



Gaming Machines Amendment (Poker Machine Entitlements) Regulation 2003

under the

Gaming Machines Act 2001

Her Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Gaming Machines Act 2001*.

GRANT ANTHONY McBRIDE, M.P.,

Minister for Gaming and Racing

Explanatory note

Under section 15A (1) of the *Gaming Machines Act 2001*, a large-scale club (ie a registered club with more than 450 gaming machines on any of its premises) is required, before 2 April 2007, to reduce its allocated number of poker machine entitlements by 10% or to a number that does not exceed 450. The total number of poker machine entitlements concerned for each such club (along with the overall target number of 953) is specified in clause 8 of the *Gaming Machines Regulation 2002*.

In order to provide for the reduction of a large-scale club's target number of entitlements on an incremental basis, section 15A (2) (a) requires the club to transfer, before the end of each year leading up to 2 April 2007, a number of entitlements determined by the regulations in respect of that year. At present, clause 8 of the *Gaming Machines Regulation 2002* provides that, for each year, a 20% annual target must be achieved. If any of the entitlements comprising the 20% annual target in respect of a club are not transferred after the period of 3 months following the end of the year concerned, section 15A (2) (c) of the Act provides that those entitlements are immediately forfeited to the Liquor Administration Board.

The object of this Regulation is to exempt a large-scale club from being required to forfeit all of the poker machine entitlements that have not been transferred by the end of each such 3-month period provided the club:

- (a) removes from its premises the number of poker machines that corresponds to the club's 20% annual target, and
- (b) forfeits to the Board one-third of the club's 20% annual target.

2003 No 305

Gaming Machines Amendment (Poker Machine Entitlements) Regulation 2003

Explanatory note

The exemption provided by this Regulation does not, however, affect the overall number of poker machine entitlements that a large-scale club is required to transfer before 2 April 2007.

This Regulation is made under the *Gaming Machines Act 2001*, including section 210 (4).

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1 Name of Regulation

This Regulation is the *Gaming Machines Amendment (Poker Machine Entitlements) Regulation 2003*.

2 Amendment of Gaming Machines Regulation 2002

The *Gaming Machines Regulation 2002* is amended as set out in Schedule 1.

2003 No 305

Gaming Machines Amendment (Poker Machine Entitlements)
Regulation 2003

Schedule 1 Amendments

Schedule 1 Amendments

(Clause 2)

[1] Clause 8 Reduction of number of poker machine entitlements (large-scale clubs)

Omit clause 8 (4). Insert instead:

- (4) The Board is, as soon as practicable after the end of each year of the 5-year period, to assess the number of poker machine entitlements that have been transferred in that year and determine whether the 20% annual target for that year has been achieved. The Board is to notify each large-scale club of the outcome of that determination.

[2] Clause 8 (5)

Omit the subclause. Insert instead:

- (5) If the 20% annual target is not achieved for the year concerned, the Board is, by notice in writing, to direct any one or more large-scale clubs to transfer a specified number of poker machine entitlements (as determined by the Board) in order for the 20% annual target to be achieved.

[3] Clause 8 (7)

Insert after clause 8 (6):

- (7) However, a large-scale club is not required to comply with a direction by the Board under subclause (5) if the club forfeits poker machine entitlements in accordance with the exemption provided under clause 8A.

[4] Clause 8A

Insert after clause 8:

8A Exemption from requirement to forfeit annual target number of poker machine entitlements

- (1) A large-scale club is, in respect of any year of the 5-year period referred to in section 15A of the Act, exempt from the operation of section 15A (2) (c) of the Act if, before the end of the period of 3 months immediately following the end of that year, the club:

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- (a) is given a direction by the Board under clause 8 (5) to transfer a specified number of poker machine entitlements, and
- (b) is authorised by the Board under Part 5 of the Act to dispose of the club's relevant number of approved poker machines for that year, and
- (c) removes the relevant number of approved poker machines from its relevant premises, and
- (d) forfeits to the Board the club's relevant number of poker machine entitlements for that year.
- (2) If such a large-scale club is authorised to dispose of the club's relevant number of approved poker machines, the SIA threshold for the large-scale club's relevant premises is decreased by the number of approved poker machines that are authorised to be disposed of.
- (3) If:
- (a) a large-scale club forfeits the club's relevant number of poker machine entitlements as provided by this clause, and
- (b) the club subsequently transfers poker machine entitlements in accordance with Division 2 of Part 3 of the Act,
- each of the entitlements forfeited under this clause is, for the purposes of that subsequent transfer, taken to be one of the entitlements that the club is required to forfeit to the Board under section 20 (3) (b) of the Act.
- (4) Accordingly, a large-scale club is exempt from the operation of section 20 (3) (b) of the Act to the extent that the club is not required to forfeit poker machine entitlements from a transfer block under that section if those entitlements are, because of subclause (3), already taken to have been forfeited under this clause.
- (5) In this clause:
- relevant number of approved poker machines***, in relation to a large-scale club for a year, means the number of poker machines that corresponds to the specified number of poker machine entitlements determined by the Board in respect of the club for that year under clause 8 (5).

2003 No 305

Gaming Machines Amendment (Poker Machine Entitlements)
Regulation 2003

Schedule 1 Amendments

relevant number of poker machine entitlements, in relation to a large-scale club for a year, means the number of poker machine entitlements that represents one-third of the specified number determined by the Board in respect of the club for that year under clause 8 (5).

BY AUTHORITY
