

NORTHERN
TERRITORY
LICENSING
COMMISSION

2009-10 Annual Report

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NORTHERN TERRITORY LICENSING COMMISSION

GPO Box 1154
Darwin NT 0801

1st Floor Enterprise House
Cnr Knuckey and Woods Street
Darwin NT 0800

Telephone: (08) 8999 1826
Facsimile: (08) 8999 6232

Email: licensingcommission@nt.gov.au

The Hon Delia Lawrie MLA
Minister for Racing, Gaming and Licensing
Parliament House
State Square
DARWIN NT 0800

Dear Minister

RE: ANNUAL REPORT 2009-2010

In accordance with the requirements of Section 21 of the *Northern Territory Licensing Commission Act*, I submit to you the Annual Report on the performance of the activities and operations of the Northern Territory Licensing Commission for the year ending 30 June 2010.

Also included for the record are details of the activities of the Northern Territory Racing Commission.

Yours sincerely



Richard O'Sullivan
CHAIRMAN

17 September 2010

Chairman's Message



Richard O'Sullivan,
Chairman

The high levels of sale and consumption of alcohol in the Northern Territory continue to generate harm within the community. Evidence available to the Commission indicates that while there are issues with the regulated sale of alcohol on licensed premises, particularly late night and night club premises, the greater level of alcohol-related harm is attributable to takeaway sales. The moratorium on the issue of new takeaway licences continues to have a positive effect.

In 2009-10 there were a total of 491 full Liquor Licences on issue, together with 131 Special Continuing Licences (generally issued to not-for-profit bodies and sporting clubs). In total there were 622 permanent licences in operation in the year, a decline from 2008-09 when 706 were on issue. Over the year there was an increase in Special Liquor Licences issued (largely for one-off events) from 340 to 458.

During hearings conducted throughout the year and in the review of the Alice Springs 'dry town' and alcohol restrictions, a number of submissions were made calling for wet canteens in communities to be investigated, including appropriate management structures and operational guidelines. These calls applied particularly to Central Australia, where currently there are no licensed community clubs.

New alcohol restricted areas were declared during the year and under the *Liquor Act* these restricted areas may enable the issuing of liquor permits. These permits largely allow the consumption of alcohol in the home under various conditions and include tailored allowances of both the volume and strength of alcohol able to be purchased by permit holders. Usually these permits are issued on an annual basis. As at 30 June 2010 there were 11,080 permits on issue, with a great number of these operating in the East Arnhem, Gove and Groote Eylandt areas.

The permit system underpins alcohol management in many communities and its effective operation is critical to community wellbeing. On the basis of problems with the permit system in operation at Maningrida, in January 2010 the Commission suspended all liquor permits at Maningrida while a more orderly, effective and better governed system of alcohol distribution was devised. To improve the operation of permits throughout the Territory, the Commission, in conjunction with the Department of Justice, commenced a comprehensive review of how permits are issued, what conditions should apply, on what basis permits are revoked and how a former permit holder can appeal his or her permit revocation.

There has been a substantial increase in applications from licensed premises for material alterations. Essentially, most are to enable the premises to meet changes to smoking laws. Thirty-seven applications for material applications were processed during the year, with the Commission frequently waiving the requirement to advertise the application where the alterations have been predominantly to meet the new smoking law provisions. A system for the fast tracking of applications was implemented to enable smoking law-related building applications to be on-forwarded to the Commission for its approval rather than through separate application.

In September 2009 the Commission commenced consultations over restrictions and/or banning the sale of four and five litre cask wines in Darwin, Palmerston and rural areas. Such bans on sales are already in place across most of the Territory. In total, the Commission received 34 submissions, met with 14 organisations and conducted public forums in Darwin, Palmerston, Howard Springs and Batchelor. On 22 June 2010, a meeting of the full Commission determined to place a ban on the sale of four and five litre cask wines in the areas under review, thereby effectively extending the ban on such products throughout the whole of the Territory. At the time, the Commission determined to announce its decision in concert with the announcement of wider alcohol reforms and alcohol management plans for Darwin and Palmerston, expected in August 2010.

The Commission wishes to place on record its appreciation for the assistance of various government agencies involved in alcohol issues throughout the year and the cooperative and consultative arrangements facilitated by industry bodies.

A handwritten signature in black ink, appearing to read 'Richard O'Sullivan'.

Richard O'Sullivan
CHAIRMAN

Licensing Commission Overview

THE COMMISSION

The Northern Territory Licensing Commission is an independent statutory authority with extensive powers to regulate Territory racing, gaming, liquor and private security through related licensing legislation.

The Commission was established on 14 February 2000 by the *Northern Territory Licensing Commission Act* (the Act), and replaced several individual statutory authorities. The Commission operates as an independent tribunal with responsibility for licensing and related matters covering liquor control, kava management, private security, totalisators, escort agencies and gaming machines. The Chairperson and up to five Members of the Commission also comprise the full membership of the Racing Commission.

The Commission, as an independent statutory authority, is supported in its functions by the Department of Justice and the Licensing, Regulation and Alcohol Strategy Division. The Division supports the Commission through investigating complaints, monitoring venues, enforcing liquor laws and compiling reporting.

The Act requires the Commission to prepare a report to the Minister for Racing, Gaming and Licensing at the end of each financial year detailing the Commission's operations during the year.

MEMBERS OF THE COMMISSION

Members are appointed to the Licensing Commission by the Minister for Racing, Gaming and Licensing. The term of appointment extends to three years with provision for re-appointment.

Licensing Commission Members as 30 June 2010 were:

Mr Richard O'Sullivan (Chairperson)*

Mr Philip Timney (Legal Member)*

Ms Jane Large

Mr John Brears*

Ms Helen Kilgariff

Ms Kerri Williams

Mr Wally Grimshaw*

Mr Paul Fitzsimons*

Mr Micheil Brodie (Executive Director, Licensing, Regulation and Alcohol Strategy)*

* Denotes membership of the Racing Commission pursuant to the *Racing and Betting Act*.

The Legal Member and Executive Director are Northern Territory Public Sector employees. All other members receive sitting fees and allowances in accordance with rates determined by the *Remuneration (Statutory Authorities) Act*.

LEGISLATION

The Commission is a body corporate that operates as an administrative authority and quasi-judicial tribunal, with responsibility for related matters in accordance with the requirements of the following legislation:

- *Northern Territory Licensing Commission Act*
- *Liquor Act*
- *Kava Management Act*
- *Private Security Act*
- *Totalisator Licensing and Regulation Act*
- *Gaming Control Act*
- *Gaming Machine Act*
- *Prostitution Regulation Act*
- *Racing and Betting Act* (as the Racing Commission)
- *Tobacco Control Act*

FUNCTIONS AND POWERS OF THE COMMISSION AND THE CHAIRPERSON

Section 5 of the *Licensing Commission Act* sets out the Commission's powers and functions and section 7 of the Act refers to the role, functions and powers of the Chairperson.

COMMISSION PROCEDURES

The majority of matters considered by the Commission arise from reports submitted by the Director of Licensing. The Director of Licensing investigates all valid applications, complaints and objections and provides appropriate reports to the Commission.

Major decisions and determinations are made by the Commission through a full corporate meeting or a meeting of a quorum selected by the Chairperson. The Commission maintains records and minutes of all meetings and publishes full written reasons for the majority of its decisions arising from hearings on its website.

Many of the functions are delegated by the Commission at its discretion. Delegates include the Chairperson, the Director of Licensing, Deputy Directors of Licensing, designated staff of Licensing, Regulation and Alcohol Strategy, and individual Commission members. All decisions made by delegates are decisions of the Commission, for which it bears ultimate responsibility.

COMMISSION BUSINESS

The Commission conducts regular meetings to determine issues across the range of its legislative responsibilities. In addition, special meetings of membership quorums and other groupings of members are conducted on an 'as needs' basis in relation to specific and often urgent matters.

Hearings are conducted by panels of members selected by the Chairperson. Under the *Liquor Act*, hearing panels may comprise one or three members. The Commission attempts to conduct all hearings at or near the location where the matter originated. Hearings are often conducted on-site in regional towns and remote communities.

HEARINGS AND MEETINGS 2009-10

Table 1: Type, Number and Duration of Hearings and Meetings conducted during 2009-10

Type of Hearing/Meeting	Hearings and Meetings		Hearings and Meetings No. of Days	
	2008-09	2009-10	2008-09	2009-10
Scheduled monthly Commission meetings	9	8	10	11
Special Commission meetings	1	16	1	16
Community Liaison Events	2	6	3	6
Escort agency meetings	0	0	0	0
Private Security Inquiries / Reviews	8	4	8	6
Review of Public / General Restricted Area	1	4	1	4
Seized Vehicle Reviews	4	0	4	0
Conferences attended	3	3	9	6
Hearings	60	56	78	64
TOTAL	88	97	114	113

Note: Does not include consultations with individual persons, organisations and public and community meetings.

LIQUOR LICENSING

The *Liquor Act* requires the Commission to make decisions and, where necessary, conduct hearings in a range of circumstances. Important objects guiding the Commission when granting new liquor licences or dealing with complaints against existing Licensees are the protection of community amenity and the minimising of harm. In its normal course of business, the Commission conducts public hearings into new liquor licence applications where objections have been lodged and for any unresolved complaints against existing Licensees.

LIQUOR-RELATED HEARINGS 2009-10

Table 2: Summary of Liquor-Related Hearings conducted during 2009-10 in comparison to 2008-09

Nature of Hearings	2008-09	2009-10
Application for a restricted area	0	3
Application for the grant of a liquor licence	6	5
Complaint pursuant to section 48 – breach of <i>Liquor Act</i>	20	16
Complaint pursuant to section 48 – (other – eg. noise) of <i>Liquor Act</i>	2	3
Section 124AAA (additional penalty) of the <i>Liquor Act</i>	3	4
Application to cancel liquor licence	4	6
Application to vary conditions of liquor licence	3	4
Application to substitute premises	0	0
Transfer of liquor licence	1	0
Requests by Licensees for review of licence conditions	2	2
Application or Reviews into Public Restricted Area	1	4
Reviews into Permit Application Revocations	0	7
Seized vehicle hearings	0	0
Seized vehicle reviews	4	0
Other	1	0
TOTAL	47	54

LIQUOR HEARING DECISIONS 2009-10

Table 3: Liquor Hearing Decisions for the 2009-10 period

Nature of Hearing	Venue	Decision Date	Decision For details see http://www.nt.gov.au/justice/commission/decisions.shtml
Cancellation of Licence	Green Park Tourist complex	01/07/09	APPROVED
Variation of Licence Conditions	Monsoons	03/07/09	REFUSED
Cancellation of Licence	Mabuhay Restaurant	08/07/09	APPROVED
Determination whether Licensee is Fit and Proper and Whether Licence should be Cancelled s72(1)(b) and (d) - <i>Liquor Act</i>	Good Fortune Take-Away Mini Mart	09/07/09	LICENCE NOT CANCELLED Extra conditions added to licence
Variation to Liquor Licence conditions s32A – <i>Liquor Act</i>	Pine Creek Hotel	17/07/09	APPROVED
Complaint pursuant to section 48, s110	Wycliffe Well Store	20/07/09	PROVEN PENALTY (Two day suspension of takeaway component of licence)
Complaint pursuant to section 48, s121 - <i>Liquor Act</i>	Warnkurr Sports and Social Club	23/07/09	PROVEN Stern letter of reprimand
Additional penalty following court conviction section 124AAA – <i>Liquor Act</i>	Beachfront Hotel	27/07/09	PROVEN PENALTY (One day suspended Suspension imposed)
Application for Grant of Liquor Licence	Waterfront Signature Restaurants	30/07/09	APPROVED WITH CONDITIONS

Nature of Hearing	Venue	Decision Date	Decision For details see http://www.nt.gov.au/justice/commission/decisions.shtml
Objections to Grant of New Liquor Licence	Coolalinga Brewery	07/08/09	Valid Objections – Proceed to Hearing
Review of Alcohol Supply Measures	Elliott	01/08/09	Section 33 Notices Issued Varying Licence Conditions
Review of Declaration of Public Restricted Area and Alcohol Supply Measures	Alice Springs	12/08/09	Public Restricted Area and Alcohol Supply Measures to Remain the Same
Complaint pursuant to section 48, section 110 - <i>Liquor Act</i> Preliminary Issues	Victoria Hotel	25/08/09	Case to Answer – Proceed to Hearing
Directions Hearing for New Liquor Licence	Darwin City Waterfront	26/08/09	Proceed to Hearing in October 2009
Review of Hours of Liquor Supply	Pine Creek and Mataranka	01/09/09	Section 33 Notices Issued Varying Licence Conditions
Objections to Material Alterations to Liquor Licence	Globetrotters Lodge	03/09/09	Valid Objections – Proceed to Hearing
Cancellation of Licence	Bella Amore Restaurant	29/09/09	APPROVED
Complaint pursuant to section 48, 31A and 110	Mac's Liquor – Alice Springs	30/09/09	PROVEN Proceed to Penalty Hearing
Complaint pursuant to section 48, S110	The Victoria Hotel	29/10/09	PROVEN PENALTY (One day suspension)
Application for General Restricted Area	Pine Hill Station Aileron Station	02/11/09	APPROVED
Complaint pursuant to section 48, 106B	Lasseters Casino	10/11/09	PROVEN PENALTY(suspension imposed fully suspended)
Complaint pursuant to section 48, 121	Mataranka Hotel	13/11/09	PROVEN PENALTY (Two day suspension on a Wednesday and Thursday)
Cancellation of Licence	Starvin'	26/11/09	APPROVED
Application for Variation of Licence	Waterfront Signature Restaurants	30/11/09	CONDITIONAL APPROVAL
Complaint pursuant to section 48, 31A, 110	Mac's Liquor Alice Springs	01/12/09	PROVEN PENALTY (One day suspension on a Thursday)
Objection to Variation of Licence Conditions Request for Hearing section 33(2)	Mobil Elliot and Renner Springs	01/12/09	Mobil Elliot – Some Variations APPROVED Renner Springs – NOT APPROVED
Complaints pursuant to section 48, 102, 106A, 110, 118, 121	Nguiu Club	08/12/09	PROVEN PENALTY (Four day suspension and must introduce ID system)
Additional penalty following court conviction section 124AAA – <i>Liquor Act</i>	Daly River Roadside Inn	17/12/09	PROVEN PENALTY (One day suspended suspension imposed)
Application for Grant of Liquor Licence	Darwin City Waterfront	17/12/09	APPROVED
Application for Grant of Liquor Licence	Coolalinga Brewery	24/12/09	PRELIMINARY DECISION: PUBLIC HOTEL NOT APPROVED ON LICENCE APPROVED
Proposed Sale and Lease section 49(1)(c)(v)(C) <i>Gaming Machine Act</i> Section 25(2) <i>Liquor Act</i>	Federal Sports Club	30/12/09	APPROVED
Complaint pursuant to section 48	Katherine Club	30/12/09	DIRECTION GIVEN S65(c)
Application for Grant of Provisional Liquor Licence	Berry Springs Hotel	29/01/10	PROVISIONAL LICENCE APPROVED
Application for Grant of Conditional Liquor Licence	Cavenagh Street Motel	19/02/10	CONDITIONAL LICENCE APPROVED
Additional penalty following court conviction section 124AAA – <i>Liquor Act</i>	Goldfields Hotel	19/02/10	PROVEN PENALTY (One day suspension imposed)
Objections to Variation of Licensed Area	BP The Gap Service Station	22/02/10	Valid Objections Proceed to Hearing

Nature of Hearing	Venue	Decision Date	Decision For details see http://www.nt.gov.au/justice/commission/decisions.shtml
Public Restricted Area Review	Darwin - Nightcliff	24/02/10	Public Restricted Area Remains Unchanged
Objections to Variation of Liquor Licence and Extension of Licensed Area	The Lazy Lizard Caravan Park	01/03/10	Valid Objections – Proceed to Hearing
Revocation of Liquor Permits	Ali Curung	02/03/10	All Liquor Permits in Ali Curung Revoked
Objections to Grant of Tavern Licence	Fiddler's Green	08/03/10	Valid Objections Proceed to Hearing
Public Restricted Area Application	Daly River	13/05/10	APPROVED
Complaints pursuant to section 48, 106C	Gray Supermarket	26/05/10	PROVEN PENALTY (Five days suspension imposed)
Cancellation of Licence	Tyeweretye Social Club	31/05/10	APPROVED
Complaints pursuant to section 48, 31A(5a)	Stuart Hotel	17/06/10	PROVEN PENALTY (Letter of Reprimand)
Application for Grant of Liquor Licence	Fiddler's Green	18/06/10	APPROVED

COMPLAINTS AGAINST LICENSED PREMISES

The *Liquor Act* makes provision for complaints to be made against a licensed premise in relation to the following matters:

- the conduct of the business at licensed premises,
- the conduct of the Licensee in relation to the business of a licence, or
- that the Licensee is not a fit and proper person.

The *Liquor Act* requires all complaints to be in writing, to be lodged with the Director of Licensing and to be signed by the person lodging the complaint. The Director of Licensing is required to investigate all complaints and to provide Licensees with the opportunity to respond. Although there are some complaints that allow the Director of Licensing the opportunity to informally mediate, a number of complaints proceed to hearing.

Table 4: Complaints received and actions taken during 2009-10 in comparison to 2008-09

Liquor Complaints Received and Action Taken	2008-09	2009-10
Complaints investigated, but no further action warranted	3	3
Licences cancelled following complaint	0	0
Licences suspended due to breaches of licence conditions (section 66 (1)(b))	10	9
Complaints heard and finalised without licence suspension	12	4
Complaints withdrawn	0	0
TOTAL	25	16

LIQUOR LICENCES ISSUED

Table 5A: Number of Full Liquor Licences (ie excluding special and continuing specials*) in existence as at 30 June 2010 in comparison to 30 June 2009.

Liquor Licences as at 30 June	2008-09	2009-10
TOTAL	495	491

Table 5B: Number of new Full Liquor Licences issued during 2009-10 in comparison to 2008-09 (by Category)

Categories	2008-09	2009-10
Public Hotel	3	0
Private Hotel	0	0
Tavern	1	1
Restaurant	6	7
Vessel	2	0
On Licence	7	5
Liquor Merchant	0	0
Off Licence	0	0
Roadside Inn Un-serviced	0	0
Roadside Inn Serviced	0	0
TOTAL	19	13

CANCELLATION OF LICENCE

Cancellation of a liquor licence usually occurs due to the premises not having been used for the sale or supply of liquor for a period of 90 days. Cancellation can also occur on the grounds that:

- the Licensee is no longer a fit and proper person to hold the licence;
- the Licensee has been found guilty of an offence against the *Liquor Act*;
- the Licensee is serving a term of imprisonment; or
- the Licensee has failed to comply with the condition of his or her licence.

The Commission may also cancel a licence on the grounds that the premises no longer meets the needs or wishes of the community, but cancellation on this ground is subject to the payment of compensation.

The Commission is required to conduct a hearing before cancelling a licence on any grounds.

Table 6: Liquor Licences cancelled during 2009-10

Cancelled Date	Premises
01/07/2009	Green Park Tourist Complex
08/07/2009	Mabuhay Restaurant
29/09/2009	Bella Amore Restaurant
26/11/2009	Starvin'
31/05/2010	Tyeweretye Social Club

SURRENDER OF LICENCE

The *Liquor Act* enables a Licensee to voluntarily surrender a licence. The surrender has no effect until accepted by the Commission, which must first satisfy itself that all interested persons have been given at least two weeks' notice of the Licensee's intention to surrender the licence. The person whose licence is surrendered remains liable for an act or omission done, caused, permitted or made by him or her prior to the surrender, and for any liability incurred prior to the surrender.

Table 7: Liquor Licences surrendered during 2009-10

Surrendered Date	Premises
09/07/2009	Frontier Camel Farm
17/09/2009	Waratah Sports Club
30/09/2009	QC Restaurant
02/10/2009	Alice Springs Plaza Hotel
26/10/2009	Mediterranean All Suite Hotel
02/11/2009	Charlies Restaurant
05/01/2010	Golden Inn Restaurant
11/01/2010	Regent Food Court
10/02/2010	Loon Fong Seafood Restaurant

SUSPENSION OF LICENCE

Liquor licences may be suspended as penalty for breaches of the *Liquor Act* or licence condition or for non-compliance with directions issued by the Commission. The Commission can only suspend a licence when it is satisfied that the breach is of sufficient gravity to justify suspension or in cases where the premises are not open for the sale or supply of liquor. The *Liquor Act* allows for the immediate suspension of a licence in an emergency or pending investigation of a complaint. Such suspensions would normally be at the request of the Police during a cyclone, major flood or civil disturbance.

Table 8: Licences suspended during 2009-10 and Reason for Suspension

Suspension Date	No of Days	Reason	Premises
03/07/2009	Indefinitely	66(1)(c)	Lewinsky's Restaurant
06-08/08/2009	2 days	66(1)(b)	Wycliffe Well Store
07/08/2009- 06/02/2010	6 months	66(1)(c)	The Coffee Club
23/10/2009	Indefinitely	66(1)(c)	Charlies Restaurant
14/11/2009	1 day	66(1)(c)	Central Australian Football League Inc
18/11/2009	1 day	66(1)(b)	The Victoria Hotel
18-19/11/2009	2 days	66(1)(b)	Mataranka Hotel
24/11/2009	Indefinitely	66(1)(c)	Flavours of India
01/12/2009	3 months	66(1)(c)	Comfort Inn Outback Alice Springs
03/12/2009	1 day	66(1)(b)	Mac's Liquor – Alice Springs
1, 2, 5, 6/02/2010	4 days	66(1)(b)	Nguiu Club
07/01/2010	Indefinitely	66(1)(c)	Golden Inn Restaurant
18/01/2010	Indefinitely	66(1)(c)	Keller's Restaurant
04/02/2010	Indefinitely	66(1)(c)	Timber Creek Wayside Inn
08-15/02/2010	7 days	66(1)(c)	Central Australian Football League
11/03/2010	1 day	66(1)(b)	Goldfields Hotel
12/03/2010	1 day (Takeaway only)	66(1)(b)	Goldfields Hotel
05/04/2010	4 Hours	66(1)(b)	Annie's Place
30/04/2010	Indefinitely	66(1)(c)	Comfort Inn Outback Alice Springs
30/04/2010	Indefinitely	66(1)(c)	The Wet Mess, Tanami Goldmine
12/05/2010	Indefinitely	66(1)(c)	Good Fortune Take-Away and Mini Mart
24/05/2010	Indefinitely	66(1)(c)	Bluegrass Restaurant
15-19/06/2010	5 days	66(1)(b)	Gray Supermarket

Note: *Liquor Act* sections:

66 (1)(b) Breach of *Liquor Act*

66 (1)(c) Licence not being used

TRANSFER OF LICENCE

The *Liquor Act* enables a Licensee to transfer a licence to another person. The transfer does not take effect until the Commission authorises the transfer and the Director of Licensing issues a certificate of transfer. The conditions of the licence are not affected by the transfer. The person whose licence is transferred shall cease to be a Licensee, but shall remain liable for an act or omission done, caused, permitted or made by him or her prior to the transfer.

Table 9: Liquor Licences transferred in 2009-10

Transfer of Licences	Premises
01/07/2009	Lazy Lizard Caravan Park
08/07/2009	The Arch Rival Bar and Grill
08/07/2009	Nirvana Restaurant
04/08/2009	Oscars Café
18/08/2009	Batchelor Butterfly Farm and Restaurant
09/09/2009	Malandari Store (formerly Borroloola Bulk Discounts)
23/09/2009	Timber Creek Hotel
29/09/2009	Bark Hut Inn Tourism Centre
16/10/2009	Lewinsky's Restaurant
22/10/2009	Top End Hotel
22/10/2009	Quality Hotel Frontier Darwin
27/10/2009	Kings Canyon Resort
04/11/2009	Chifley Alice Springs Resort
17/11/2009	Diggers Den
26/11/2009	Mataranka Hotel
30/11/2009	JimLori Retreat
12/01/2009	Heartbreak Hotel
26/02/2010	The Dustbowl
04/03/2010	Beagle Motor Inn
20/04/2010	Wycliffe Well Store
21/04/2010	Litchfield Tourist and Van Park
05/05/2010	Table Forty Three (formerly The East West Restaurant)
06/05/2010	Wanguri Supermarket
17/06/2010	Douglas Daly Park
24/05/2010	The Lane Cafe

LICENCE CONDITION VARIATIONS

A Licensee may apply to the Commission for a variation of the conditions of their licence. The Commission may conduct a hearing in relation to the application if it considers it to be in the public interest.

Table 10: Licence Condition variations approved during 2009-10

Premises	Licence Condition Variations
Pine Creek Hotel	Variation of Licence Conditions – Authority changed form Roadside Inn to Public Hotel
Palms City Resort	Variation of Licence Conditions and Extension of Trading Hours
Oscars Café Restaurant	Variation of Licence Conditions to allow consumption of liquor without purchase of a meal
Elkira Court Motel	Variation of licence hours and extension of licence area
Rum Jungle Tavern	Application for takeaway component of Tavern Licence
QC Restaurant	Variation of Licence to an ON Licence
Pine Creek Hotel	Change Authority to Hotel
Dugong Beach	Allow Permit Holders to Consume on Premise
Livingston Recreation Reserve	Extended Licence hours
Alyangula Golf Club	Extended Licence hours
Palms City Resort	Include function conditions
Crocosaurus Cove	Extended Licence hours
Crossways Hotel	Include Takeaway Bush Orders Outside Hours
Darwin Airport Terminal	Sale of Darwin Stubby from International Kiosk
Gove Country Golf Club	Extended Licence hours
Landmark Katherine	Include Takeaway Bush Orders Outside Hours
Mac's Liquor Katherine	Include Takeaway Bush Orders Outside Hours
Winnellie Hotel	Extended Licence hours
Noonamah Tavern	Extended Licence hours
Ayers Rock Resort Residents Club	Camera Surveillance Requirement Special conditions – the word “of” should be changed to “or”
Fernanda's	Insert Good Friday and Christmas Day Trading condition
Tennant Creek Hotel	Removal of Sparkling Wines condition
Barkly Homestead	Bush Order condition
Annie Place	Combine all licensed area into one licensed area with the same meal conditions and reduced trading hours
Wycliffe Well Store	Amended Takeaway Restriction condition
Crowne Plaza Alice Springs	Include outdoor courtyard decking trading hours
Alice Springs Memorial Club	Amend licence to include all renovations, area and vary trading hours
Sails in the Desert	Add Mini Bar condition Vary Bona Fide Lodgers condition
Outback Pioneer Hotel	Add Mini Bar and Room Service Condition
Desert Gardens Hotel	Amend name of restaurant to White Gums Restaurant / Arrnguli Grill Restaurant
Desert Oaks Motel	Camera Surveillance Requirement

MATERIAL ALTERATIONS

The *Liquor Act* requires a Licensee to obtain the approval of the Commission to make a material alteration to the premises. An application must be lodged with the Director of Licensing with supporting documentation including a copy of the plans and specifications for the alteration. The Commission considers the application in accordance with the objectives of the Act and the interests of the community. Where unauthorised alterations are made to a licensed premise, the Commission may direct that the alteration is removed and the premise is restored to a satisfactory condition.

Changes to the *Tobacco Control Act* commenced on 2 January 2010. The Commission recognised that these changes were likely to require liquor licensees to advertise alterations to licensed premises twice, before seeking the necessary approvals from the Development Consent Authority and the Commission. For the purpose of obtaining material alteration approval under the *Liquor Act*, the Commission has waived the requirement to advertise material alterations of licensed premises where advertising is being conducted for development consent purposes, and where the Commission is satisfied that the sole purpose of the alteration is to comply with the *Tobacco Control Act*.

Table 11: Approved Material Alterations to Licensed Premises in 2009-10

Premises	Alterations Undertaken
Airport Hotel	Alterations to the public bar including outdoor smoking area.
Alice Springs Memorial Club	Substantial refurbishment of premises including new café area, conference room, TAB and gaming room and outdoor smoking area.
Alyangula Recreational Club	Substantial refurbishment to bistro, gaming and alfresco dining areas and creation of new sports bar.
Casuarina All Sports Club	Outdoor smoking area and changes to gaming area and bistro.
Cazalys	Outdoor smoking area.
Crossways Hotel	Renovate the area formally known as the Front Bar.
Crown Plaza Alice Springs	Outdoor smoking area.
Darwin Railway Sports and Social Club	Internal alterations following a fire at the premises.
Dowlings Parap Village Tavern	Outdoor smoking area and changes to gaming area.
Globetrotters	Outdoor smoking area.
Golf Links Motel	Installation of external bar.
Gove Yacht Club	Installation of permanent structure over BBQ.
Hayes Creek Inn	Alterations to separate dining area and outside smoking area.
Hibiscus Tavern	Outdoor smoking area and extension of Alfresco Dining Area and changes to gaming area.
Jabiru Golf Club	Outdoor smoking area.
Katherine Country Club	Outdoor smoking area and changes to gaming area.
Katherine Motel	Fence existing outdoor smoking area.
Kitty and the KO Sports Bar	Installation of air lock doors to rear of premises.
Kitty and the KO Sports Bar	Relocation of TAB facilities from Kitty's to KO Bar.
Lasseters Hotel Casino	New Asian style restaurant within premises.
Litchfield Hotel	Alterations to kitchen and installation of an ablution block.
Litchfield Hotel	Outdoor smoking area.
Monsoons	Extension of Alfresco dining Area.
Novotel Atrium Darwin	Refurbishment of the Zest Terrace space.
Palmerston Sports Club	Outdoor smoking area.
Palmerston Sports Club	Relocation of the Palmerston RSL Club to the Angels Function Room.
Palmerston Tavern	Substantial alterations to existing outdoor area.
Plaza Karama Tavern	Substantial alterations to premises including outdoor smoking area.
Shenannigans	Installation of open doors to Alfresco area.
Sky City	Outdoor smoking area.
The Fox Ale House	Substantial alterations to premises.
Timber Creek	Substantial alterations to premises including outdoor smoking area.
Top End Hotel	Internal alterations.
Town and Country Tavern	Extension of the licensed area and alterations.
Tracy Village Social and Sports Club	Substantial alterations to premises including outdoor smoking area.
Tracy Village Social and Sports Club	Inclusion of new licensed areas.
Walkabout Tavern	Alterations to internal area.

SPECIAL LIQUOR LICENCES

Special Liquor Licences are generally for the purpose of 'one-off' events although these may occur on an annual basis, such as the Darwin Beer Can Regatta. Applications for special licences are usually made by service and sporting clubs or by community organisations wanting to fundraise. Staff employed to work serving alcohol at these events are generally volunteers or club members. Special Liquor Licences are subject to adequate safety and security provisions and any special conditions as specified by the Commission.

Table 12: Total Special Liquor Licences issued in 2009-10 in comparison with 2008-09

Special Liquor Licences Issued	2008-09	2009-10
TOTAL	340	458

CONTINUING SPECIAL LICENCES

Continuing Special Licences are subject to a number of conditions including maximum trading hours of 30 hours per week. Continuing Special Licences are generally for the purpose of regular repeated events such as social clubs and specialised entertainment venues such as Browns Mart. Conditions are tailored to the nature and purpose of the licence and the majority of staff employed in the service of alcohol are generally volunteers or committee members.

The Director of Licensing holds the delegation to approve Continuing Special Licences and they are only referred to the Commission in special circumstances or to review the Director's decision.

Table 13: Total Continuing Special Liquor Licences issued in 2009-10 in comparison with 2008-09

Continuing Special Liquor Licences Issued	2008-09	2009-10
TOTAL	211	131

Table 14: Special Events Permits received in 2009-10 in comparison with 2008-09

Special Event Permits Received for Public Restricted Area	2008-09	2009-10
TOTAL	129	115

LIQUOR PERMITS

The Commission may grant permits to residents of and visitors to some alcohol restricted areas. Liquor permits allow the holder to possess, control and consume liquor within the restricted area. Permits are often restricted to a class, category or amount of liquor. The Commission regularly delegates initial assessment of permit applications to a local committee with a constitution approved by the Commission. A permit is revoked when a holder fails to comply with or breaches a condition of their permit. Permits are normally revoked at the request of local police, both in individual cases or where a blanket revocation is necessary to meet an emergency situation. Generally, permits are current for one year and need to be renewed annually.

Due to the number of restricted areas which contain permit holders (some 21 communities have specific permit committees or endorser groups), a review is currently being undertaken to examine all existing processes at a community and application level.

The review comprises a presentation of community-specific application processes in order to provide a basis for a more standardised framework relating to such permits. The stakeholders of a permit assessment vary from region to region, and the intention is to ensure that information and support is provided to all stakeholders and networks to facilitate greater community compliance and understanding.

The Licensing Commission recognises the importance of community groups having input and providing advice relating to their community and access to alcohol. As such, the Licensing Commission intends to provide community groups and committees with clear definitions and structured processes to assist them in providing this advice.

Additional support to community groups is also provided by Licensing, Regulation and Alcohol Strategy officers, through processing, administrative support and support to governance committees.

Table 15: Liquor Permit activity for Restricted Areas for 2009-10 in comparison with 2008-09

Permits	2008-09	2009-10
Issued	9,550	11,292
Revoked	156	113
Cancelled	1	99
TOTAL in effect	9,393	11,080

EAST ARNHEM – LIQUOR PERMIT SYSTEMS

Alcohol management systems in the East Arnhem region are proving to be an effective way to better manage alcohol at a community level.

Groote Eylandt

In July 2005, the Groote Eylandt community established a liquor permit committee to support the management of alcohol by providing recommendations to the Licensing Commission. Committee membership includes key stakeholders such as representatives from relevant Territory and Australian Government agencies, Indigenous Elders, community councils, BHP Billiton (the local GEMCO mine), and industry, including local Licensees. Since the liquor permit system was introduced there has been a significant reduction in alcohol related crimes and a dramatic improvement in social function and community harmony. Much of this success can be attributed to the ongoing commitment and work of the permit committee.

Gove

In March 2008, a permit system for the purchase of takeaway alcohol was introduced. Building on the successes of the Groote Eylandt permit committee, three permit committees were established to support the alcohol management system. Permit committees are located in the communities of Gunyangara, Yirrkala and the township of Nhulunbuy. Similar to the Groote Eylandt model, membership includes key community stakeholders and administrative support is provided by the NT Department of Justice. Preliminary findings have indicated that since the alcohol management system was introduced there has been a decrease in alcohol related crimes and antisocial behaviour.

RESTRICTED AREAS

The *Liquor Act* empowers the Commission, upon application, to declare an area to be a general restricted area, a public restricted area or a private restricted premise. Other types of restricted areas (ie Special Restricted Areas and Prescribed Areas) may be imposed at the discretion of the Northern Territory or Federal Minister. When considering applications, the Commission is required to ascertain the opinions of relevant parties including residents, Licensees and local government councils.

	General Restricted Areas	Public Restricted Areas	Private Restricted Areas
Declaration	Declared by Licensing Commission after extensive consultation with affected community.	Declared by Licensing Commission after extensive consultation with affected community.	Declared by Licensing Commission with consent of majority of occupiers.
Offences	It is an offence to bring, have, consume or sell liquor, without a licence or a permit.	It is an offence to consume liquor without a permit.	It is an offence to possess, consume or bring liquor onto the restricted area.
Penalties	1st offence – maximum penalty of \$1,000 or six months jail. Second or subsequent offence, maximum penalty of \$2,000 or 12 months jail. Discretionary seizure of vehicle.	The maximum penalty for consumption of liquor is \$500. Confiscation/tip out of liquor.	Maximum penalty of \$500. Confiscation/tip out of liquor.

Table 16: Type and Number of Restricted Areas/Premises in 2009-10 in comparison with 2008-09

Type of Alcohol Restricted Areas Declared by Commission	2008-09	2009-10
General	110	112
Public	7	8
Private Restricted Premises (private homes and buildings)	431	680
TOTAL	548	800

Kava Licensing

HISTORY

Kava is a mood-altering drink prepared from the crushed root of the pepper plant. Widely used in South Pacific countries in a ceremonial context, it was first introduced into the Arnhem Land area of the Territory in the early 1980s and was readily adopted in most coastal and island communities across the Top End. Within a decade, over-use of kava in Aboriginal communities was causing concern amongst health professionals and others. Kava acts as a sedative, and its long-term heavy use was linked to emerging community apathy and dysfunction.

LEGISLATION

The *Kava Management Act* came into effect in 1998. The *Kava Management Act* prohibits the possession of kava outside a declared licence area except in accordance with a licence.

KAVA LICENCE AREAS AND KAVA LICENCES – AUSTRALIAN GOVERNMENT INTERVENTION

In June 2007, the Australian Government, in conjunction with its intervention into the Northern Territory triggered by the 'Little Children are Sacred Report', imposed severe restrictions on the importation of kava to Australia. Commercial quantities of kava can now only be imported for pharmaceutical or research purposes.

Whilst provisions for licensing of kava still exist within the *Kava Management Act*, the impact from the changes made to import restrictions has resulted in the cessation of the regulated trade of kava in the Northern Territory.

Gaming Machine Licensing

LEGISLATION

The principal functions of the Commission pursuant to the *Gaming Machine Act* are:

- determination of applications for all gaming machine licences;
- determination of the number of gaming machine licences;
- approval of tenders for the supply of gaming machines and games contained therein;
- issue of directions to Licensees in relation to the conduct of gaming and the administration of licensed premises; and
- disciplinary action against Licensees, including the power to suspend or cancel a licence.

The *Gaming Machine Act* does not apply to casinos.

Section 21(1A) of the *Northern Territory Licensing Commission Act* requires the Licensing Commission to report to the Minister the extent to which the objectives of the *Gaming Machine Act* have been met during the financial year.

The stated objectives of the *Gaming Machine Act* are to:

- promote the responsible operation and use of gaming machines, ensure the probity and integrity of participants in the gaming industry,
- ensure the fairness of games, the integrity of gaming systems and the delivery of quality services to game players, and
- ensure that clubs holding gaming licences will improve the amenity of their neighbourhoods in order to maximise the welfare of the community as a whole.

RESPONSIBLE OPERATION AND USE OF GAMING MACHINES.

A Code of Practice for Responsible Gaming was developed by a working party consisting of government, industry and social service providers as a measure to promote the responsible operation and use of gambling facilities. Adoption of the code began on a voluntary basis and was gazetted and became mandatory in June 2006.

PROBITY AND INDUSTRY PARTICIPANTS

In order to ensure the probity and integrity of the gaming machine industry, the Director of Licensing conducts extensive probity checks and financial assessments of all applicants for gaming machine licences. The Commission must be satisfied as to the suitability of every applicant. Probity checks include a fingerprint search and criminal history check. All persons employed in the industry, including machine managers and repairers of gaming machines require licences.

FAIRNESS AND INTEGRITY OF GAMING SYSTEMS

In line with national industry benchmarks, the Director of Licensing ensures the fairness and integrity of gambling-related computer and control systems operating in the Northern Territory. Risk management strategies include a thorough evaluation of all new systems and hardware before being approved for operation. From 1 July 2001, all gaming machines operating within Northern Territory clubs and hotels transferred to the NT TAB monitoring system, now part of the UNiTAB operation.

In October 1999, the Northern Territory adopted the National Standard for Gaming machines, which provides a consistent technical benchmark for the Australian gaming industry in relation to the fairness of games and the integrity of gaming machines. Most community (club and hotel) gaming machines comply with the National Standard, with some older models complying with an earlier Queensland standard.

COMMUNITY IMPACT

Amendments to *Gaming Machine Act* in September 2004 provided a greater focus on harm minimisation and introduced the need for applicants to submit a community impact analysis with their gaming machine licence application.

The Act requires that the community impact analysis must enable the Commission to assess:

- The suitability of the premises in relation to the size, layout and facilities for the proposal;
- The suitability of the premises in relation to whether or not the primary activity of the premises is that of a hotel or club;
- The suitability of the proposed location, having regard to the population of the area, the proximity to other gaming venues and the proximity to sensitive areas;
- The appropriateness of problem gambling risk management and responsible gambling strategies; and
- The economic impact of the proposal.

When assessing the community impact, the Commission must also take into account any submissions made by the community.

COMMUNITY CONTRIBUTION

Clubs with gaming machines are required to contribute to their neighbourhood amenity and report thereon to the Director of Licensing. Contributions towards the development of a club's neighbourhood may take various forms, including improvements to the club's facilities and services and donations to local community, recreational or service organisations.

Gaming machine Licensees holding a liquor licence other than a club licence are subject to a community benefit levy, assessed on the basis of a prescribed percentage of gross profit. The Community Benefit Fund receives the levy and funds are disbursed by the Community Benefit Committee.

GAMING MACHINES

In July 2008, the then Minister for Racing, Gaming and Licensing announced that the number of gaming machines able to operate in the Territory would be capped at 1,190. When announcing the cap, the Minister advised that a trading scheme would be developed whereby hotels and clubs could purchase gaming machine entitlements from within the existing pool. The matter is now with Government to devise an appropriate trading model for the Northern Territory.

DISTRIBUTION OF GAMING MACHINES

The distribution of gaming machines is reported on a regional basis. The southern region refers to all gaming machine licensed venues in the Alice Springs and Tennant Creek areas. All other venues are included in the northern region. As at 30 June 2010, 78 premises were operating 1,169 gaming machines which compares with 1,173 operating in June 2009.

Table 17: Gaming Machine distribution in regions in 2009-10 in comparison to 2008-09

Gaming Machine Distribution		In Clubs	In Hotels	TOTAL
2008-09	Northern Region	575	354	929
	Southern Region	174	70	244
	TOTAL	749	424	1,173
2009-10	Northern Region	575	348	923
	Southern Region	173	73	246
	TOTAL	748	421	1,169

GAMING MACHINE INDUSTRY PERFORMANCE IN CLUBS / HOTELS

The performance of community-based gaming machines has been monitored on a monthly basis since the introduction of cash-paying gaming machines in 1996.

During 2009-10, the average gross profit per machine per day was \$163.08 compared to \$183.73 in 2008-09. Total gaming machine turnover was \$684.25 million, down 11% from 2008-09 when turnover totalled \$769.04 million. Gaming machine gross profit has dropped by 11.55% to \$69.582 million in 2009-10, down from \$78.665 million in 2008-09.

Table 18: Gaming Machine details for Clubs for 2009-10

Name of Club	Number of Machines in operation (as at 30 June 2010)	*Gross Profit (\$)	Gaming Tax (\$)
Alice Springs Golf Club	6	14,995	1,970
Alice Springs Memorial Club	45	1,752,848	444,862
Alice Springs RSL Club	24	447,869	90,607
Alyangula Golf Club	7	96,565	13,034
Alyangula Recreation Club	15	774,935	165,538
Casuarina All Sports Club	45	6,519,594	2,425,558
Cazalys Palmerston Club Inc	45	5,906,403	2,162,438
Darwin Bowls & Social Club	3	19,768	2,552
Darwin Golf Club	13	187,259	31,133
Darwin Leagues CLub	5	5,163	667
Darwin North Sub Branch RSL	6	42,534	5,491
Darwin RSL	30	1,259,081	287,964
Darwin Sailing Club	10	49,574	6,400
Darwin Trailer Boat Club	10	165,001	26,271
Federal Sports Club	10	164,980	26,104
Gillen Club (West's Sporting Club)	45	2,048,302	544,250
Gove Country Golf Club	12	168,242	29,176
Humpty Doo & Rural Area Golf Club	10	180,867	29,437
Jabiru Sports & Social Club	17	605,319	126,678
Katherine Club	45	2,268,183	633,532
Katherine Country Club	35	1,868,034	482,770
Katherine Sports & Recreation Club	19	823,363	176,632
Nightcliff Sports Club	22	1,873,983	484,728
Palmerston Golf & Country Club	21	458,986	93,154
Palmerston Sports Club	45	5,237,526	1,875,422
PINT Club	24	863,756	185,887
RAOB Club (Bufs Club)	16	827,045	177,476
Sporties Club	16	578,165	120,458
St Marys Football Sporting & Social Club	30	872,508	187,892
Tennant Creek Bowling Club	4	845	130
Tennant Creek Memorial Club	23	1,604,539	397,275
The Arnhem Club	45	3,722,595	1,225,366
Tracy Village Social & Sports Club	45	4,653,504	1,624,819
TOTAL	748	46,062,331	14,085,671

* While this column is titled 'Gross Profit' to reflect the Act's defined term, the figure actually represents the net loss by players. It represents the revenue flow from gaming machine operations to the venue. Note: Gaming tax is the amount generated in the period specified, not the amount received.

Table 19: Gaming Machine details for Hotels for 2009-10

Name of Hotel	Number of Machines in operation (as at 30 June 2010)	* Gross Profit (\$)	Gaming Tax (\$)	** Community Benefit Levy (\$)
Aileron Roadhouse	4	21,091	2,723	2,109
Airport Hotel	10	1,065,051	232,670	106,505
Ayers Rock Residents Club	3	32,128	4,148	3,213
Barkly Homestead	0	22,915	2,966	2,298
Beachfront Hotel	10	1,023,440	225,480	102,344
Blue Heeler (Kitty O'Sheas)	10	532,480	109,991	53,248
Corroboree Park Tavern	10	120,262	17,767	12,026
Dowlings Parap Village Tavern	10	1,211,536	277,331	121,154
Ducks Nuts Bar & Grill	10	442,432	89,361	44,243
Frontier Hotel	10	850,167	184,301	85,017
Gapview Resort	10	329,509	63,490	32,951
Globetrotters Lodge	10	165,714	25,972	16,571
Heavitree Gap Tavern	10	301,259	57,019	30,126
Hibiscus Tavern	10	1,277,685	295,480	127,769
Hidden Valley Tavern	10	501,444	102,881	50,144
Howard Springs Tavern	10	854,517	185,313	85,452
Humpty Doo Hotel	10	944,804	207,857	94,480
Humpty Doo Tavern	10	1,323,170	311,102	132,317
Katherine Hotel	10	647,763	136,403	64,776
Litchfield Hotel	10	533,817	110,297	53,382
Mataranka Hotel	9	285,742	53,463	28,574
Monsoons	10	624,098	130,981	62,410
Noonamah Tavern	10	351,592	68,550	35,159
Palmerston Tavern	10	660,478	139,315	66,048
Pine Creek Hotel	9	345,434	67,139	34,543
Plaza Karama Tavern	10	1,124,899	247,470	112,490
Rum Jungle Motor Inn	10	63,203	8,159	6,320
Rum Jungle Tavern	10	501,186	102,822	50,119
Shenannigans Pub	10	612,902	128,416	61,290
Squires Tavern	10	431,975	86,966	43,198
Stuart Hotel	10	363,702	71,324	36,370
Tennant Creek Goldfields Hotel/Motel	10	440,020	88,809	44,002
Tennant Creek Hotel	10	319,970	61,305	31,997
The Archrival & Nirvana Restaurant	10	521,355	107,442	52,135
The Cavenagh	10	485,823	99,302	48,582
The Deck Bar	10	301,583	57,093	30,158
The Fox Ale House	10	165,775	27,197	16,577
The Victoria Hotel	10	656,245	138,346	65,624
Threeways Roadhouse	6	21,601	2,847	2,205
Todd Tavern	10	459,681	93,313	45,968
Top End Hotel	10	405,673	79,940	40,567
Town and Country Tavern	10	499,098	102,343	49,910
Virginia Tavern	10	471,382	95,994	47,138
Walkabout Tavern	10	577,070	120,207	57,707
Winnellie Hotel/Motel	10	627,828	131,835	62,783
TOTAL	*421	23,519,499	4,953,130	2,351,999

* While this column is titled 'Gross Profit' to reflect the Act's defined term, the figure actually represents the net loss by players. It represents the revenue flow from gaming machine operations to the venue. Note: Gaming tax is the amount generated in the period specified, not the amount received.

** Community Benefit Levy is the amount generated in the period specified, not the amount received.

Private Security Licensing

The *Private Security Act* provides for regulation of security providers. There are three categories of security providers and three corresponding types of security licences:

- Crowd controller
- Security officer
- Security firm

A person may hold both a crowd controller's licence and a security officer's licence. Crowd controllers are usually employed at licensed premises, places of entertainment, and sporting events and concerts. Private security officers are normally employed to care for property, such as performing duties of bank guards, payroll escorts and undertaking security patrols of offices, shops, car yards and shopping centres.

The majority of licence approvals are delegated to the Director of Licensing. Licence applications are referred to the Commission in cases where the grant or refusal of a licence is outside the scope of Director's authority.

Applications are automatically refused where applicants have disqualifying offences and are often refused if the applicant has committed crimes of violence at any level or drug-related offences. The Commission has broad powers to impose conditions on licences including reporting, training or employment requirements.

The grant of a licence may be valid for up to three years. A licence renewal may not be refused without the applicant being given an opportunity to show cause against the refusal. Appeal rights exist to the Local Court which has a wider discretion to grant licences than the Commission. Two appeals on licence refusals were lodged during 2009-10; one was found in favour of the appellant and one is still before the Magistrate.

PRIVATE SECURITY LICENSING HEARING DECISIONS

Table 20: Commission Hearings relating to Private Security Licensing

Nature of Hearing	Decision Date	Decision
Application for Crowd Controller/Security Officer Licence	10/07/09	Not Approved.
Application for Crowd Controller/Security Officer Licence	15/01/10	Not Approved.
Complaint pursuant to section 53A - <i>Private Security Act</i>	26/05/10	Formal Caution issued.
Complaint pursuant to section 53A - <i>Private Security Act</i>	31/05/10	Suspension of Private Security licence for 3 days and Crowd Controller licence for 6 months.

PROVISION OF COMPLAINTS

The *Private Security Act* provides a formal complaint process, enabling any person to lodge a complaint against a security provider. The Commission determines such complaints, with penalties ranging from a reprimand or fine to suspension or cancellation of licence where the Licensee is no longer considered an appropriate person within the criteria provided by that Act. The Licensee is generally given the opportunity to show cause against a proposed suspension or cancellation, unless the Commission is satisfied that immediate suspension is required in the public interest. If a Licensee is charged with a disqualifying offence, the Commission may immediately suspend their licence, pending determination of the charge by the appropriate court.

Following the consideration of legal advice the Commission determined to publish penalty decisions for persons licensed under the *Private Security Act*. Such publication is considered in the public interest and will act as a deterrent to breaches of licence conditions. The most common complaint against licenced persons is the use of undue force in carrying out crowd controller duties.

Published decisions can be viewed at <http://www.nt.gov.au/justice/commission/decisions>

LICENCE NUMBERS

The Act requires a Crowd Controllers' Register and a Security Officers' Register to be maintained listing all full licence and provisional licence holders. A full licence holder will have completed an approved training course. Provisional licence holders generally obtain the qualification required to become a fully licensed officer during the provisional period of three months. A provisional licence may be issued to an applicant on the basis that he or she attends an approved training course and on the condition that they are supervised at all times while on duty.

No licence is issued prior to an applicant undergoing a detailed criminal record check.

PRIVATE SECURITY LICENCES

Table 21: Private security licences in force as at 2009-10 in comparison with 2008-09

Type of Licence	2008-09	2009-10
Dual security/crowd controller	1,750	1,287
Sole crowd controller	355	95
Sole private security officers	353	232
Security firm	54	63
TOTAL	2,512*	1,677

* Discrepancies in the reporting of data for the year 2008-09, overstating licence numbers, were detected this financial year and were caused by incorrect extraction and calculation of data

MUTUAL RECOGNITION

Section 17 of the *Mutual Recognition Act (Commonwealth)* requires the Commission to recognise the registration of a person in another state or territory as a security officer or crowd controller by issuing that person with the equivalent Northern Territory licence. Issues sometimes arise when an applicant for mutual recognition would not otherwise qualify for a licence under the Territory legislation, particularly where such an applicant would be automatically disqualified from obtaining a licence under the *Private Security Act* on the basis of an unacceptable criminal record. In the latter cases, the Commission would have issued the licence as required by the *Mutual Recognition Act*, then taken immediate action under the *Private Security Act* to challenge what is then a local licence.

Table 22: Licences issued under the *Mutual Recognition Act* in 2009-10 in comparison to 2008-09

Licence Type	2008-09	2009-10
Crowd Controller	10	5
Security Officer	15	16
Dual Licence	81	121
TOTAL	106	142

Escort Agency Licensing

The Commission determines licence applications for the operators and managers of escort agencies. While no formal complaint process is provided by the *Prostitution Regulation Act*, in practice the Commission gives the applicant the opportunity to attend any licence application inquiry.

The Commission interviews all applicants for new licences in order to assess their suitability to hold a licence. People with previous sexual, violent or drug-related offences may be ineligible to hold a licence or deemed to be unsuitable by the Commission, depending on the offence. Licences are subject to annual renewal.

There were four Escort Agency Operators' Licences and two Escort Agency Manager Licences current as at 30 June 2010.

Totalisator Licensing

There is only one totalisator licence in operation, and Commission activity in relation to this licence has been minimal.

From time to time, the Commission approves additional or substituted totalisator agencies.

The *Totalisator Licensing and Regulation Act* provides a public complaint mechanism in relation to the conduct of a totalisator Licensee, with complaints to be investigated and determined by the Commission. The Commission has a range of penal powers ranging from a reprimand or fine, to cancellation of the licence.

No complaints were received during 2009-10.

Throughout the Northern Territory there are 51 TAB outlets, consisting of 10 agencies, 38 club/pub licensed outlets and 3 on-course TAB outlets.

Table: 23: On-course and Off-course Wagering Turnover Figures for 2009-10 and a comparison with 2008-09

Wagering Turnover	2008-09 \$M	2009-10 \$M
On-course	15.303	18.515
Off-course	148.758	134.762
*TOTAL	164.061	153.277

* Further details of taxation raised are contained in Northern Territory Treasury's annual report (www.nt.gov.au/ntt/annual_report.shtml)

Tobacco Licensing

The Commission's role under the *Tobacco Control Act* is limited to reviewing refusals of the Director of Licensing to grant, transfer or vary a licence, and decisions of the Director of Licensing suspending or cancelling a licence. Section 41 of the *Tobacco Control Act* requires reviews to be conducted in accordance with Part 4 of the *Northern Territory Licensing Commission Act*, which mandates a fair and expeditious manner of hearing and proper consideration of the issues.

No applications for review were lodged with the Commission in the reporting period.

Racing and Betting

FUNCTIONS OF RACING COMMISSION

The principal functions of the Racing Commission pursuant to the *Racing and Gaming Act* are to:

- investigate and make to the Minister such recommendations as it thinks fit with respect to such matters relating to the administration or operation of this Act, or
- as are referred to it by the Minister for investigation or as it from time to time thinks fit;
- undertake research and investigations into matters relating to horse-racing, trotting and greyhound-racing and the breeding of horses for horse-racing and trotting and greyhounds for greyhound-racing, including the financial security of the organisations and persons whose subsistence or livelihood is derived from or directly connected with horse-racing, trotting or greyhound-racing;
- control, supervise, regulate and develop trotting and greyhound-racing;
- grant licences and permits in accordance with this Act;
- define the duties and functions of a person employed as a key employee;
- allot race days for such period or periods as it thinks fit to registered clubs;
- prosecute persons for offences against this Act; and
- carry out such other functions as are conferred on it by or under this Act or any other law of the Territory.

In performing its functions, the Commission must have regard to the following principles:

- minimum regulatory intervention by government;
- maximum co-operation between industry and government;
- performance-based risk management controls;
- proactive and competitive industry positioning;
- long term viability of the racing industry;
- a balanced approach to problem betting.

POWERS OF COMMISSION

Subject to this Act, the Commission has power to do all things that are necessary or convenient to be done for or in connection with or incidental to the performance of its functions and the exercise of its powers.

Without limiting the generality of subsection (1), the Commission may, in the performance of its functions and the exercise of its powers, including powers or functions conferred on it elsewhere in this or any other Act:

- investigate any matter referred to it by the Minister and report to the Minister thereon;
- subject to the approval of the Minister, enter into contracts;
- do all such things as it considers necessary or desirable for the proper regulation and control, in the interests of the public, of betting by and with bookmakers or by means of a totalisator conducted in pursuance of a licence granted under section 111;
- do all such acts and things as it considers necessary or desirable for the proper regulation and control, in the interests of the public, of bookmakers, horse-racing, trotting and greyhound-racing; and
- do anything incidental to any of its powers.

PROBITY AND INTEGRITY IN RACING AND BETTING IN THE TERRITORY

The Racing Commission monitors the thoroughbred industry's Principal Club (Thoroughbred Racing Northern Territory) activities, and oversees the activities of the greyhound industry, through the Department's Chief Steward.

A major function is the licensing of bookmakers, both on course bookmakers and sports corporate bookmakers. For on course bookmakers, key employees must hold a permit or licence issued by the Commission.

The Commission also monitors and control activities of all the registered and licensed bookmakers in the Northern Territory.

Maintain Probity and Integrity of Persons engaged in Racing and Betting

In order to ensure the probity and integrity of the racing industry, the Commission, through Departmental staff, conducts extensive probity checks and financial assessments of all applicants in the wagering industry. Probity checks include fingerprint criminal history checks for key persons employed in the industry. The Commission must be satisfied as to the suitability of every applicant.

The Commission also licences certain persons engaged in the greyhound industry, pursuant to the Greyhound Racing Rules.

Promote Fairness, Integrity and Efficiency in the Operations of Persons Engaged in Racing and Betting

The Commission, through Departmental staff, ensures all wagering systems used by bookmakers are fully evaluated before approval to ensure compliance with requirements. They are regularly monitored through risk based and on-site assessment to ensure continued compliance.

The Commission determines disputes and complaints in a timely manner.

During 2009-10, following complaints from punters, the Commission undertook a review of the minimum bet condition for sports bookmakers. Initially the Commission advised that it was considering requiring sports bookmakers to lay bets at displayed odds, but not be compelled to lose on any bet more than:

- \$1,000 on thoroughbred racing;
- \$500 on greyhound and harness racing; and
- \$500 on any sporting event.

The Commission received submissions from sports bookmakers, racing industry bodies and punters. A meeting with sports bookmakers was also held in March 2010 over the minimum bet issue. Following this meeting, the Commission advised that proposed minimum bet conditions would not apply to the "top tote" on tote linked odds and that its focus was on thoroughbreds, greyhound and harness racing, rather than sports or other event betting.

The Commission is currently reviewing submissions and an outcome is expected in the first half of 2010-11.

Reduce Adverse Social Impact of Betting

A mandatory Code of Practice for Responsible Gambling applies to all Northern Territory wagering operators.

On Course and Sports Bookmakers

The number of on course and sports bookmakers remained relatively static over the year.

Table 24: Total number of Licensed Bookmakers for 2009-10 in comparison to 2008-09

Bookmakers operating in the NT	2008-09	2009-10
No of Corporate Bookmakers	13	13
No of On-Course Bookmakers	36	37
TOTAL	49	50

Despite predictions of a downturn in wagering turnover for sports bookmakers in line with the global financial crisis, the 2009-10 year witnessed an increase in turnover of approximately 11%.

Table 25: Turnover and Related Tax for Licensed Bookmakers for 2009-10 in comparison to 2008-09

Category	Turnover (\$M)			Taxes (\$M)	
	2008-09	2009-10	% Increase	2008-09	2009-10
Gross Profit					\$1.102
Racing	\$3 521	\$3 925	11.46%	\$10.654	\$4.973
Sports	\$1 166	\$1 275	9.30%	\$0.671	\$0.193
TOTAL	\$4 688	\$5 200	10.92%	\$11.324	\$6.268

Note: From 1 January 2010, the Government replaced the Northern Territory's current bookmaker turnover tax with a tax based on gross wagering profits. The Government has capped the tax each Corporate Bookmaker has to pay to a maximum of \$250,000, which is subject to annual indexation based on the Darwin consumer price index.

Note: Wagering tax is the amount generated in the period specified, not the amount received. The 2008-09 turnover and tax in this report varies from previously published reports due to approved retrospective adjustments for Centrebet and Omiros Mairou.

Table 26: Total number of Licensed Bookmakers for 2009-10 in comparison to 2008-09 period

Bookmakers operating in the NT	2008-09		2009-10	
	Licensed	Operated	Licensed	Operated
No of Corporate Bookmakers	13	14	12	13
No of On-Course Bookmakers	36	34	39	37
TOTAL	49	48	51	50

'Licensed' refers to how many bookmaker were licensed as at 30/6/10.

'Operated' means that some bookmakers operated throughout the year but ceased to be operational as at 30/6/10.

