NOT A MEMBER OF, THE CASINO CONTROL AUTHORITY.

UNDER THE PROPOSED AMENDMENT, ANY PERSON SO APPOINTED WILL BE REQUIRED TO REPORT TO THE AUTHORITY. IN THIS WAY, IT WILL BE PLAIN THAT A PRESIDING OFFICER, NOT BEING A MEMBER OF THE AUTHORITY, IS RESPONSIBLE TO THE AUTHORITY.

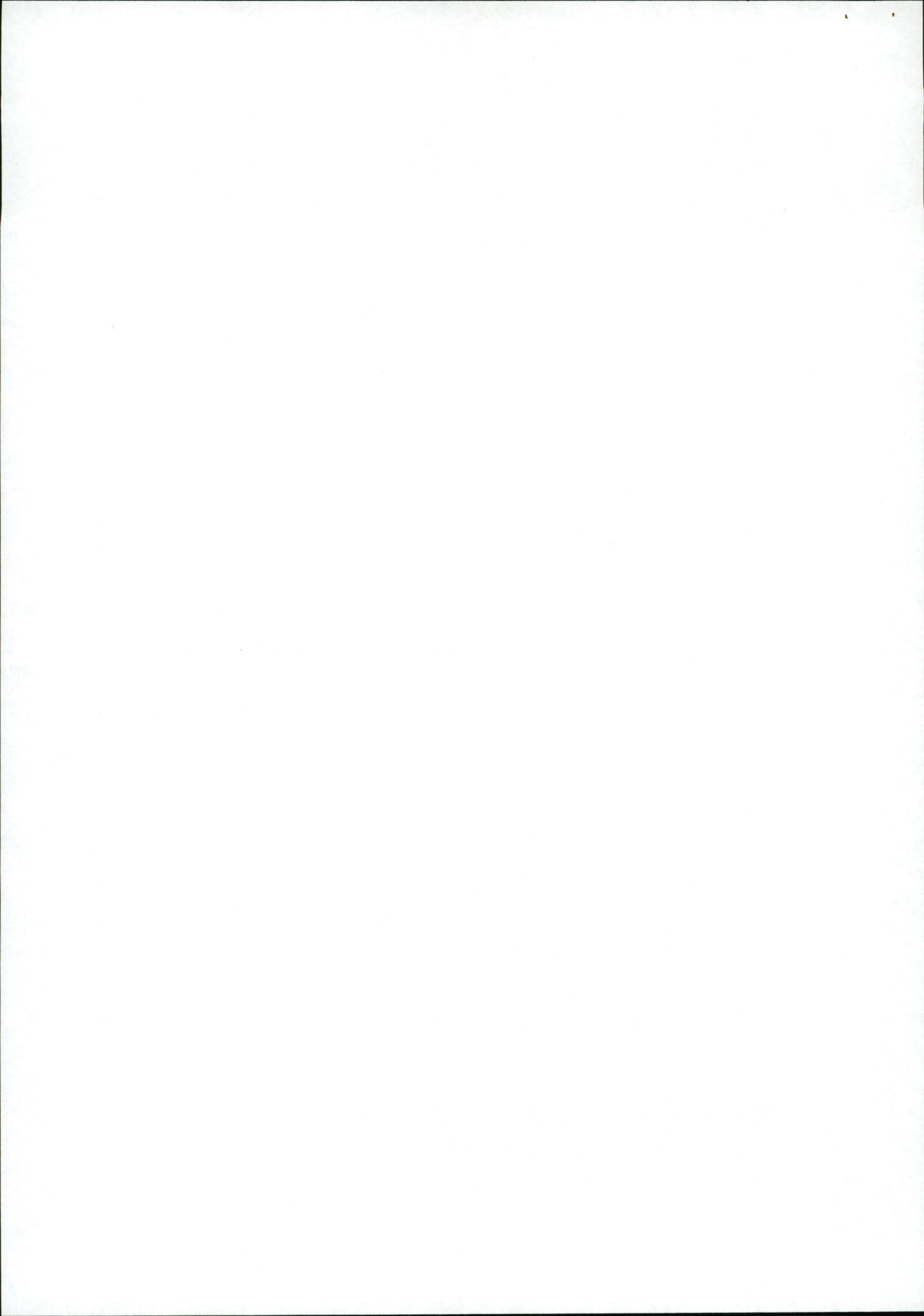
THE PROVISIONS OF THE ACT REQUIRING A MEMBER OF STAFF OF THE AUTHORITY, OR A CONSULTANT TO THE AUTHORITY, TO BE OF THE HIGHEST STANDARD OF INTEGRITY WILL APPLY TO ANY PERSON APPOINTED TO CONDUCT AN INQUIRY.

A CONSEQUENTIAL AMENDMENT WILL BE MADE TO THE DEFAMATION ACT TO EXTEND THE DEFENCE OF ABSOLUTE PRIVILEGE TO ANY PERSON WHO PRESIDES OVER AN INQUIRY ESTABLISHED UNDER SECTION 143 OF THE CASINO CONTROL ACT. CURRENTLY, THE DEFENCE IS AVAILABLE ONLY TO AN AUTHORITY MEMBER WHO PRESIDES AT SUCH AN INQUIRY.

I NOW TURN, MR PRESIDENT, TO THE CONTROL OF CONTRACTS INVOLVING THE CASINO.

IT IS GENERALLY ACCEPTED THAT CASINO LEGISLATION IN AUSTRALIA IS MORE THAN ADEQUATE FOR PROVIDING A FRAMEWORK TO ENSURE THAT GAMING IN CASINOS IS CONDUCTED HONESTLY AND CASINO OPERATORS ARE EFFECTIVELY MONITORED.

HOWEVER, CASINOS ARE SUSCEPTIBLE TO.....



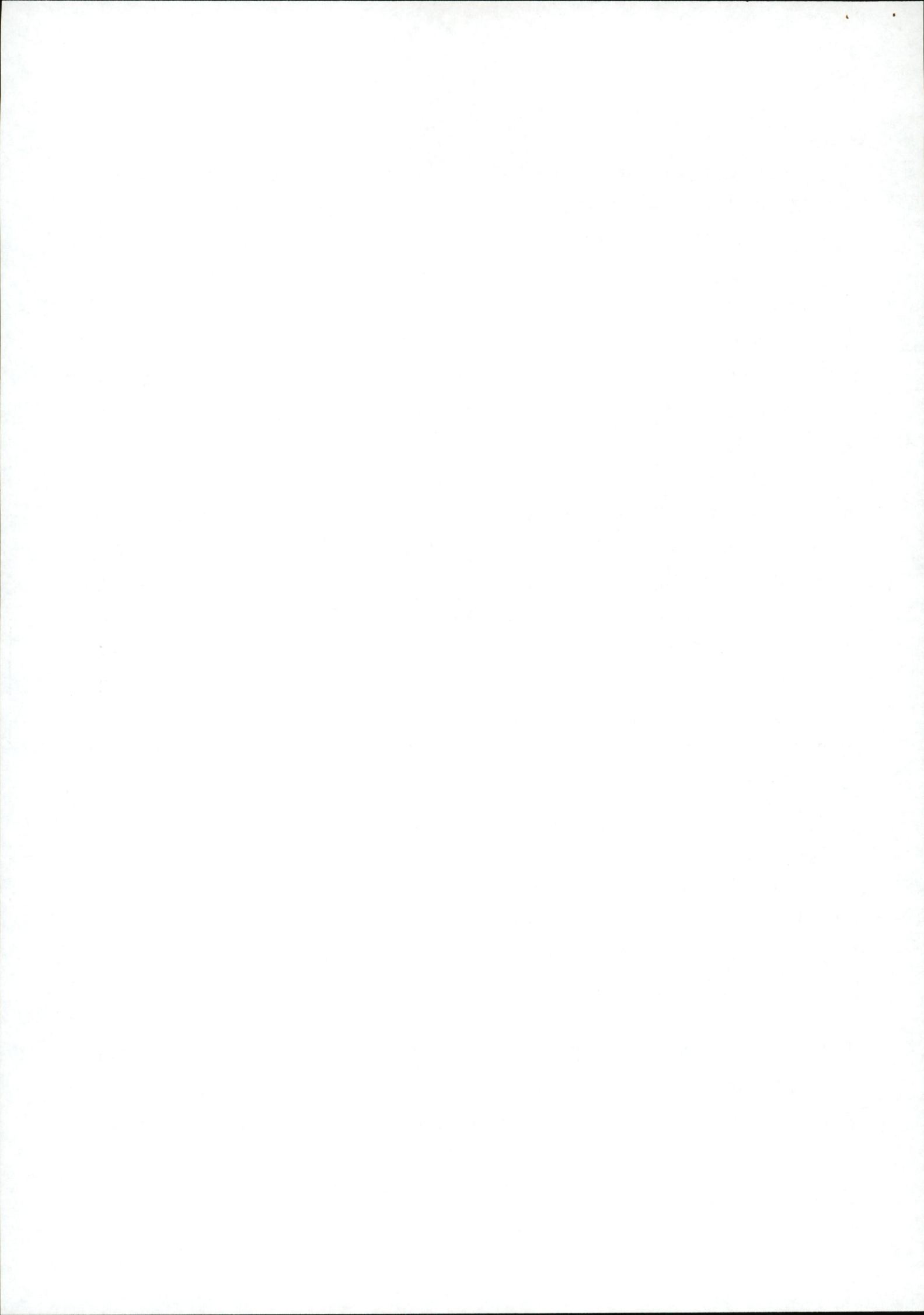
HOWEVER, CASINOS ARE SUSCEPTIBLE TO THE INFILTRATION OF ORGANISED CRIME THROUGH CONTRACTS FOR THE PROVISION OF GOODS OR SERVICES. THIS WAS RECOGNISED BY MR XAVIER CONNOR, THEN A VICTORIAN SUPREME COURT JUDGE, WHO WROTE IN HIS 1983 REPORT ON THE INTRODUCTION OF CASINO GAMING IN VICTORIA THAT:

"EXPERIENCE IN THE USA HAS SHOWN THAT CONSIDERABLE PRESSURE CAN BE EXERTED ON CASINO MANAGEMENT BY THE SUPPLIERS OF SERVICES OR LABOUR TO A CASINO WHICH IS AN INSTITUTION PARTICULARLY VULNERABLE TO THREATS OF STOPPAGES OF LABOUR OR VITAL SUPPLIES. A CASINO WHOSE MANAGEMENT IS FREE OF DIRECT ORGANISED CRIME INFLUENCE CAN IN THIS WAY BE SUBJECTED INDIRECTLY TO ORGANISED CRIME INFLUENCE. CONSEQUENTLY, IN NEW JERSEY ALL SUBSTANTIAL SUPPLIERS ARE INVESTIGATED AND REGISTERED AND THE CASINO IS OBLIGED TO DISCLOSE COPIES OF CONTRACTS WITH SUPPLIERS."

IN AUSTRALIA, ONLY NSW AND VICTORIA HAVE LEGISLATION WHICH CONTEMPLATES THE VETTING OF PERSONS AND ORGANISATIONS WHO PROVIDE GOODS OR SERVICES TO A CASINO IN A WAY WHICH IS SIMILAR TO THE NEW JERSEY MODEL.

THERE IS A WELL-KNOWN CASE IN WHICH MONEY WAS SKIMMED OFF BY WAY OF PRODUCTS SUPPLIED TO THE CASINO. IT IS KNOWN AS THE "JAM CASE". INFLATED PRICES WERE PAID FOR JAM AND MONEY WAS BEING SKIMMED OFF AS ILL-GOTTEN GAINS.

WITH THE SYDNEY CASINO, IT HAS BEEN ESTIMATED THAT - OVER THE 12 YEAR EXCLUSIVITY PERIOD OF THE CASINO LICENCE - THE CASINO OPERATOR WILL OUTLAY HUNDREDS OF MILLIONS OF DOLLARS IN OBTAINING GOODS OR SERVICES BY WAY OF MAJOR CONTRACTS. IT IS IN THE COMMUNITY'S INTEREST THAT THIS MONEY DOES NOT SUPPORT ORGANISED CRIME IN NSW.



SECTIONS 36 TO 42 OF THE CASINO CONTROL ACT SET OUT THE POWERS OF CONTROL IN RELATION TO THE CONTRACTUAL RELATIONSHIP BETWEEN THE CASINO OPERATOR AND THOSE PROVIDING GOODS OR SERVICES TO THE OPERATOR.

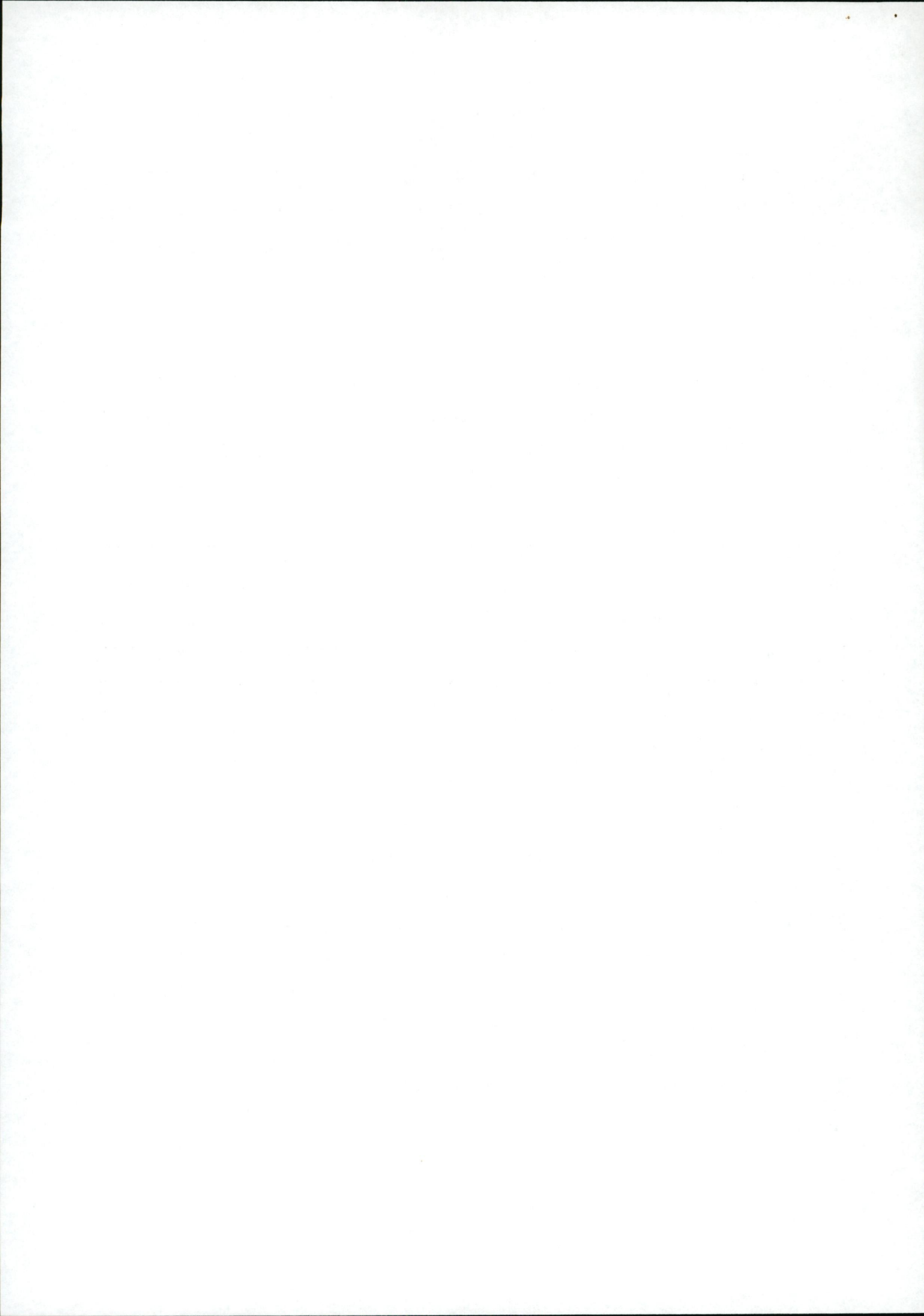
A CONTROLLED CONTRACT INCLUDES ANY KIND OF AGREEMENT OR ARRANGEMENT THAT RELATES WHOLLY OR PARTLY TO THE SUPPLY OF GOODS OR SERVICES TO THE CASINO. THIS COULD, FOR EXAMPLE, INCLUDE CONTRACTS FOR CLEANING OF THE CASINO PREMISES, THE SUPPLY OF GAMING EQUIPMENT OR THE PROVISION OF FOOD AND BEVERAGES TO THE SYDNEY CASINO.

SECTION 37 PROVIDES THAT THE CASINO OPERATOR MUST NOT ENTER INTO OR BECOME A PARTY TO A CONTROLLED CONTRACT, OR THE VARIATION OF A CONTROLLED CONTRACT, UNLESS THE OPERATOR HAS NOTIFIED THE CASINO CONTROL AUTHORITY OF THE DETAILS OF THE PROPOSED CONTRACT AT LEAST 14 DAYS (OR AN APPROVED SHORTER PERIOD) BEFORE ENTERING INTO OR BECOMING A PARTY TO IT AND, IN TURN, THE AUTHORITY HAS NOT WITHIN THAT PERIOD NOTIFIED THE OPERATOR THAT IT OBJECTS TO THE PROPOSED CONTRACT.

MR PRESIDENT, A PROCESS FOR PROPER CONSIDERATION OF CONTROLLED CONTRACTS WAS ESTABLISHED PRIOR TO THE COMMENCEMENT OF CASINO GAMING OPERATIONS AT THE SYDNEY CASINO ON 13 SEPTEMBER 1995.

HOWEVER, MR PRESIDENT, THE AUTHORITY HAS ADVISED THE GOVERNMENT THAT IT IS NOT SATISFIED THAT THE CURRENT TIME FRAME WITHIN WHICH IT MAY OBJECT TO A CONTRACT IS ADEQUATE HAVING REGARD TO THE EXTENT AND COMPLEXITY OF INVESTIGATIONS REQUIRED IN SOME CASES.

THE GOVERNMENT BELIEVES, MR PRESIDENT,.....



THE GOVERNMENT BELIEVES, MR PRESIDENT, THAT THE PERIOD WITHIN WHICH THE AUTHORITY MAY OBJECT TO A PROPOSED CONTROLLED CONTRACT SHOULD BE INCREASED FROM NO MORE THAN 14 DAYS (AS AT PRESENT) TO NO MORE THAN 28 DAYS IN MOST CASES.

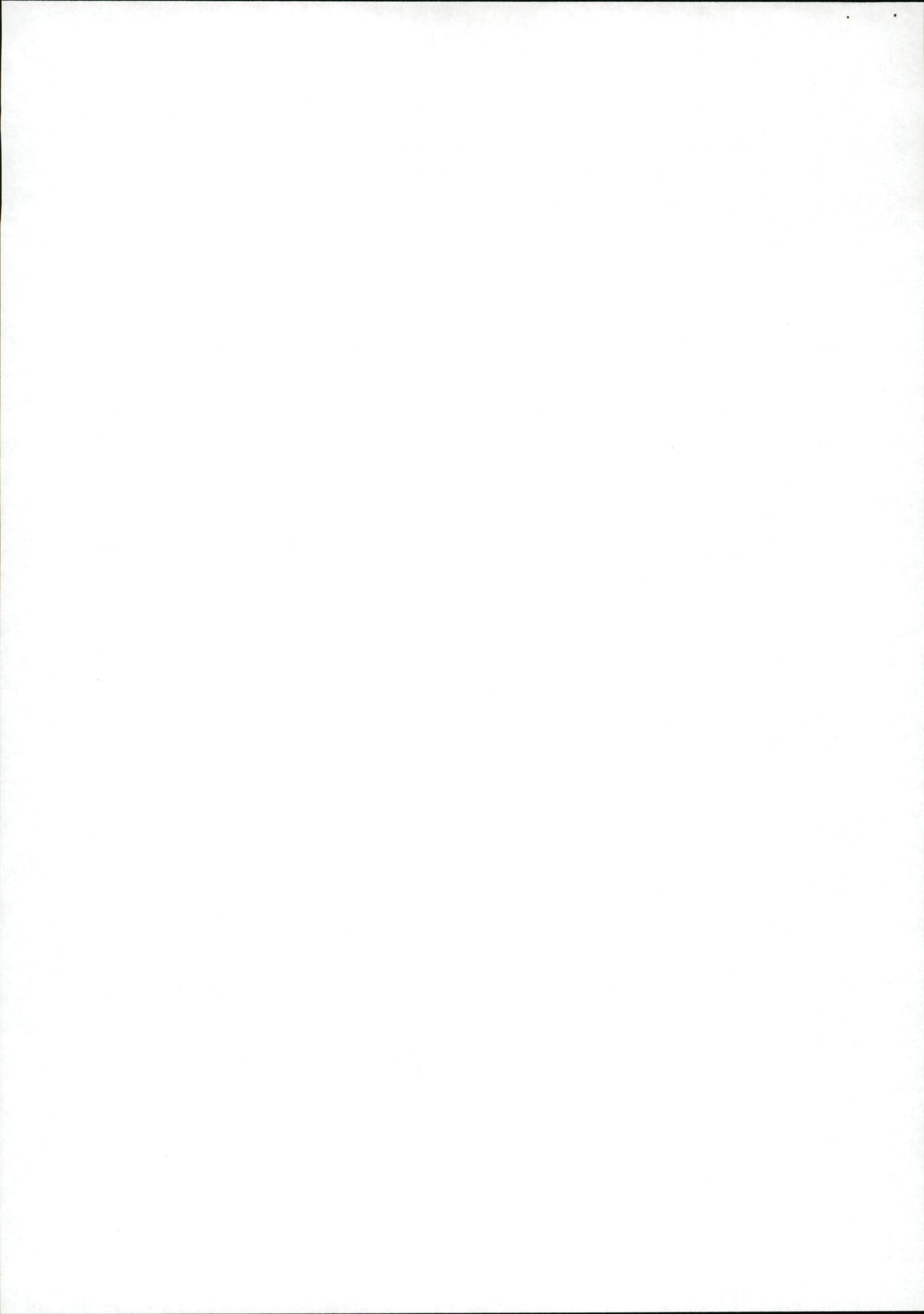
HOWEVER, SCOPE WILL BE PROVIDED TO THE AUTHORITY TO EXTEND THE 28 DAY PERIOD, BY A NOTICE GIVEN TO THE CASINO OPERATOR, PROVIDED THAT ANY EXTENSION IS IN THE PUBLIC INTEREST AND IS FOR NO MORE THAN SIX MONTHS FROM WHEN THE PROPOSED CONTROLLED CONTRACT OR PROPOSED VARIATION TO A CONTROLLED CONTRACT WAS LODGED WITH THE AUTHORITY.

IN THE GOVERNMENT'S VIEW, A PROPOSED SIX MONTH UPPER LIMIT ON THE PERIOD OF EXTENSIONS IS NECESSARY IN THE PUBLIC INTEREST.

THE SELECTION OF THE SIX MONTH LIMIT IS DELIBERATE, AND ACCORDS WITH PRECEDENT. IT IS THE SAME AS THE PERIOD AVAILABLE UNDER THE LIQUOR ACT AND THE REGISTERED CLUBS ACT TO INVESTIGATE APPLICATIONS FOR LICENCES LODGED WITH THE LICENSING COURT, TO WHICH SIMILAR CONSIDERATIONS APPLY.

THE PROPOSAL BRINGS THIS STATE'S CASINO LEGISLATION INTO LINE WITH SIMILAR LEGISLATION WHICH APPLIES TO THE MELBOURNE CASINO. CONSISTENCY OF APPROACH BETWEEN THE TWO JURISDICTIONS IS ADVANTAGEOUS, MR PRESIDENT, FROM A CONTROL AND REGULATORY VIEWPOINT AS WELL AS FROM THE VIEWPOINT OF THOSE INVOLVED IN SUPPLYING GOODS AND SERVICES TO THE CASINOS IN THOSE TWO STATES.

THE BILL WILL ENSURE THAT.....



THE BILL WILL ENSURE THAT THE EXISTING POWER AVAILABLE TO THE AUTHORITY TO APPROVE OF A SHORTER PERIOD IS RETAINED. THIS POWER MAY BE EXERCISED IN CASES WHERE THE INVESTIGATIONS CAN BE COMPLETED IN A SHORTER PERIOD OR WHERE ALL SIGNIFICANT INFORMATION IS ALREADY KNOWN ABOUT THE PROPOSED CONTRACTOR, THUS ASSISTING THE CASINO OPERATOR AND THE CONTRACTOR INVOLVED.

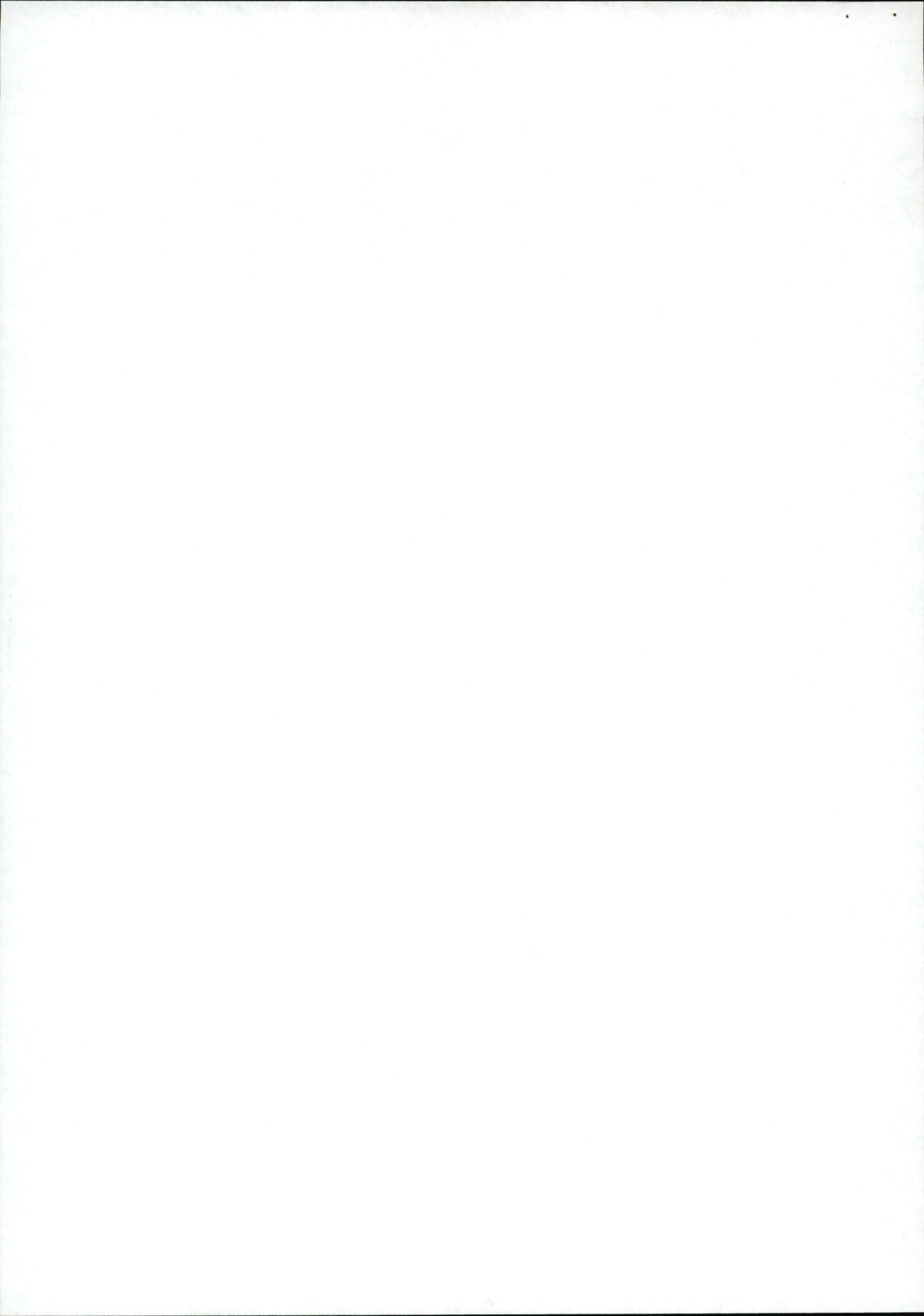
AN ADDITIONAL DIFFICULTY FACED BY THE AUTHORITY AND THE DIRECTOR, MR PRESIDENT, RELATES TO THE COST OF INVESTIGATION OF CONTROLLED CONTRACTS. IT IS PRESENTLY PROVIDED THAT APPLICANTS FOR LICENSING AS A CASINO EMPLOYEE UNDER PART 4 OF THE CASINO CONTROL ACT ARE REQUIRED TO MEET THE REASONABLE COSTS OF HAVING THEIR APPLICATIONS INVESTIGATED BY THE AUTHORITY AND THE DIRECTOR.

HOWEVER THERE IS NO PROVISION IN THE ACT WHICH PERMITS THE AUTHORITY OR THE DIRECTOR TO CHARGE FOR THE REASONABLE COSTS OF INVESTIGATING A PROPOSED CONTROLLED CONTRACT OR VARIATION OF A CONTROLLED CONTRACT.

IT IS INEQUITABLE THAT CASINO EMPLOYEES SHOULD BE REQUIRED TO MEET THE REASONABLE COSTS OF INVESTIGATIONS, WHILE CONTRACTORS, AS ENTREPRENEURS, DO NOT. CONTRACTORS CAN EXPECT TO OBTAIN SIGNIFICANT COMMERCIAL BENEFIT FROM CONTRACTS WITH THE CASINO OPERATOR, AND INVESTIGATIONS INTO BUSINESS OPERATORS ARE OFTEN MUCH MORE COMPLEX THAN THOSE INTO INDIVIDUALS.

ACCORDINGLY, THE BILL WILL INSERT A PROVISION WHICH ALLOWS FOR THE RECOVERY OF THE REASONABLE COSTS OF INVESTIGATING PROPOSED CONTROLLED CONTRACTS OR VARIATIONS.

COSTS WILL BE DEFRAID BY.....



COSTS WILL BE DEFRAID BY A SPECIFIED FEE, PRESCRIBED BY REGULATION, WHICH WOULD BE PAYABLE TO THE AUTHORITY BY EACH PROPOSED CONTROLLED CONTRACTOR AT THE TIME THE PROPOSED CONTRACT IS LODGED WITH THE AUTHORITY. IT IS INTENDED THAT, AS IS THE CASE WITH CASINO EMPLOYEE LICENCES, A STANDARD FEE WILL APPLY IRRESPECTIVE OF THE COST OF INVESTIGATIONS IN EACH CASE.

THE GOVERNMENT WILL BE CONSULTING WITH THE CASINO CONTROL AUTHORITY, AND THE CASINO OPERATOR, PRIOR TO DETERMINING THE FEE.

MR PRESIDENT, THE GOVERNMENT BELIEVES THAT THESE ENHANCEMENTS OF THE CONTRACT CONTROL PROVISIONS ARE ESSENTIAL TO ENSURE THE OPERATIONAL EFFECTIVENESS AND INTEGRITY OF CURRENT CONTROLS OVER THE PROVISION OF GOODS AND SERVICES TO THE SYDNEY CASINO.

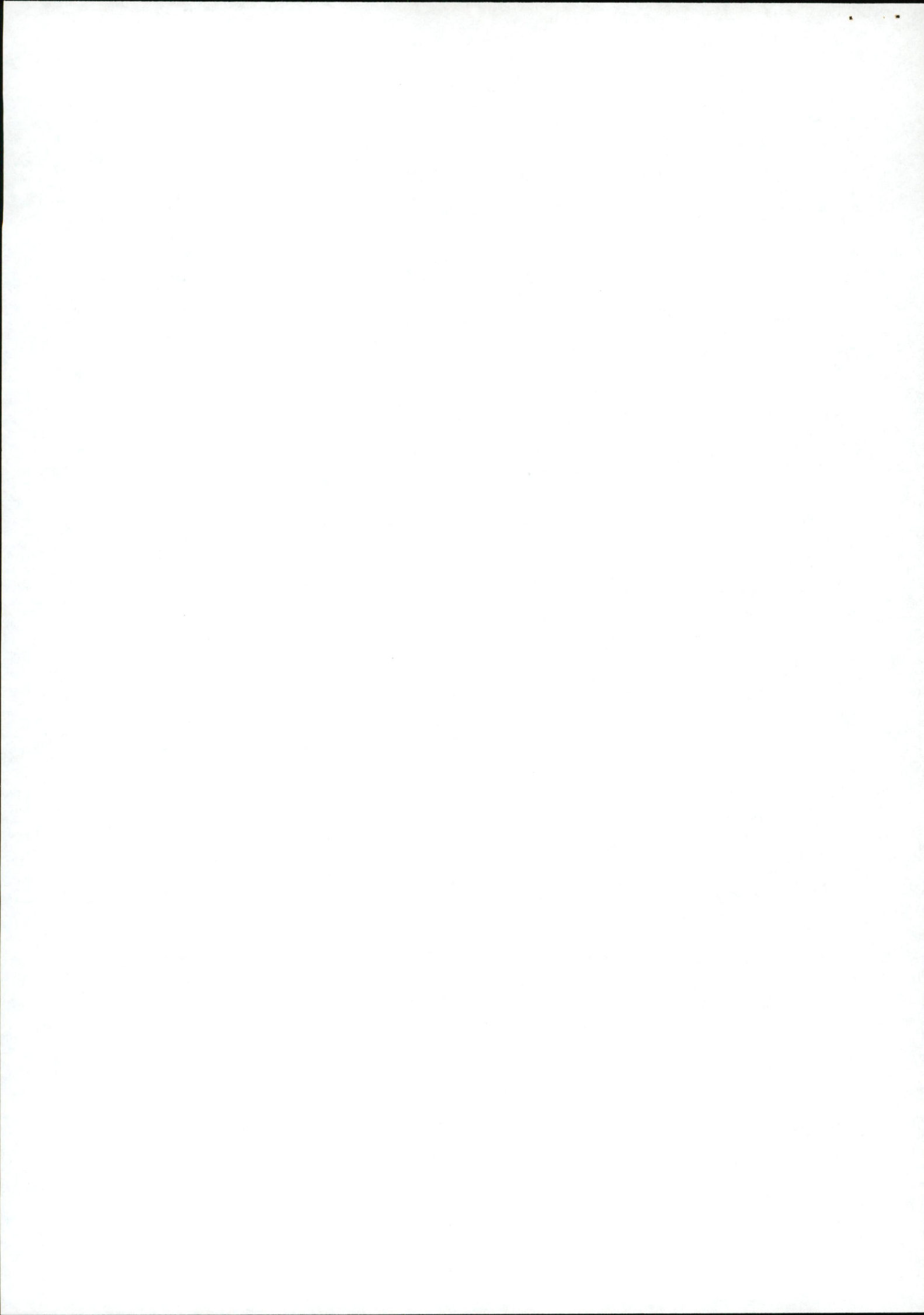
BEFORE CONCLUDING, MR PRESIDENT, I DRAW ATTENTION TO A FURTHER - BUT MINOR - AMENDMENT WHICH THE BILL CONTAINS.

WHEN THE CASINO CONTROL ACT COMMENCED, IT REQUIRED THAT AT LEAST ONE MEMBER OF THE AUTHORITY BE A PERSON WHO IS OR HAS BEEN A JUDGE, A BARRISTER OF NOT LESS THAN 5 YEARS' STANDING, OR A SOLICITOR OF NOT LESS THAN 7 YEARS' STANDING.

THE DISTINCTION BETWEEN BARRISTERS AND SOLICITORS WAS ABOLISHED IN 1994 WHEN THE LEGAL PROFESSION REFORM ACT BECAME LAW.

ONE OF THREE CASINO CONTROL ACT PROVISIONS WHICH DREW FROM THE TRADITIONAL DISTINCTION BETWEEN BARRISTERS AND SOLICITORS WAS AMENDED BY THE LEGAL PROFESSION REFORM ACT. AS A RESULT, THE REQUIREMENT IS NOW 7 YEARS' EXPERIENCE AS A LEGAL PRACTITIONER.

THE BILL WILL AMEND THE.....



THE BILL WILL AMEND THE TWO REMAINING REFERENCES - IN SECTIONS 23 AND 59 - TO BRING THEM INTO LINE WITH THE CHANGES MADE BY THE LEGAL PROFESSION REFORM ACT.

I COMMEND THE BILL TO THE HOUSE.

1854 words @ 125 wpm = 14.8 minutes



New South Wales

Casino Control Amendment Bill 1995

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Casino Control Act 1992* as follows:

- (a) The Act currently has a provision that requires the casino operator to give the Casino Control Authority details of certain proposed contracts involving the casino (termed "controlled contracts") before entering into or becoming a party to such a contract or to a variation of such a contract. The Authority has power to prevent a controlled contract by objecting to it within 14 days after being notified of those details. The Act will be amended to make it clear that the Authority also has power to object to a proposed variation of such a contract and that a failure to comply with the provision does not affect the validity of a contract or variation.
 - (b) The time that the Authority has to object to a proposed contract or variation of contract will be increased from 14 to 28 days and the Authority will be empowered to extend that time to up to 6 months if the special circumstances of the case (such as the complexity of the necessary investigations) makes it necessary or desirable and public interest considerations justify the extension.
-

- (c) The casino operator will be required to pay a fee set by the regulations when notifying the Authority of the details of a proposed controlled contract or variation of controlled contract.
- (d) The Act currently allows the Authority to arrange for the holding of inquiries presided over by a member of the Authority. This will be changed to allow the Authority to appoint any person to preside at such an inquiry. The person presiding at an inquiry will be required to report to the Authority on the results of the inquiry and will be subject to the control and direction of the Authority with respect to the matters to be inquired into, inquiry procedures, and reporting time.
- (e) The provision of the Act that required at least one member of the Authority to have special legal qualifications was changed by the *Legal Profession Reform Act 1993* to abolish the distinction between barristers and solicitors in terms of the length of experience that was necessary to constitute special legal qualifications (5 years for barristers and 7 years for solicitors). As a result of that change, the requirement is now 7 years experience as a legal practitioner. Other provisions of the Act require that the member of the Authority with special legal qualifications be present at any meeting of the Authority at which disciplinary action is taken. Those provisions will now be amended to reflect the changes made by the *Legal Profession Reform Act 1993*. A consequential amendment is made to the *Defamation Act 1974* to reflect the fact that, as a result of the proposed amendment in paragraph (d), the person conducting an inquiry established by the Authority may not be a member of the Authority.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides that the proposed Act will commence on a day or days to be appointed by proclamation.

Clause 3 is a formal provision that gives effect to the Schedule of amendments to the *Casino Control Act 1992*.

Clause 4 makes the consequential amendment to the *Defamation Act 1974* referred to in the above overview.

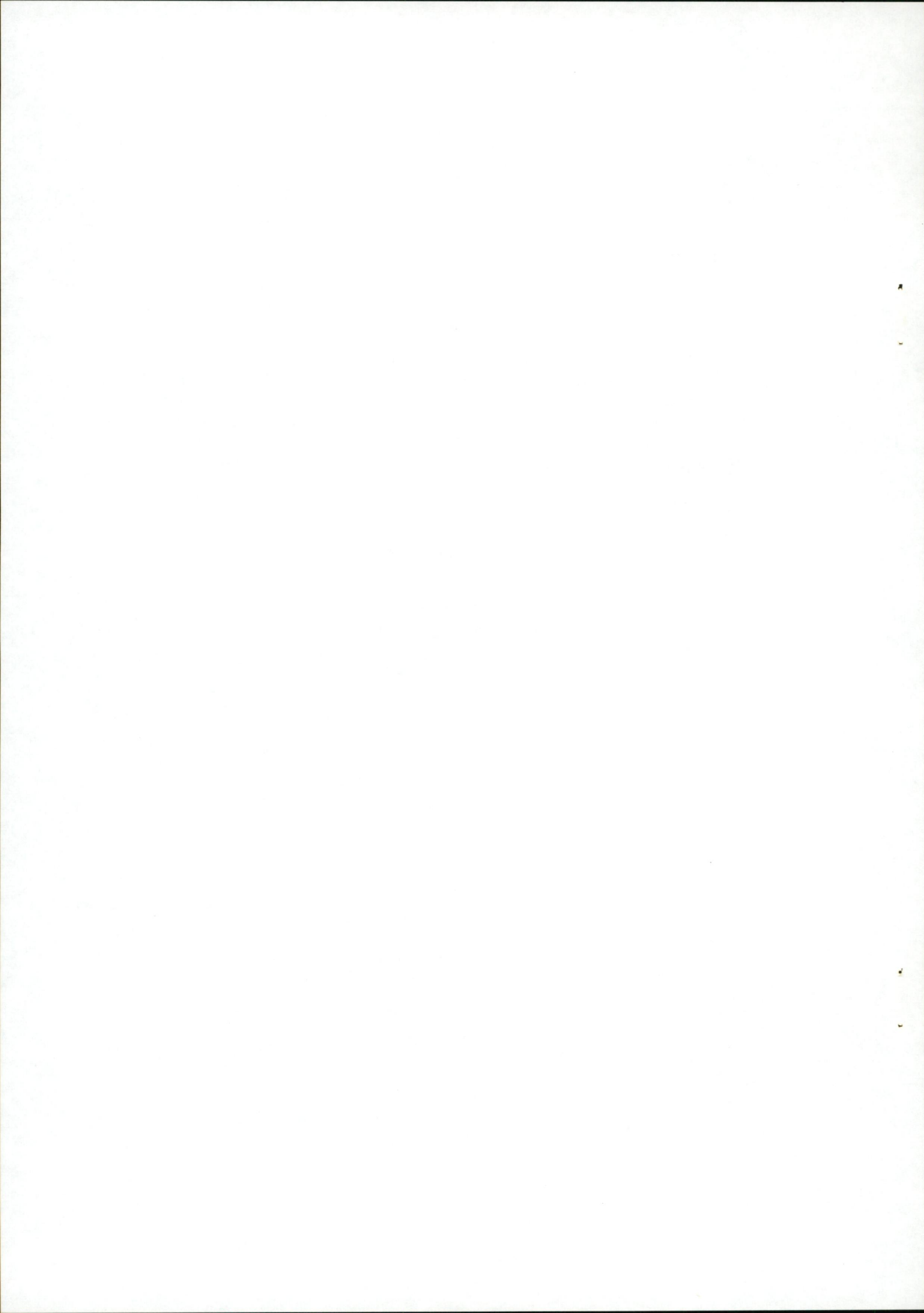
Schedule 1 Amendments

Schedule 1 [2] substitutes section 37 of the Act with 2 sections. New section 37 re-enacts existing section 37 in so far as it applies to controlled contracts and makes the changes referred to in paragraphs (a)–(c) of the above overview. New section 37A re-enacts the existing provisions of section 37 in so far as they apply to notifiable contracts (contracts that have to be notified to the Authority within 14 days after they are made or varied).

Schedule 1 [1] and **[3]** make the amendments referred to in paragraph (e) of the above overview.

Schedule 1 [4]–[8] make the amendments referred to in paragraph (d) of the above overview.

Schedule 1 [9] and **[10]** enact consequential savings and transitional provisions. Under those provisions, section 37 continues to apply in its current form to contracts notified to the Authority before the substitution of that section, and a savings and transitional regulation making power is inserted.



First print

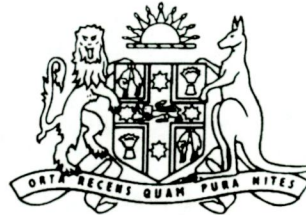


New South Wales

Casino Control Amendment Bill 1995

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Casino Control Act 1992 No 15	2
4 Consequential amendment of Defamation Act 1974 No 18	2
 Schedule 1 Amendments	 3



New South Wales

Casino Control Amendment Bill 1995

No. , 1995

A Bill for

An Act to amend the *Casino Control Act 1992* with respect to contracts concerning the casino, and inquiries; and for other purposes.

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Casino Control Amendment Act 1995*.

2 Commencement

This Act commences on a day or days to be appointed by proclamation. 5

3 Amendment of Casino Control Act 1992 No 15

The *Casino Control Act 1992* is amended as set out in Schedule 1.

4 Consequential amendment of Defamation Act 1974 No 18 10

The *Defamation Act 1974* is amended by omitting section 17N and by inserting instead the following section:

17N Hearings under Casino Control Act 1992

There is a defence of absolute privilege for a publication to or by the Casino Control Authority, or the person presiding at an inquiry under section 143 of the *Casino Control Act 1992*, for the purpose of such an inquiry. 15

Schedule 1 Amendments

(Section 3)

[1] Section 23 Disciplinary action against casino operator

Omit section 23 (7). Insert instead:

- (7) The Authority is not to take action under this section unless a member of the Authority who is or has been a Judge, or is a legal practitioner of at least 7 years' standing, is present at the meeting of the Authority at which the decision to take the action is made. 5

[2] Sections 37, 37A 10

Omit section 37. Insert instead:

37 Requirements for controlled contracts

- (1) A casino operator must not enter into or become a party to a controlled contract, or the variation of a controlled contract, relating to the casino until the operator has given the Authority written notice (*contract notice*) of the details of the proposed contract or variation of contract and the investigation time that the Authority is allowed by this section has elapsed. The contract notice must be accompanied by the prescribed fee. 15 20
- (2) The Authority may object to the proposed contract or variation of contract by notice in writing given to the casino operator during the investigation time that the Authority is allowed by this section, in which case the casino operator must not enter into or become a party to the contract or variation of contract. 25
- (3) The Authority is allowed 28 days investigation time (starting from when the contract notice was given to the Authority) but that time can be shortened or extended in a particular case by the Authority by notice in writing to the casino operator. 30

Schedule 1 Amendments

- (4) Investigation time is not to be extended unless the Authority is of the opinion that the special circumstances of the case (such as, for example, the complex nature of the inquiries that need to be made or the need to consult other agencies) make the extension necessary or desirable and that public interest considerations justify the extension. 5
- (5) Investigation time can be extended more than once but cannot in any case be extended to more than 6 months after the contract notice was given to the Authority. 10
- (6) It is a condition of a casino licence that the casino operator must comply with this section but a failure to comply with this section does not affect the validity of any contract or variation of contract.

37A Requirements for notifiable contracts 15

- (1) A casino operator must, within 14 days after the operator enters into or becomes a party to a notifiable contract, or the variation of a notifiable contract, relating to the casino, notify the Authority of that fact in writing giving the prescribed details of the contract or variation. 20
- (2) It is a condition of a casino licence that the casino operator must comply with this section.

[3] Section 59 Disciplinary action against licensee

Omit section 59 (7). Insert instead:

- (7) The Authority is not to take action under this section unless a member of the Authority who is or has been a Judge, or is a legal practitioner of at least 7 years' standing, is present at the meeting of the Authority at which the decision to take the action is made. 25

[4] Section 143 Authority may hold inquiries

Insert "or by some other person appointed by the Authority to preside" after "member of the Authority" in section 143 (1).

[5] Section 143 (2)

Omit "member presiding". Insert instead "person presiding".

5

[6] Section 143 (2)

Omit "approved by the member". Insert instead "approved by the person presiding".

[7] Section 143 (3)

Omit "member" wherever occurring. Insert instead "person".

10

[8] Section 143 (5)

Insert after section 143 (4):

- (5) The person presiding at an inquiry is required to report to the Authority on the results of the inquiry and is subject to the control and direction of the Authority with respect to the matters that are to be the subject of inquiry, the procedures to be adopted at an inquiry and the time within which the person is to report to the Authority.

15

[9] Section 171

Omit the section. Insert instead:

20

171 Savings and transitional provisions

Schedule 4 has effect.

[10] Schedule 4

Omit the Schedule. Insert instead:

Schedule 4 Savings and transitional provisions

(Section 171)

Part 1 Preliminary

5

1 Regulations

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of the following Acts:

Casino Control Amendment Act 1995

10

- (2) A provision referred to in subclause (1) may, if the regulations so provide, take effect from the date of assent to the Act concerned or a later date.

- (3) To the extent to which a provision referred to in subclause (1) takes effect from a date that is earlier than the date of its publication in the Gazette, the provision does not operate so as:

15

- (a) to affect, in a manner prejudicial to any person (other than the State or an authority of the State), the rights of that person existing before the date of its publication, or

20

- (b) to impose liabilities on any person (other than the State or an authority of the State) in respect of anything done, or omitted to be done, before the date of its publication.

25

Part 2 Casino Control Amendment Act 1995

2 Notice of controlled contracts

Section 37, as in force immediately before the substitution of that section by the *Casino Control Amendment Act 1995*, continues to apply in respect of a contract or variation of contract the details of which were notified to the Authority under that section before the substitution of that section.

5

