

**CLASSIFICATION (PUBLICATIONS,
FILMS AND COMPUTER GAMES)
(ENFORCEMENT) AMENDMENT BILL**

Second reading

**Debate resumed from 9 June; motion of Mr HULLS
(Attorney-General).**

Motion agreed to.

Read second time.

Third reading

Motion agreed to.

Read third time.

**CASINO LEGISLATION AMENDMENT
BILL**

Statement of compatibility

**Mr ROBINSON (Minister for Gaming) tabled
following statement in accordance with Charter of
Human Rights and Responsibilities Act:**

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Casino Legislation Amendment Bill 2009.

In my opinion, the Casino Legislation Amendment Bill 2009, as introduced to the Legislative Assembly, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The objectives of the bill are to:

1. more closely align the rate of taxation that applies to gaming machine revenue in Victoria between the casino and other gaming venues through imposing additional taxes on the casino's gaming machines; and
2. achieve this higher rate of casino taxes as part of a package of measures and via a negotiated agreement with the casino operator.

The bill provides for:

- a. tax increase on the casino operator of 10.32 percentage points of the tax applying to electronic gaming machines at the casino. The increase will:
 - i. be phased over six years with equal, annual increments of 1.72 percentage points and fully implemented by 2014–15;
 - ii. be complemented by abolition of the health benefit levy from 1 July 2012 and refinements to the super tax thresholds for regular gaming at the casino;

- iii result in closer alignment on the rate of taxation that applies to electronic gaming machines in Victoria and therefore improve the efficiency and equity of gaming machine taxes; and

- b. clarification that the definition of table game allows for automated tables (up to a licence-defined limit).

Human rights issues

1. *Human rights protected by the charter that are relevant to the bill*

The bill does not limit any human rights.

2. *Consideration of reasonable limitations — section 7(2)*

The bill does not limit any human rights.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities.

Tony Robinson, MP
Minister for Gaming

Second reading

Mr ROBINSON (Minister for Gaming) — I move:

That this bill be now read a second time.

Tax changes

On 12 May 2009, the government announced changes to the taxation arrangements for the Melbourne casino. These changes have been agreed with the casino operator, Crown Melbourne Limited, as part of a broad package of measures to the casino's licence conditions, which should allow the casino to maintain its status as a world-class tourist attraction.

The main change that has been reflected in the ninth variation to the casino management agreement involves a progressive increase in the tax rate on the casino's 2500 gaming machines, reflecting the maturing of the business and closer alignment of gaming machine taxes for the casino and gaming venue operators.

This will see the casino's gaming machine tax rate rise from its current level of 22.25 per cent to 32.57 per cent in 2014–15. This reform will result in tax rates being more closely aligned for Crown Casino and other gaming venues.

Under the current arrangements, the casino has benefited from comparatively lower gaming machine tax rates than those available in clubs and hotels so that it could establish itself in the Victorian gaming market.

The matured position of the casino, and the shift in 2012 to a venue model for licensing Victoria's

27 500 gaming machines outside the casino, have presented an opportunity to revisit the taxes that apply to the Melbourne casino's 2500 gaming machines.

The government considers that these taxes should now increase, and agreement has been reached with the affected party — Crown Melbourne Limited — to implement these changes.

As part of the tax changes agreed with Crown Melbourne Ltd:

the health benefit levy will be abolished from 1 July 2012, consistent with the fact that this levy will not be applied to gaming venues under the proposed post-2012 tax arrangements; and

there will also be adjustments made to the super tax thresholds for casino taxes. These threshold adjustments reflect that only the existing table game taxes should apply to Crown's expected increased revenue on table games attributable to the changed table game arrangements.

Any additional tax revenue arising from the changes will continue to fund vital government services including health.

Policy commitment — future tax changes

It is the Brumby Labor government's policy and intention that there will be no further amendments to the rates of tax payable on the Melbourne casino nor will any existing levy on the Melbourne casino be amended or any new levy imposed, before 30 June 2022, and that no action will be taken by the Brumby Labor government to initiate any such amendments before that date, except as expressly agreed between the parties. This is intended to provide investment certainty to the casino for that period.

Table games

These tax changes are occurring as part of a negotiated outcome with the casino operator which includes an announced expansion and reconfiguration of approved table games. These changes will be subject to the normal approval processes of the independent regulator — the Victorian Commission for Gambling Regulation (VCGR).

These table game changes — which are subject to independent, regulatory approval from the VCGR — are expected to involve:

an increase in the maximum number of table games (such as roulette and blackjack) from 350 to 400, including up to 200 automated terminals; and

allowance for up to a further 100 poker tables.

Poker is essentially being treated as a separate table game category — whereas currently, poker tables form part of the aggregate limit of table games at the casino. It should be noted that poker does not involve gambling with the house, and it is widely available outside the casino. Therefore, it was seen to penalise the casino to have this type of game form part of its total table game allocation, particularly during poker tournaments, which bring international visitors to the state.

These changes will give the casino more flexibility and capacity to develop its business, so it can maintain its status as a world-class casino and entertainment facility. With additional tables, the casino will be able to host international poker tournaments and compete with venues in Las Vegas and Macau as the site for international poker events.

Attracting these high-calibre international events to Melbourne would provide a significant boost for tourism, building on the success of the Aussie Millions tournament.

All of the changes to the table games will be subject to the normal regulatory approval and review processes of the VCGR. The VCGR will continue to monitor and report on Crown Casino's operations to ensure it continues to provide a responsible gambling environment.

I commend the bill to the house.

Debate adjourned on motion of Mr O'BRIEN (Malvern).

Debate adjourned until Thursday, 25 June.

Remaining business postponed on motion of Mr WYNNE (Minister for Housing).

ADJOURNMENT

Mr WYNNE (Minister for Housing) — I move:

That the house do now adjourn.

**Victorian College of the Arts and Music:
courses**

Mr BAILLIEU (Leader of the Opposition) — I raise a matter on the adjournment for the Minister for