

A/Deputy Director-General (Operations)

Decision Notice

Matter:	Application for Gaming Machine Licence
Premises:	Discovery Smith Street Darwin NT 0801
Applicant:	Deva Discovery Pty Ltd
Nominee:	Mr Mario Madaffari
Submissions:	Nil
Legislation:	Section 24 <i>Gaming Machine Act</i>
Decision of:	A/Deputy Director-General (Operations)
Date of Decision:	22 August 2016

Background

1. On 28 April 2016, Mr Marion Madaffari, Authorised Executive Officer of Deva Darwin Pty Ltd ("the Applicant") applied for a gaming machine licence at Discovery ("the venue") pursuant to section 24 of the *Gaming Machine Act* ("the Act").
2. Under section 24(1)(b) of the Act, a liquor licensee may apply for a gaming machine licence. The Director-General of Licensing ("Director-General") may grant or refuse such an application and in determining the application shall have regard to Part 3, Division 2 of the Act.
3. Regulation 3(a) of the *Gaming Machine Regulations* ("the Regulations") prescribes the maximum number of gaming machines that may be authorised for Category 1 licensed premises to 20 gaming machines.
4. The Applicant is the holder of a licence issued under the *Liquor Act* endorsed AUTHORITY – TAVERN (number 80316240), which defined under section 3 of the Act as a hotel liquor licence.
5. The Applicant is seeking authorisation for 20 gaming machines for use under the licence.
6. The application was accompanied by the prescribed application fee and the prescribed levy for the 20 machines which is the maximum allowable under this type of liquor licence.
7. The application was also accompanied by the required Community Impact Analysis ("CIA").

Consideration and Reasons

8. When determining this application, the Director-General must have regard to relevant provisions of the Act and Regulations, including but not limited to the statutory objects of the Act which are:
- (a) *to promote probity and integrity in gaming;*
 - (b) *to maintain the probity and integrity of persons engaged in gaming in the Territory;*
 - (c) *to promote fairness, integrity and efficiency in the operations of persons engaged in gaming in the Territory;*
 - (d) *to reduce any adverse social impact of gaming; and*
 - (e) *to promote a balanced contribution by the gaming industry to general community benefit and amenity.*
9. Additionally, section 25(3) of the Act prescribes the matters that the Director-General must consider when determining an application for a gaming machine licence. Relevant to this application those matters are:
- (a) *the suitability of the premises to which the application relates having regard to the size, layout and facilities of the premises;*
 - (b) *the suitability of the premises to which the application relates having regard to the primary activity conducted at the premises;*
 - (c) *the suitability of the location to which the application relates having regard to the population of the local area, the proximity of the premises to other gaming venues and the proximity of the premises to sensitive areas such as schools, shopping centres, other community congregation facilities, welfare agencies, banks and pawn brokers;*
 - (d) *the appropriateness of problem gambling risk management and responsible gambling strategies;*
 - (e) *economic impact of the proposal including contribution to the community, employment creation and significance or reliance of the venue to or on tourism;*
 - (g) *if the applicant is a body corporate – the business reputation and financial stability of the body corporate and the general reputation and character of the secretary and executive officers of the body corporate;*
 - (i) *whether the applicant is a fit and proper person to hold a licence;*
 - (j) *if a person is referred to in the affidavit under section 44 – whether that person is a fit and proper person to be an associate of a licensee;*
 - (k) *if the Director-General considers it appropriate – whether any other associate of the applicant is a fit and proper person to be an associate of a licensee; and*
 - (l) *any other matter that the Director-General considers necessary.*
10. In respect of this application, section 25(13) of the Act sets out the matters the Director-General must take into account in determining the number of gaming machines authorised for use under a licence as follows:
- (a) *the number of gaming machines sought in the application made under section 24;*

- (c) the hours and days when the premises are open for the sale of liquor;*
- (e) the size, layout and facilities of the premises to which the application relates;*
- (f) the size and layout of the proposed gaming machine areas;*
- (g) the anticipated level of gaming on the premises; and*
- (h) such other matters as the Director-General considers are relevant.*

Suitability of Premises – size, layout and facilities

11. Information contained in the application submits the gaming area will be within the part of the premises known as the Lost Arc and will not impact upon the Discovery nightclub dance floor.
12. The CIA states that the current licensed area of the Lost Arc comprises a bar only. In the event this application is approved the bar will comprise 64% and gaming 36% of the floor space. Material alterations will be required and involve moving existing bathroom facilities and will be significant in nature. It is expected the overall footprint of the licensed premises will increase from 121 sqm to 146 sqm.
13. The plans submitted by the Applicant show that the gaming area is a discrete area within the premises. Due to the configuration of the floor plan direct line of sight is not possible from the bar / service area. However, it is proposed to install CCTV equipment in the gaming room so as to provide constant and suitable monitoring of activities within that area.

Suitability of Premises – primary activity

14. The premises are well known to the Director-General and includes the Discovery nightclub and Lost Arc bar, bistro and cafe somewhat separated from the nightclub. The nightclub has four bars; a mezzanine level and karaoke lounge and is a late trading venue. Whilst both are licensed for the sale of liquor under one licence they are distinctly different and separate premises.
15. The liquor licence authorises the premises to trade in the sale of liquor for on-premise consumption of alcohol from 10:00 to 04:00hrs seven days per week for both premises. There is no provision for takeaway sales of liquor.
16. The CIA provides information regarding the venue's financial performance. In 2013 net profit was \$376,000 whilst 2014 saw a loss of \$28,000 and a slight profit in 2015 of \$33,000. As can be seen net profit has fluctuated each year. The losses have partially been explained as writing down of redevelopment costs and additional expenses associated with a secondary venue.
17. The investigating officer expressed concern of the financial viability of this Applicant on the basis of the returns provided compared to other Applicants. Whilst the Applicant has provided the necessary fees and levy associated with an application of this nature, it was unclear how the extensive renovations and cost of the gaming machines would be financed.
18. The business has traded profitably during the previous financial year. The Applicant submitted the result for 2014 and 2015 were intended to produce a minimal loss or

profit as a result of works and also a result of drawing of wages for tax purposes by directors of the entity.

19. An analysis of the Applicant and director's finances and credit rating provides sufficient comfort in relation to this matter.

Suitability of Location - population of local area, proximity to other gaming venues and proximity to sensitive areas

20. The Local Community Area ("LCA") agreed to with Licensing NT for use in the development of the CIA includes the following areas, Darwin City, Fannie Bay-The Gardens, Larrakeyah and Stuart Park.
21. Information obtained from the 2011 Census Data shows the LCA area has a population of about 14,791, with 12,654 being adults. However, this information is almost 5 years old and there has been considerable growth in the area, particularly in the Darwin City and Stuart Park areas with construction of multi-level apartment blocks and similar. A surge in FIFO and other trades persons associated with Inpex and other projects has also possibly contributed to a higher level of population and adult ratio. It is reasonable to assume the total population has increased with most of those persons being adults, with FIFO persons also increasing the transient population's length of stay in the LCA
22. The LCA is a comparatively youthful area, typical of a middle income working area; with the 18-29 age bracket listed at 27% of the LCA population and typically frequently taverns/hotels more than the rest of the population. This age profile has a higher participation rate for gaming machines and demand for gaming products is typically higher than the average. This high proportion of 18 – 29 age bracket is comparable to the customer profile of the venue indicating a large market. However, this age bracket will also be attracted to similar venues in the LCA offering the same type of entertainment.
23. The LCA age profile slowly decreases across the older ages from the 18 – 29 bracket where the 70+ age bracket is represented by only 5%. Children in the 0 – 17 age bracket are listed at 14%
24. The LCA has a high population density with 1,409 people per square kilometre, compared to the Darwin LGA of 654 and the NT which is 0.2. It must be noted that population density varies greatly in different pockets of the LCA with areas such as Fannie Bay-The Gardens (835 per km²) having a much lower ratio than that of the other areas of the LCA, such as Stuart Park (2,343 per km²).
25. It is noted 4.4% of LCA's residents were identified as being Indigenous (Aboriginal and/or Torres Strait Islander) which is much lower than the Northern Territory wide figure of 25.7%. This is due to the inner nature of the LCA and LGA compared to the more rural nature of the wider NT. It could also be attributed to the higher cost of living and housing in the CBD area and LCA area which record some of the highest house prices in the NT, especially in the area of Larrakeyah where \$1M+ homes are not uncommon. The lower level of public housing in the LCA may also attribute to the lower level of indigenous residents.

26. The proportion of indigenous residents is nearly six times less proportional than that of the NT. Research shows that the Indigenous population are more likely to be pathological gamblers compared to non-Indigenous people (refer The Productivity Commission Inquiry Report 2010). The LCA's low Indigenous profile could lower the risk associated with problem gambling in the catchment area.
27. Statistical information obtained from this data shows that the LCA has a lower proportion of people with higher level qualifications such as bachelor degrees, graduate qualifications or post graduate degrees when compared to the Northern Territory benchmark. The education profile of the LCA is consistent with the age demographics of the LCA coupled with the majority of the workers employed as managers and professionals (41%) clerical and sales (34%) followed by, tradespersons (14%) and a mixture of employment for the remaining percentages.
28. Household incomes for the LCA can be classed in the fifth highest of the eight income brackets provided. The higher household income indicates a greater proportion of dual income households, which can be more economically resilient when compared to single income households.
29. The CIA also contains information in relation to the Australian Bureau of Statistics' Socio-Economic Indexes for Areas ("SEIFA") which is a product that enables the assessment of the welfare of Australian communities based on census data relating to household income, education, employment, occupation, housing and other indicators of advantage and disadvantage. The CIA states that the SEIFA analysis indicates that the LCA is an area of relative social advantage.
30. There are a number of ways to view the scores from the SEIFA, with one being through the decile score system where a ranking is given from 1 to 10 with 1 indicating that an area is in the bottom 10% of areas or in other words, the most disadvantaged and 10 indicating that the area is in the top 10% of areas thus being the most advantaged.
31. The overall SEIFA score for the LCA was 1,081 slightly higher than the Darwin LGA of 1,044, indicating that the LCA is in an area of relative social advantage. The area of Larrakeyah had the highest score within the LCA of 1,099.
32. The area also has low unemployment; it's currently at 2.4% as at Dec 2015, which is lower than the Darwin LGA of 3.1% and the NT of 4.3%. The unemployment rate within the LCA has remained relatively stable. It is acknowledged that unemployment rates can vary over time due to a range of economic factors.
33. The CIA indicates that within the LCA there are sixteen gaming venues in the area. They are, The Buff Club, Darwin Bowls & Social Club, Darwin RSL Services and Social Club, Darwin Sailing Club (Gaming Machines destroyed but still hold a licence), Darwin Trailer Boat Club, Ducks Nuts Bar & Grill, Globies Tavern, Monsoons, Quality Hotel Frontier Darwin, Rorkes Beer Wine Food, Shenannigans, Squires Tavern, The Cavenagh, The Deck Bar, The Fox Ale House (since closed), the Darwin Hotel and Lizard Bar. This list does not include SkyCity Casino. Many of these venues have or are in the process of applying for additional machines.

34. It is evident that the accessibility to gaming machines by those people residing in the LCA will increase, should this and other similar applications be approved. However, the SEIFA decile scores which identify that the LCA area is generally not regarded as an area of socio-economic deprivation also needs to be taken into consideration in determining whether an increase in accessibility to gaming machines within the LCA will lead to greater harm. It would appear that the profile of the majority of residents living in the LCA does not mirror the profile of those most at-risk of experiencing harm from gambling.
35. Another consideration to take into account is that whilst the gaming machine density would increase should this and other similar applications be approved, the patron source for this venue and others in this area is not restricted to just residents of the LCA. Being located in Mitchell Street, Darwin, it is located in a major entertainment strip in the CBD which attracts large quantities of tourists and people from all suburbs of Darwin, Palmerston and beyond. This places this venue in a position of ease of access to tourists, visitors and office workers, which means that the actual gaming machine density may in fact be lower than current and projected figures if these additional persons were taken into account in gaming machine density calculations. Considerations around problem gambling risk management and responsible gambling strategies implemented by the venue must also be taken into account.
36. The CIA also provides details with respect to the proximity of the premises to sensitive areas such as schools, shopping centres, other community congregation facilities, welfare agencies, banks and pawn brokers. In doing so, the CIA accompanying this application has identified forty one sites all within one kilometre of the venue. This is not surprising when it is considered this venue is in the CBD and is surrounded by shops, office blocks, professional offices pawn brokers, doctors, emergency services, educational facilities, churches and community venues. If restricting the sensitive sites to a 200 metre radius, there are three sensitive sites from the venue. They being, Grow NT (charity focussing on mental health), The Electoral Commission and Clinic 36 (sexual health clinic). Marginally beyond the 200 metre radius is St. Mary's Primary School and The Rudge Drs, specialising in Marriage, family and personal counselling.
37. It should be noted that the venue has co-existed with all these sites for many years without causing any apparent harm to the local businesses or locality. The venue is located on a major public thoroughfare, near to the Darwin Entertainment Centre and is well known to locals and tourists alike. There are several other gaming venues on the same street and within a short distance of this venue, with Wisdom Bar & Café, The Tap on Mitchell and Six Tanks Brewery also applying for a gaming machine licence at the current time. Therefore it could be argued that an additional gaming machine licence and gaming machines will have little impact on the above-mentioned sites.
38. The venue is located in an entertainment area with other existing gaming venues in close proximity. On the basis of the information available above, I am satisfied that the venue's location to be suitable for the operation of gaming machines.

Appropriateness of problem gambling risk management and responsible gambling strategies

39. The CIA states that according to the 2014 report 'Gambling Harm in the Northern Territory: An Atlas of Venue Catchments' which was a report prepared for the Community Benefit Committee through the Department of Business in May 2014, that 84% of residents within the Northern Territory present as non-problem gamblers, with the remaining being of either low, moderate or high risk.
40. Discovery, being a new licence application is not considered in the report referred to in the previous paragraph. Whilst this does not assist in the assessment of this application, I note that in a number of previous CIA's submitted to the Director-General seeking authorisation to increase the number of gaming machines at venues, that the CIA's provided state that caution is suggested in relying on figures provided due to the low level of respondents. As such I do not see that the lack of data in relation specifically to this venue can be considered negatively.
41. The CIA also sets out the policy and procedures underpinning the responsible delivery of gaming services relevant to the venue in some detail. Harm minimisation strategies and measures including exclusion provisions, cash limits, restrictions on cheque cashing and the location of Automatic Teller Machines away from the gaming room are stated to be incorporated at the venue if this application is approved. These are also requirements that must be met to ensure the venue complies with gaming machine audits conducted by Licensing NT officers on a regular basis.
42. If this application is approved, the venue will be required to be compliant with the current Code of Practice for Responsible Gambling in the Northern Territory and there is no indication that the approval of a gaming licence along with 20 gaming machines at the venue would require any amendment or addition to those policies or existing procedures relating to the management and monitoring of gaming. As the gaming machines will be located within The Lost Arc and not Discovery nightclub, this would be no different to other taverns in Mitchell Street that currently have a gaming licence.

Economic impact - contribution to the community, employment creation and significance/reliance of the venue to or on tourism

43. The CIA states that the venue currently employs 56 staff but does not indicate how many are full time or casual. They anticipate that if this application is granted that they will need to employ additional staff to ensure the safe, efficient and responsible administration of gaming facilities and the venue as a whole. No number of anticipated new staff, or whether full time or part time, was provided.

44. The CIA reports that 34 community representatives were contacted to ascertain their views on the potential impact of this application within the LCA. Eight responses were received and of these, five believed it would have a negative impact on the community. The community representatives that replied were; Department of Health & Chairperson of the Aboriginal Foundation NT Ms Rajak, does not consider there will be any impact on the community. She states that the venue "is not full on gambling place- it's more of a social thing" She further states that people will go there to socialise and may have a small flutter but gambling would not be their sole purpose. (NOTE –the author of this report attempted to contact Ms Rajak to ascertain her level of authority within the Department of Health but she was unavailable due to recreational leave. It has been identified that she is the manager of Patient Transport and probably not authorised to speak for and on behalf of the Department of Health. It is recommended that her comments on behalf of the Department of Health be excluded unless endorsed by the CEO of the Department of Health).
45. Darwin High School. Ms Cryer, Assistant Principal, indicates she believes that there will be a negative impact on the local community should the application be granted. She states that the application will have a greater level of access to different modes of gambling to people that have a gambling issue. She further does not support the application due to the proximity of the casino.
46. Employee Assistance Service Association NT. Ms Senjushemko, Manager, considers there will be a negative impact on the community if the application is approved. She identifies that she works in a counselling role and deals directly with families that have gambling issues and are struggling financially. She has seen marriage break ups and the loss of jobs and houses due to gambling addiction.
47. Presbyterian Church, Pastor Buntanson believes there would be a negative impact on the community if the application was granted. He believes that it will negatively influence people by taking money off poor people that are unable to control their addictions. He also mentions that it impacts on home and family life by creating lack of money for those people to spend on the necessities of life and will take a toll on the community taking money from people that can't afford it or control their addiction.
48. YMCA Drop In. Mr Duncan, Manager, considers there will be a negative impact on the community if the application is granted. He states that gaming machines lure addictive people to the hotel to gamble. He further indicates that gaming machines disadvantage families that are on benefits and that are in a lower socio-economic set as they chase the win. He further identifies that machines disadvantage families who lose all their income support. He does not support the application commenting that it disadvantages welfare families and those lower socio-economic groups as they are the ones that gamble the little they have.
49. Dawn House. Ms Crane, Deputy Executive Officer, indicates there will be a negative impact on the community if the application is approved. She believes that it will feed gambling addictions and that there are enough gaming machines already in Darwin. She further states that gaming machines encourage people with problems to lose their money and as a result these people no longer have money to pay their bills.

50. Early Care Darwin City. Ms Roache, Director, considers there will be no impact if the application is approved. She comments that if would not affect the children at the centre, her main concern is the make sure the children are safe.
51. Chamber of Commerce. Mr Bicknell, CEO, considers that there will be no impact if the application is approved. He comments that the location attracts mainly tourists and that it would be a good addition to support the tourist experience. He further expands on concerns as to the actual location of the gaming machines and would have concerns if they were placed in the nightclub and not The Lost Arc.
52. Of the 26 representatives that did not respond, their identities and reasons given on pages 38 and 39 of the CIA indicate they refused, were unavailable or voice messages were left.
53. While the concerns expressed by those organisations that did complete the Community Representative Feedback Survey should be noted and taken into account, they cannot in my view given their generalised nature, be afforded much weight when it comes to making a determination on this matter. It is also noted the restrictive and limited questions asked of the respondents which do not explore the application in any detail.
54. A Patron Survey was undertaken by the venue; however the copies were not included in the CIA. Twelve generalised comments gleaned from the survey indicate mixed support for the application with some in favour, some against and some condition answers. These comments can be found on pages 41 and 42 of the CIA. This is a very small representation of the total patron numbers and little or no weight can be placed on this when determining the application in its entirety.

Business reputation and financial stability of the applicant body corporate and its officers

55. The Applicant took over the premises late 2011. Provided with the application was a copy of the taxation returns for financial years ending 2013, 2014 and 2015 for Mr Mario Madaffari. Also provided were copies of the taxation returns for financial years ending 2103, 2014 and 2015 for Deva Darwin Pty Ltd.
56. The information provided gives comfort that the Applicant has the requisite business skills and acumen to maintain the stable business environment presently demonstrated at the premises.

Fitness and propriety of the applicant and persons able to influence the conduct of the business

57. The Applicant and in particular Mr Madaffari are well known to the Director-General as the current liquor licensee of the premises. Mr Madaffari has provided a recent Criminal History Check, business plan and identification documents in support of this application.
58. Mr Madaffari has significant expertise and experience in the hospitality industry in the Northern Territory and Western Australia.

59. I am satisfied that Deva Darwin Pty Ltd is an appropriate entity to hold a gaming machine licence. I am also satisfied that Mr Madaffari is a fit and proper person to manage the business and affairs of a corporation holding a gaming machine licence.

Written submissions in response to the application

60. As required by section 24A of the Act, notification of the application was advertised in the Northern Territory News on 20 May 2016. Pursuant to the Act, a written submission may be made to the Director-General within 30 days of the notification.
61. No submission was received as a result of the public advertising. However, it is known that Amity Community Services Inc., ("Amity") has provided a generalised submission in the past for other gaming machine applications, which is repeated below for transparency purposes.
62. Amity's submission states that it has been working in the area of gambling for over two decades and their programs are underpinned by a public health model that considers the impact of gambling on the entire community and on all gamblers, not just 'problem gamblers'. The model also focuses on prevention, rather than treatment alone.
63. Amity works predominately in the areas of prevention of and intervention in problem gambling areas by providing extensive training, education, and community liaison and health promotion in consultation with the gambling industry. Amity provides its services throughout the Northern Territory with the aim of implementing harm minimisation strategies for safer gambling.
64. Amity does not support the application to increase the gaming machines generally throughout licensed hotels and clubs in the Northern Territory community. Amity is of the view, based on their review of the balance of research on the issue of gambling outcomes, that an increase in gaming machines in the community will have an overall negative effect on the health, social and economic welfare of at least a proportion of the population of the Northern Territory.
65. Amity submits that there is a plethora of problem gambling research that demonstrates the effects of problem gambling, including adverse effects on physical and mental health and wellbeing, financial stability, relationships, employment and legal issues. Amity submits that problem gambling has been linked to risk factors for family violence and elevated levels of suicide including an increase in accessing homelessness services in the Northern Territory.
66. Amity states that research further indicates that 27% of the adult population in the Northern Territory participate in the use of gaming machines and problem gamblers spend on average \$30 000 per annum. During 2012-13, Amity state that the average net loss by players in community venues (pubs & clubs) in the Northern Territory was \$141 per machine, per day equating to approximately \$50 000 per machine per year.

67. Amity submits that Darwin has a general population of 81,670, including persons below 18 years of age, with 1,191 gaming machines located in the hotels, clubs and the casino which equates to 14.6 gaming machines per 1,000 head of population. Amity states that in 2014, the Australasian Gaming Council indicated that the national average for gaming machines was 11 machines per 1,000 adults indicating a much higher gaming machine density in Darwin compared to the national average. Amity suggests there is a plethora of evidence that demonstrates communities experiencing widespread social and economic problems are those communities with a higher concentration of convenience gambling.
68. Amity also advise that as their primary focus is on service delivery, they do not have the resources to analyse client data specifically in relation to the venue and are therefore unable to comment on the number of individuals that have been counselled by Amity in relation to gambling related issues in the last twelve months.
69. Given that Amity's comments are of a generalised nature in response to their concerns with respect to gambling and its potential negative impacts on a wider community than that contained within the LCA, it is difficult to ascertain the aspects of their concern as they relate specifically to the venue the subject of this application other than Amity are unlikely to support any application for an increase in gaming machines, regardless of which venue may apply. There is no doubt that Amity, like many organisations find allocating resources to submissions such as the one made, difficult however these are generalised statements in relation to the impact of gaming machines and may also be considered by the Applicant as an unjust approach to the assessment of this application. As required by section 24A of the Act, the application was advertised in the Northern Territory News on 31 July 2015. Pursuant to the Act, a written submission may be made to the Director-General within 30 days of the notification. No submissions were received during the relevant period.

Hours and days when the premises are open for the sale of liquor

70. The trading hours for the venue are between 10:00 hours and 04:00 hours, seven days per week.

Size, layout and facilities of the premises

71. The venue has indicated that it will make modifications to the bathrooms, including relocation of those facilities to enable the building of a purpose built gaming room. This will require some changes to the existing licensed area to accommodate the gaming machines.
72. The Applicant advises that the focus of the venue will not change and that it will continue to provide a wide range of food and beverages along with gaming.
73. As written earlier the gaming area will be placed within the existing footprint of the Lost Arc Bar which.

Summary and other considerations

74. The Gaming and Liquor Amendment Bill of 2015 amended the Act to effectively lift the previously imposed cap on authorisations of gaming machines in licensed hotels, taverns and clubs in the Northern Territory. At the time of introducing the amendments, the Minister for Racing, Gaming and Licensing noted that the arbitrary Territory-wide cap was abolished in favour of a rigorous community impact assessment process for new applications and for applications seeking additional gaming machines.
75. In terms of the requirements of the Act, the Applicant the subject of this decision has presented a well prepared application with strong supporting evidence indicating that this application meets the requirements of the Act. The Applicant has also presented a well-documented Responsible Gambling Manual.
76. The comprehensive CIA prepared for the purpose of this application raises no issues specific to the Applicant that would support the rejection of the application. I am satisfied that the Applicant in this instance has in place policies and procedures that will have the effect of minimising the harms associated with gambling generally and the use of gaming machines specifically at the venue under consideration.
77. In addition, the Applicant is known to have a good track record in venue management, both in terms of its existing liquor licence and experience in management positions with other licensed premises. As evidenced by the Applicant's submissions in support of the application, including the content of the CIA, the Applicant intends to incorporate strategies aimed at reducing gaming-related harm if the application is approved. It must also be noted that there were no submissions lodged with the Director-General opposing the grant of a gaming machine licence or reflecting in a negative way on the bona fides of the Applicant.

Number of gaming machines

78. The Applicant does not currently hold a gaming machine licence and, under this application, has applied for a licence authorising the use of 20 gaming machines.
79. Regulation 3 of the Regulations sets the maximum number of gaming machines for a Category 1 licensed premise at 20. As the Applicant is the holder of a licence issued under the *Liquor Act* endorsed AUTHORITY – TAVERN, which is defined under section 3 of the Act as a hotel liquor licence, the premises are considered to be a Category 1 licensed premise pursuant to 2(2)(a) of the Regulations.
80. As such, the Applicant is able to apply for authority for a maximum of 20 gaming machines. I am satisfied that the number of gaming machines applied for falls within the statutory limit of 20 gaming machines.

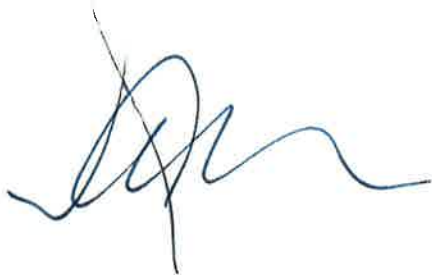
Decision

81. For the reasons set out above, and in accordance with section 25 of the Act I have determined to grant the application lodged by Deva Darwin Pty Ltd for a gaming machine licence authorising the use of 20 gaming machines to be located at the premises known as Discovery/Lost Arc.

82. The 20 gaming machines authorised by this decision will be included in the schedule attached to the licence in which each individual gaming machine is identified and authorised for use. The schedule will be prepared upon submission by the Applicant of the details pertaining to the 20 gaming machines once purchased.

Review of Decision

83. Section 8 of the *Licensing (Director-General) Act* prescribes a delegate decision is a decision, under any Act, of the Director-General that is made by a delegate of the Director-General. The Director-General delegated the determination of applications made under Section 25 of the *Gaming Machine Act* by instrument to the person from time to time holding, acting in or performing the duties of the position in the Department of Business specified in Schedule 2 of that instrument. This decision was made by a person referred to in that schedule. Section 10 of the *Licensing (Director-General) Act* provides that an affected person for a delegate decision may apply to the Director-General for a review of the decision. This application for review must be made within 28 days after written notice of the delegate decision is given to the affected person, or within any additional time that the Director-General allows. Section 9 of the *Licensing (Director-General) Act* prescribes an affected person for a delegate decision to be the applicant for the increase in gaming machines and a person who made a submission, complaint or objection (however described) during the process that resulted in the decision being made
84. Accordingly the affected persons in relation to this matter are Deva Darwin Pty Ltd and Amity Community Services Incorporated.



Mark Wood
A/Deputy Director-General (Operations)

22 August 2016