

# Casino Control (Miscellaneous Amendments) Bill

## EXPLANATORY MEMORANDUM

### PART 1—PRELIMINARY

*Clause 1* states that the purpose of the Act is to enable a casino operator to conduct approved betting competitions in a casino, to make miscellaneous amendments to the **Casino Control Act 1991** and to amend the **Liquor Control Act 1987** to facilitate the granting of a licence under that Act in respect of casino premises.

*Clause 2* provides that the Act is to come into operation on a day or days to be proclaimed.

*Clause 3* defines “Principal Act” to mean the **Casino Control Act 1991**.

### PART 2—MISCELLANEOUS AMENDMENTS

*Clause 4* includes new definitions in the Principal Act.

*Clause 5 (1)* amends section 29 (1) of the Principal Act so that a class of contract of a kind approved under proposed section 29 (1A) is not a “controlled contract”.

*Clause 5 (2)* inserts a new section 29 (1A) to enable the Victorian Casino Control Authority to approve an agreement or arrangement between the casino operator and a specified person for the supply of specified goods or services. The Authority must give written notice of the approval to the casino operator.

*Clause 5 (3)* requires the Victorian Casino Control Authority to publish in its annual report all classes of contract specified under proposed section 29 (1A).

*Clause 6* amends section 37 (1) of the Principal Act to include security and surveillance staff of the casino in the definition of “special employee”. This will have the effect of requiring such staff to obtain a special employee’s licence.

*Clause 7* would enable the use of cash and gaming chips for the training of casino employees and for testing purposes if the Director of Casino Surveillance approves.

*Clause 8* amends section 64 (b) of the Principal Act to enable the Director of Casino Surveillance to approve the use of another procedure or device for dealing cards. At present the Act requires all cards to be dealt from a card shoe. Notice of approval must be published in the Government Gazette.

*Clause 9 (1)* amends section 69 (1) of the Principal Act to enable regulations to be made with respect to “premium player arrangements”.

*Clause 9 (2)* inserts a new section 69 (2) (e) to require the casino operator to give the Victorian Casino Control Authority advance notice of a premium player arrangement and to provide specified information concerning the conduct of the premium player arrangement.

*Clause 9 (3)* repeals section 69 (3) which contains a definition of “junket”. Proposed amendments to the definitions section (section 3) of the Principal Act would include a new definition of “junket” to include arrangements involving an individual as well as groups.

*Clause 10* inserts new sub-sections (2A) and (2B) in section 72 of the Principal Act.

Proposed sub-section (2A) provides for the Director of Casino Surveillance or a casino operator to give a written order to a person, on the voluntary application of the person, prohibiting the person from entering or remaining in a casino.

Proposed sub-section (2B) provides that the application must be in writing and signed by the applicant in the presence of a person authorised by the Victorian Casino Control Authority to witness such an application.

*Clause 11* inserts a new section 73 (3A) which requires the Director of Casino Surveillance to make inquiries, if possible, of the witness to a “self-exclusion” application if there is an appeal to the Victorian Casino Control Authority against the order.

*Clause 12* substitutes for section 79 (2) new sub-sections (2) and (2A) which would extend the prohibition on special employees gambling or betting in the casino to persons with a special relationship with a casino within the meaning of section 40 (2) who have been required to apply for a licence under section 40.

*Clause 13* inserts a new section 79A into the Principal Act which re-enacts section 79 (2) (b) with amendments. Proposed sub-section (1) would extend the prohibition on casino special employees accepting gratuities, etc whether inside or outside the casino if it is related to the performance of duties as an employee. The Principal Act presently only prohibits special employees from accepting gratuities “from a patron in the casino”.

Proposed sub-section (2) provides that the prohibition in sub-section (1) does not apply to a person or class of persons authorised by the Victorian Casino Control Authority to accept gratuities. The Authority must give notice in writing to the casino operator of any authorisation.

*Clause 14* provides for the Consolidated Fund to be appropriated to enable community benefit levies paid into the Fund to be paid into the Hospitals and Charities Fund. The Principal Act presently contains provision in section 114 (2) for the levies to be paid into the Hospitals and Charities Fund but does not include the appropriation provision.

*Clause 15* amends section 128E of the Principal Act to enable the Minister administering the Building Control Act to declare that the administration and enforcement of building control in relation to all or any part of the Melbourne Casino “area” is to be carried out by a person or body specified by the Minister. Section 128E presently refers to the Melbourne Casino “site”.

*Clause 16* repeals section 149.

### **PART 3—APPROVED BETTING COMPETITIONS**

*Clause 17* inserts a new section 6 (1A) into the Principal Act providing for a bet made in an approved betting competition and the use of a totalisator in such a competition to be lawful when the competition is conducted in accordance with the Act.

*Clause 18* inserts a new Part 5A—Approved Betting Competitions.

Proposed section 81A (1) enables the Minister, after consultation with the Minister administering the Gaming and Betting Act, to approve a betting competition on a particular event or contingency or class of events or contingencies subject to such conditions as the Minister determines.

Proposed section 81A (2) requires that the approval of a betting competition must specify whether it is a competition with fixed odds or conducted on a totalisator.

Proposed section 81A (3) provides that the Minister must not approve a betting competition—

- (a) on a horse, harness or greyhound race at a race meeting in Australia or New Zealand if the licensee or operator under the **Gaming and Betting Act 1994** is proposing to conduct wagering on that race;
- (b) that in the Minister's opinion, is offensive or contrary to the public interest;
- (c) played on a gaming machine; or
- (d) that is a club keno game.

Proposed section 81B specifies the kinds of events or contingencies in respect of which a betting competition may be approved.

Proposed section 81C requires notice of approval of a betting competition to be published in the Government Gazette as soon as practicable after approval is given. Failure to publish the notice, however, does not affect the validity of the approval.

Proposed section 81D provides that the approval of a betting competition may be subject to conditions and that the conditions may be varied by the Minister, after consulting the Minister administering the Gaming and Betting Act, and the Minister may, for any reasonable cause stated in writing, withdraw the approval.

Proposed section 81E provides that only persons present in the casino may take part in a betting competition.

Proposed section 81F requires the approval of the Director of Casino Surveillance be obtained before a casino operator uses a totalisator for the conduct of a betting competition. The Director's approval may be given subject to conditions and may be withdrawn for any reasonable cause stated by the Director in writing.

Proposed section 81G provides that an approved betting competition must not be conducted unless there are in force betting rules applying to the competition.

Proposed section 81H (1) provides for the casino operator to make betting rules subject to the Act, the regulations and any condition of the casino licence.

Proposed section 81H (2) specifies matters which may be included in the rules under proposed sub-section (1).

Proposed section 81H (3) requires the rules to specify the day on which they are made and when they are to come into operation. The date of operation must be at least 4 weeks after the day they are made unless the Victorian Casino Control Authority otherwise approves but must be no earlier than the day they are made.

Proposed section 81H (4) provides that the rules may confer a discretionary authority or impose a duty on a specified person or class of persons.

Proposed section 81H (5) requires the casino operator to comply with the regulations relating to the making of betting rules.

Proposed section 81H (6) requires the casino operator to give the Victorian Casino Control Authority a copy of the rules forthwith after they are made.

Proposed section 81H (7) enables the Authority to disallow a betting rule if the Authority is satisfied that the rule is unfair to investors, unreasonable or contrary to the public interest.

Proposed section 81H (8) provides that the Authority must not disallow a rule within 6 months after it is made if it consented to the making of the rule in a specified form.

Proposed section 81H (9) provides that the betting rules in force when a bet is made form part of the contract between the casino operator and the investor.

Proposed section 81I enables a casino operator to deduct an amount not exceeding 20% as commission out of the total amount invested in each totalisator conducted on an approved betting competition.

Proposed section 81J provides for the rates of tax payable in respect of betting competitions and when the taxes are to be paid. The tax rates are the same as those specified in clause 22.1 of the Schedule to the Casino (Management Agreement) Act.

Proposed section 81K provided that an amount payable under this Part is a debt due to the State and may be recovered in the appropriate court.

Proposed section 81L provides for the payment by way of dividends of all money invested in a totalisator on an approved betting competition after deduction of the operator's commission under proposed section 81H.

Proposed section 81M requires the casino operator to pay to the Treasurer all unclaimed refunds, dividends and prizes less the reasonable expenses of the operator in searching for the persons entitled to the refunds, etc. If the owner makes a demand for the money, the Treasurer must direct that it be paid out of money available for the purpose.

Proposed section 81N provides that except otherwise provided by Part 5A, nothing in the Casino (Management Agreement) Act applies to approved betting competitions.

*Clause 19* enables regulations to be made in relation to betting rules.

*Clause 20* contains consequential amendments.

*Clause 21* inserts a new Division 10 into Part 3 of the Liquor Control Act 1987. The new provisions will enable the speedy granting of a liquor licence to casino premises.