

# Impact Analysis Statement

## Summary IAS

### Details

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| <b>Lead department</b>                                       | Regulatory Policy, Justice Policy and Reform, Department of Justice and Attorney-General |
| <b>Name of the proposal</b>                                  | Apportionment of an annual Casino Supervision Levy                                       |
| <b>Submission type</b>                                       | Summary IAS  |
| <b>Title of related legislative or regulatory instrument</b> | <i>Casino Control Act 1982, Casino Control Regulation 1999</i>                           |
| <b>Date of issue</b>   | June 2024  |

#### What is the nature, size and scope of the problem? What are the objectives of government action?

In June 2022, the Hon Robert Gotterson AO KC was appointed to conduct an external review of the Queensland operations of the Star Entertainment Group Limited. One recommendation arising from the review was that casino licensees should be required to pay a supervision levy in order to fund the regulation of casinos in Queensland.

The *Casino Control and Other Legislation Amendment Act 2024* amends the *Casino Control Act 1982* (Casino Control Act) to provide for the levy. The legislation provides that the Minister will determine the total amount of the levy, having regard to the amounts likely to be needed for: a) the regulation and oversight of casinos in a way that promotes the object of the Casino Control Act, and b) the conduct of programs aimed at reducing harm from gambling in Queensland. Each casino licensee will be liable for the percentage of the total levy that is apportioned to them via a regulation. The legislation provides that before making a recommendation to Governor in Council regarding the apportionment of the levy, the Minister may have regard to past casino gross revenue generated by each casino licence over a particular period as a percentage of total past Queensland casino gross revenue over the same period. Casino gross revenue is an indicator of gambling activity and therefore may be considered an indicator of regulatory effort across Queensland casinos.

The objective of Government action is to ensure the levy is appropriately distributed amongst Queensland casino operators having regard to casino gross revenue.

#### What options were considered?

In accordance with the guidance provided in the legislation, the option considered was to apportion the levy among casino operators proportionate to past casino gross revenue. Casino gross revenue was analysed in various ways to determine the most appropriate apportionment. Apportionment based on aggregation of casino gross revenue over the past three complete financial years was determined to be the most appropriate approach, as it presents the least volatility of options considered, and avoids the potential distortions of the early 2020 casino closures due to the COVID-19 pandemic.

**What are the impacts?**

Apportionment considerations relate only to what percentage of the levy will be paid by which particular casino licensee. As apportionment is based on casino gross revenue, casinos with higher past casino gross revenue (indicating greater gambling activity and thus greater regulatory effort) will appropriately be liable for a greater portion of the levy. Casino patrons and the general public are not likely to be impacted in any way by how the levy is apportioned.

**Who was consulted?**

All casino licensees were consulted on the proposal.

**What is the recommended option and why?**

The recommended option is that the supervision levy be apportionment in a way directly proportionate to casino gross revenue over the past three complete financial years. Current casino licensees are broadly agreeable to the proposed apportionment percentages, though it should be noted that some suggestions were made that require amendments to the primary legislation. These suggestions will be considered during the statutory review of the legislation providing for the levy, which is to be undertaken three years from commencements of the legislation (and thereafter at intervals of no more than five years).

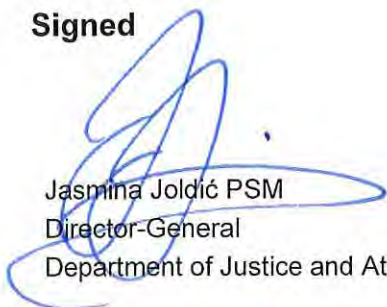
**Impact assessment**

**All proposals – complete [do not delete]:**

|                                  | First full year | First 10 years** |
|----------------------------------|-----------------|------------------|
| Direct costs – Compliance costs* | See note        | See note         |
| Direct costs – Government costs  | See note        | See note         |

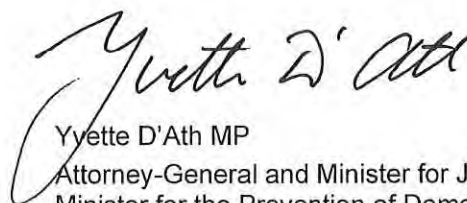
Note – the apportionment model of itself does not incur compliance costs, though casino licensees will be required to pay the levy amount set by the Minister (and will additionally incur comparatively minor administrative costs in making and accounting for payments). Government costs in issuing contribution notices and accounting for the supervision levy are incurred by the primary legislation and will be undertaken within existing establishment and/or offset by the levy.

**Signed**



Jasmina Joldić PSM  
 Director-General  
 Department of Justice and Attorney-General

Date: 11. 06. 2024



Yvette D'Ath MP  
 Attorney-General and Minister for Justice and  
 Minister for the Prevention of Domestic and  
 Family Violence

Date: 13/06/2024