The Hon David Harris MP

Minister for Aboriginal Affairs and Treaty, Minister for Gaming and Racing, Minister for Veterans, Minister for Medical Research, Minister for the Central Coast



Gaming and Liquor Administration Act 2007

Ministerial directions issued to the Independent Liquor & Gaming Authority

I, the Hon. David Harris MP, as Minister responsible for the *Gaming and Liquor Administration Act* 2007 (GALA Act), *Liquor Act* 2007 (Liquor Act), *Gaming Machines Act* 2001 (GM Act) and *Registered Clubs Act* 1976, issue the below directions to the Independent Liquor & Gaming Authority (ILGA), an independent statutory body constituted under section 6 of the GALA Act.

Interpretation

These directions are issued under section 6(3) of the GALA Act.

To support the independent operation of gaming and liquor regulation, these directions do not relate to any of the following matters referenced in section 6(3) of the GALA Act:

- ILGA's advice, report or recommendation to me as the responsible Minister, or
- ILGA's decisions in relation to:
 - the granting, suspension or cancellation of a gaming or liquor licence, or
 - the imposition, variation or revocation of conditions of a gaming or liquor licence, or
 - the taking of disciplinary action under the gaming and liquor legislation.

These directions complement the Ministerial Statement of Expectations issued by me under section 6(3) of the GALA Act on 21 February 2024.

These directions apply from the date of signature. These directions do not impact any previous directions issued under the GALA Act.

Directions

- 1. Considerations for the imposition, variation or revocation of conditions of a licence
 - 1.1. ILGA is an independent statutory decision-maker. As such, ILGA is to have a balanced consideration of the objectives of the Acts it administers in the exercise of its functions. These functions include the imposition, variation or revocation of conditions of a gaming or liquor licence. These functions do not include the development, consideration or imposition of broader policy positions. ILGA must exercise its functions in the context of existing Government policy and the current legislative framework.
 - 1.2. The objects of the Liquor Act as provided for in section 3 are:

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- 1.2.1. to regulate and control the sale, supply and consumption of liquor in a way that is consistent with the expectations, needs and aspirations of the community,
- 1.2.2. to facilitate the balanced development, in the public interest, of the liquor industry, through a flexible and practical regulatory system with minimal formality and technicality, and
- 1.2.3. to contribute to the responsible development of related industries such as the live music, entertainment, tourism and hospitality industries.
- 1.3. The objects of the GM Act as provided for in section 3 are:
 - 1.3.1. to minimise harm associated with the misuse and abuse of gambling activities,
 - 1.3.2. to foster responsible conduct in relation to gambling,
 - 1.3.3. to facilitate the balanced development, in the public interest, of the gaming industry,
 - 1.3.4. to ensure the integrity of the gaming industry,
 - 1.3.5. to provide for an on-going reduction in the number of gaming machines in the State by means of the tradeable gaming machine entitlement scheme.
- 1.4. The Liquor Act and the GM Act respectively provide the statutory framework for conditions that may be imposed on a liquor or gaming licence. The subject matter of conditions that may be imposed on a licence are informed by the Liquor and GM Acts themselves and their objects.
- 1.5. There is no provision in either Act that indicates a hierarchy of the objects and ILGA must not establish a hierarchy of its own.
- 1.6. ILGA is to promote fair and transparent decision-making. While due regard is to be had for the need to minimise gambling harm so as not to detract from community amenity, this is one of several considerations. As there is no hierarchy to the objects within either Act, ILGA must give each of the objects equal weight.
- 1.7. While ILGA has scope to interpret how best to balance these objects in each decision it makes, it must not determine a hierarchy of objectives to apply across all decisions or applications.
- 1.8. As an independent statutory decision-maker, ILGA must make decisions on a case -by-case basis. Conditions placed on venues must align with Government policy as provided for by the legislation.
- 1.9. For example, the *Gaming Machines Regulation 2019* provides a clear framework for the requirement of Responsible Gambling Officers on duty in hotels and registered clubs with more than 20 gaming machine entitlements (GMEs). There is no requirement for venues with 20 or fewer GMEs to have a Responsible Gambling Officer on duty.
- 1.10. In addition, consideration of transfers of GMEs under the GM Act should consider all the objects of that Act equally, including the requirement to facilitate the balanced development, in the public interest, of the gaming industry. Government policy in this area includes encouraging GME forfeiture and the shifting of GMEs from higher risk local government areas (LGAs) to comparatively lower risk LGAs.
- 1.11. ILGA must not impose a condition on a licence that departs from Government policy, as provided for by the legislation. In addition, the imposition of any condition must be justified as being required for the individual venue the subject of the licence based on its specific set of circumstances when considered equally against all the objects of the legislative framework.

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- 1.12. ILGA must not impose a condition on a licence that departs from, or is inconsistent with, the express gambling harm minimisation provisions established by Parliament in Part 4 of the GM Act, or the express responsible gambling practices and other harm minimisation measures established in Part 3 of the *Gaming Machines Regulation 2019*.
- 1.13. ILGA is not authorised to develop or impose broader policy positions as part of its decision -making role. Matters of policy relating to the gaming and liquor legislation are to be set by Government.
- 1.14. While ILGA may consider relevant research when determining the conditions of a gaming or liquor licence, ILGA's functions as a statutory decision-making body do not extend to conducting its own research.
- 1.15. ILGA is to give priority to determining applications and disciplinary complaints.
- 1.16. ILGA must consult the Minister prior to implementing any program which intends to assess conditions already imposed on a licence, and any such program does not take priority over determining applications and disciplinary complaints.

2. Working with Hospitality and Racing

- 2.1. Hospitality and Racing, including Liquor & Gaming NSW and the Office of Responsible Gambling, are separate and distinct from ILGA.
- 2.2. Support is provided to ILGA by the Department of Creative Industries, Hospitality and Sport as agreed to in a Memorandum of Understanding.
- 2.3. Advice and recommendations provided by Hospitality and Racing are expected to assist ILGA in its consideration of matters and help ILGA to fulfil its function as an independent statutory decision-maker. ILGA must not direct or determine the form and content of this advice and/or recommendations and, equally, ILGA is not required to form decisions consistent with the advice and/or recommendations provided.
- 2.4. Where appropriate, Hospitality and Racing will consult with ILGA on the development of new policy positions to be considered by Government. While any views put forward by ILGA through a consultation process will be considered, it is not the role of Hospitality and Racing to advocate these views to Government.
- 2.5. Cabinet confidentiality will always take precedence and ILGA, as a statutory decision-maker, will not be privy to, nor involved in, the development of Government policy that remains subject to Cabinet approval.

3. Obligations of a NSW Government agency

- 3.1. ILGA as a NSW Government agency has the status, privileges and immunities of the State and the Government of the State.
- 3.2. ILGA is expected to comply with all applicable laws and policies required of a NSW Government agency.
- 3.3. Staff are employed in the Independent Liquor and Gaming Authority Staff Agency to enable ILGA to exercise its functions.
- 3.4. ILGA is to ensure the Staff Agency is compliant with all applicable laws and policies required of a Public Service agency.

4. Standard of Conduct

- 4.1. ILGA, as a collective decision-making body, is expected to comply with any Code of Ethics and Conduct adopted by ILGA.
- 4.2. All ILGA appointed members are expected to personally comply with any Code of Ethics and Conduct adopted by ILGA.
- 4.3. Each ILGA appointed member, when making public comment, must not act in a way that casts doubt on the member's ability, or the ability of ILGA as a collective decision-making body, to act impartially and professionally.

The Hon. David Harris MP

Minister for Gaming and Racing

Date: 01 07 2025