

# Licensing NT Annual Report

2022-23



# Contents

Executive Director's Foreword .....	3
Overview .....	4
Activities of the Executive Director.....	5
1. Liquor .....	5
Liquor licences processed .....	5
Licences surrendered.....	6
Liquor licences with a special event authority.....	6
Restricted Areas.....	6
Private Restricted Premises.....	7
Liquor permits .....	7
Complaints against licensed premises.....	7
Compliance and enforcement.....	8
Abandonment of licence (liquor) .....	8
Liquor accords.....	9
Director referrals to the Northern Territory Liquor Commission.....	9
2. Community gaming machine licensing.....	9
Distribution of community gaming machines .....	9
Gaming machine industry performance in clubs/hotels.....	10
Community Benefit Fund.....	10
Licensing NT partnership with Hospitality NT .....	
3. Gaming machine managers.....	12
4. Gaming equipment submissions processed .....	12
5. Casinos.....	12
NT Casino Code of Practice for Gaming Harm Minimisation 2023 .....	
6. Lotteries.....	13
Totalisator licensing .....	14
7. Kava.....	14
8. Tobacco Licensing.....	15
Index of figures and tables.....	16

## Executive Director's Foreword



During 2022-23, Licensing NT continued to support and regulate the NT workforce and key stakeholders within the liquor and gaming industries.

Licensing NT also partnered and collaborated with Hospitality NT to ensure staff at all venues where gambling is available, complete a Responsible Service of Gambling course every 3 years as part of an updated *NT Code of Practice for Responsible Gambling 2022*.

The *NT Casino Code of Practice for Gaming Harm Minimisation 2023 (Casino Code)* was established by Licensing NT Gaming Inspectors in consultation with key stakeholders, specifically for casinos. The Casino Code has a strong focus on harm minimisation principles within NT Casinos and will be reviewed every 2 years to ensure it meets community expectations and addresses gaming developments. Adaptations or amendments will be implemented and aligned with harm minimisation best practice.

Significant work was undertaken to progress the review of the *Racing and Betting Act 1983* to develop a robust regulatory framework.

The 12-month technical review of the *Liquor Act 2019* was completed and changes to the Act were passed through the Legislative Assembly.

In October 2022, Licensing NT, in conjunction with the Department of Corporate and Digital Development, commenced the deployment of new Banned Drinker Register (BDR) terminals to all takeaway liquor outlets in the Northern Territory. After an extensive review of available technologies to replace aging hardware, a modified BDR application was developed to run in an iOS environment. A new front end BDR application was developed to run on Apple iPads, with stands specifically manufactured to house the iPad and easily position customer's identification.

The introduction of the new terminals significantly reduced the quantity of hardware required previously, and notably decreased the processing time of scanning an individual's identification on the BDR, a welcome improvement from the 2017 technology and hardware. Approximately 260 iPads were provided to 168 takeaway liquor outlets across the Territory, with the rollout of the project completed in approximately 8 weeks.

The project was a great example of stakeholder and cross agency collaboration, from inception to implementation, with the end result successfully enhancing a tool utilised for the reduction of alcohol related harm in the Territory.

It is always encouraging to receive positive feedback from organisations within the liquor industry directed at Licensing NT staff who have been positive to deal with and ensure they are kept informed throughout their application process from commencement to finalisation, while taking into account tight timeframes and an ever increasing workload.

I would like to acknowledge and thank the staff at Licensing NT for their continuing efforts and support to regulate, monitor and educate the racing, gambling and liquor industries while supporting businesses and continued economic growth of the Northern Territory.

Philip Timney  
Executive Director  
Liquor, Racing & Gaming  
12 October 2023

## Overview

During the reporting period the Executive Director Liquor, Racing and Gaming had responsibility for matters under the following legislation:

- *Liquor Act 2019*
- *Gaming Control Act 1993* (except provisions about taxes and levies)
- *Gaming Machine Act 1995* (except provisions relating to taxes and levies)
- *Kava Management Act 1998*
- *Tobacco Control Act 2002* (provisions about smoking in liquor licensed premises, licensing and enforcement)
- *Totalisator Licensing and Regulation Act 2000* (except provisions about wagering tax).

Licensing NT provides administrative support for the functions under the above legislation.

As at 30 June 2023, Philip Timney held the following statutory appointments:

- Director of Liquor Licensing
- Director of Gaming Control
- Director of Gaming Machines
- Director of Totalisator Licensing and Regulation
- Director of Kava Management
- Director of Tobacco Control

# Activities of the Executive Director

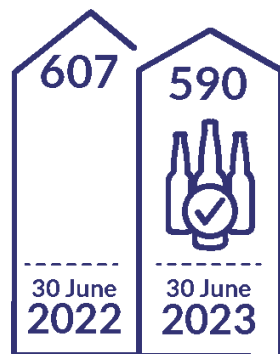
## 1. Liquor

During the reporting period, liquor in the Northern Territory was regulated under the *Liquor Act 2019* (the Liquor Act).

Authorised officers are required to take into account the primary purposes of the Act, which include:

- protecting and enhancing community amenity, social harmony and wellbeing through the responsible sale, supply, service, promotion and consumption of liquor
- regulating the sale, supply, service, promotion and consumption of liquor in a way that contributes to the responsible development of the liquor industry and associated businesses in the Territory
- facilitating a diversity of licensed premises and associated services for the benefit of communities in the Territory
- regulating the sale, supply, service, promotion and consumption of liquor in a way that stimulates the tourism and hospitality industries.

### Liquor licences processed



The number of active liquor licences

Licensing NT regulates and manages the sale, supply, service, promotion and consumption of liquor and is responsible for issuing and renewing liquor licences and registrations and changes to licence details.

Table 1: Applications processed at 30 June 2023.

Liquor licences processed	
Application for Permanent Variation of a Liquor Licence	23
Application for Renewal of a Wholesaler Liquor Licence	8
Application for Substitution of Premises for a Liquor Licence	5
Application for Temporary Variation of a Liquor Licence	1
Application for Transfer of a Liquor Licence	35
Application for Change of Nominated Person	135

## Licences surrendered

There were 19 licences surrendered in the reporting period.

## Liquor licences with a special event authority

The implementation of the *Liquor Act 2019* has provided for specific authorities to be attached to a liquor licence. These include a special event authority. Applications for a special event authority are most often made by service and sporting clubs, or by community organisations and existing licensees wanting to conduct fundraising events, or other operations not covered by an existing licence.

The number of **special liquor licences** issued by the Director (or delegate) under delegation from the NT Liquor Commission in 2022-23



## Restricted Areas

The Liquor Act provides that a geographical area can be declared a 'Restricted Area' under which the consumption, possession, sale or disposal of liquor may only occur pursuant to a permit or licence. The types of restricted areas that can be declared under the Liquor Act are outlined in Table 1.

Other types of restricted areas (such as Special Restricted Area or Designated Area) may be declared at the discretion of the responsible Minister.

All public places in Alice Springs, Darwin, Katherine, Tennant Creek, Palmerston, Darwin Waterfront Precinct, any place within 2 kilometres of licensed premises or any place prescribed by regulation have been declared to be prohibited public places where the consumption of liquor is prohibited. The local council may exempt an area for certain times or days to permit liquor consumption in a public place.

Table 2: Types of Restricted Areas as at 30 June 2023

	General Restricted Areas	Private Restricted Premises
Purpose	Used to control the type and amount of liquor permitted in an area and is generally used by Aboriginal residents wanting to control liquor consumption in their community.	Used to control the consumption of liquor in, and on, private premises.
Declaration	Declared by the NT Liquor Commission after extensive consultation with affected community.	Declared by the Director with consent of majority of occupiers.
Offences	It is an offence to bring, possess, have, consume or sell/supply/serve liquor, without a licence or a permit.	It is an offence to possess, consume or bring liquor into/onto the private premises.
Penalties	Maximum 200 penalty units or 12 months imprisonment. Discretionary seizure of vehicle.	Maximum 100 penalty units. Confiscation/tip out of liquor.

## Private Restricted Premises

During the 2022-23 reporting period, 48 premises (including common areas) throughout the Northern Territory were declared restricted premises, compared to 102 in 2021-22.

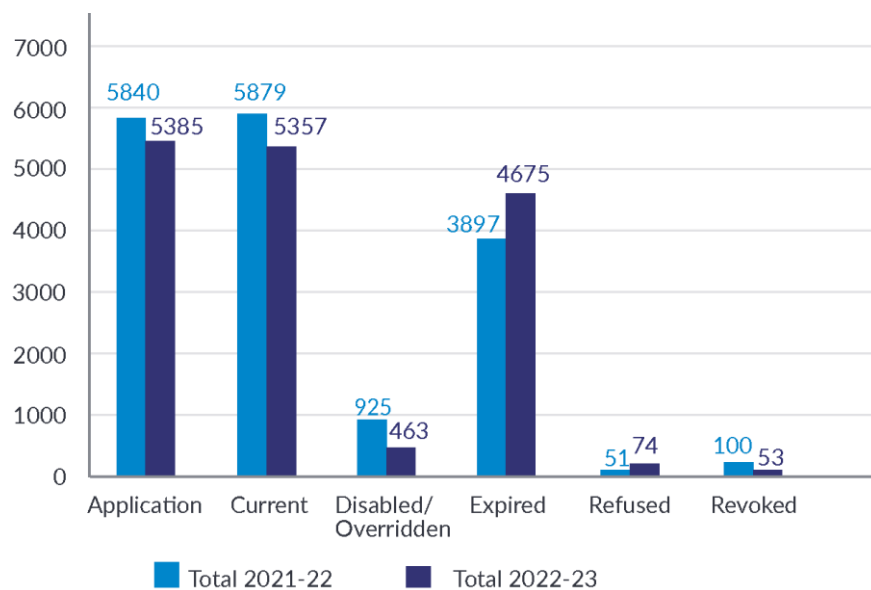
Table 3: Restricted Premises (including common areas) granted in 2022-23 compared to 2021-22.

Approved Restricted Premises	2021-22	2022-23
Private Restricted Premises	70	31
Common Areas	32	17
<b>Total</b>	<b>102</b>	<b>48</b>

## Liquor permits

Some communities in General Restricted Areas operate a permit system which allows an authorised permit holder to legally possess and/or consume liquor within the community.

Figure 1: Liquor permit activity for General Restricted Areas for 2022-23 compared to 2021-22



## Complaints against licensed premises

The Act allows for complaints to be made against a licensee on several grounds, including:

- where the licensee has contravened a provision of the Liquor Act or their licence
- where the conduct of the licensed premises has caused annoyance or disturbance to persons residing, working or conducting a business within the vicinity of the premises
- that the licensee is not a fit and proper person to hold a liquor licence.



Table 4: Complaints received and actions taken by the Director over the past two years

Liquor complaints received and action taken	2021-22	2022-23
Complaints under investigation as at 30 June 2023 with outcome yet to be determined	3	10
Complaints investigated, but no further action warranted	52	31
Complaints investigated, formal warning issued	14	3
Licences cancelled following complaint	0	0
Licences suspended due to breaches of licence conditions	0	0
Complaint investigated and monetary penalty or infringement notice imposed	5	11
Complaint referred to the NT Liquor Commission for disciplinary action	7	11
<b>Total</b>	<b>81</b>	<b>66</b>

## Compliance and enforcement

Licensing Inspectors are employed within Licensing NT and hold appointments as liquor inspectors under section 16 of the *Liquor Act 2019* in addition to specific appointments under the *Private Security Act 1995*, *Gaming Machine Act 1995* and *Tobacco Control Act 2002*. Inspectors are based in Darwin, Katherine, Tennant Creek and Alice Springs.

During the 2022-23 reporting period, 4334 compliance visits were undertaken, compared to 2338 in 2021-22.

The increase of compliance visits can be attributed to Licensing NT targeting licensed premises within the Territory as a result of the Government relaxing COVID restrictions, and the introduction of alcohol restrictions in Alice Springs.

## Abandonment of licence (liquor)

Liquor licences are considered abandoned if the licensee ceases to operate the licensed premises for more than 6 months without the prior approval of the Director.



During 2022-23, **6 licences** were cancelled under this provision, which is equal to the 2021-22 reporting period.



## Liquor accords

A liquor accord is a written agreement between licensed venues and other stakeholders, which provides a framework for working together to reduce alcohol misuse and associated harms within a local community or area. The agreement can cover the supply of liquor, the opening and closing hours of licensed premises, or other aspects of the management or conduct of business on licensed premises.

A list of accords can be found at <https://nt.gov.au/industry/hospitality/law-and-management/local-liquor-accords>

## Director referrals to the Northern Territory Liquor Commission

In some instances, the Director does not have the power to make decisions. In these instances, the Director refers the matter to the Liquor Commission. Further information regarding these referrals can be found in the NT Liquor Commission Annual Report.

## 2. Community gaming machine licensing

The stated objectives of the *Gaming Machine Act 1995* are to:

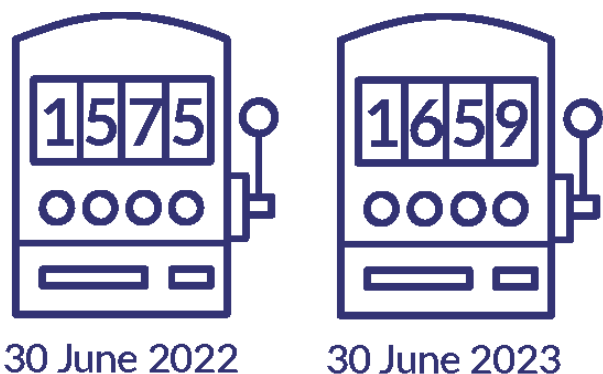
- promote probity and integrity in gaming
- maintain the probity and integrity of participants in the gaming industry and promote fairness, integrity and efficiency in the operations of those engaged in the gaming industry
- reduce adverse social impact of gaming
- promote a balanced contribution by the gaming industry to general community benefit and amenity.

The maximum number of gaming machines that can operate under a gaming machine licence held by clubs is 55, while a gaming machine licence held by a hotel or tavern can operate up to 20. Neither a club nor a hotel/tavern can hold a gaming machine licence without first holding a liquor licence under the Liquor Act. The gaming machine regulations were amended on 14 June 2023 reducing the cap on gaming machines operating across the NT from 1699 to 1659.

### Distribution of community gaming machines

As at 30 June 2023, the total number of gaming machines authorised to be operated under the 73 gaming machine venue licences, including operational and non-operational, was 1,659.

The number of **community gaming machines** authorised



## Gaming machine industry performance in clubs/hotels

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

During the 2022-23 reporting period, the average gross profit per operational machine was \$285 per day compared to \$265 in 2021-22. Gaming machine gross profit increased by 12% to \$149.346 million in 2022-23, up from \$133.814 million during the 2021-22 reporting period.

Table 5: Top 10 licensed clubs and hotels/taverns based on machine gaming Gross Profit for 2022-23

Top 10 licensed clubs	Top 10 licensed hotels/taverns
Casuarina All Sports Club	Bell Bar and Bistro
Cazaly's Palmerston Club Inc.	Coolalinga Village Tavern
Club Eastside	Flynns Palmerston
Darwin Golf Club	Hibiscus Tavern
Gillen Club	Humpty Doo Tavern
Katherine Club	The Landmark
Katherine Country Club	Palmerston Tavern
Palmerston Golf and Country Club	Parap Village Tavern
Silks Darwin Racing	Plaza Karama Tavern
Tracy Village Social and Sports Club	Walkabout Tavern

Note: the above groups are in alphabetical order

## Community Benefit Fund

The Community Benefit Fund levy increased in 2022-23, in line with the increase in gross profits.



The levy on electronic gaming machines in hotels and casinos collected by the Community Benefit Fund.

Further information regarding the Community Benefit Fund can be found in the Community Benefit Fund Annual Report for 2022-23.

## Licensing NT partnership with Hospitality NT

Licensing NT once again partnered with Hospitality NT to strengthen the industry through the implementation of a free, online Responsible Service of Gambling course.

Staff are required to complete the course every three years to ensure they are up to date with the latest harm minimisation strategies for problem gamblers.

The course is part of measures contained in an updated Code of Practice for Responsible Gaming, which was created following a review in early 2022.

The Code aims to minimise the harms associated with problem gambling by providing clearer information to enable patrons to make informed decisions about their gambling habits and self-exclusion options; and to provide clearer training requirements and pathways for staff.

The Code can be viewed on the NT Government website: [nt.gov.au](https://www.nt.gov.au)



*The Hon Chansey Paech MLA, Minister for Racing, Gaming and Licensing and Penny Phillips, Manager at Hotel Darwin*

### 3. Gaming machine managers

Each venue licensed to operate gaming machines is required to have a licensed gaming machine manager on site while gaming machines are active.

The number of gaming machine manager licences



**948**  
in 2022-23  
**1000**  
in 2021-22

### 4. Gaming equipment submissions processed

Applications for approval of gambling equipment are evaluated against one of either the Australian / New Zealand Gaming Machine National Standard, the Director of Gaming Controls' requirements, or other international best practice standards.

	Gaming equipment applications	
	2021-22	2022-23
Casinos/ Community	481	521
Internet Gaming	+ 0	5
	<b>481</b>	<b>526</b>

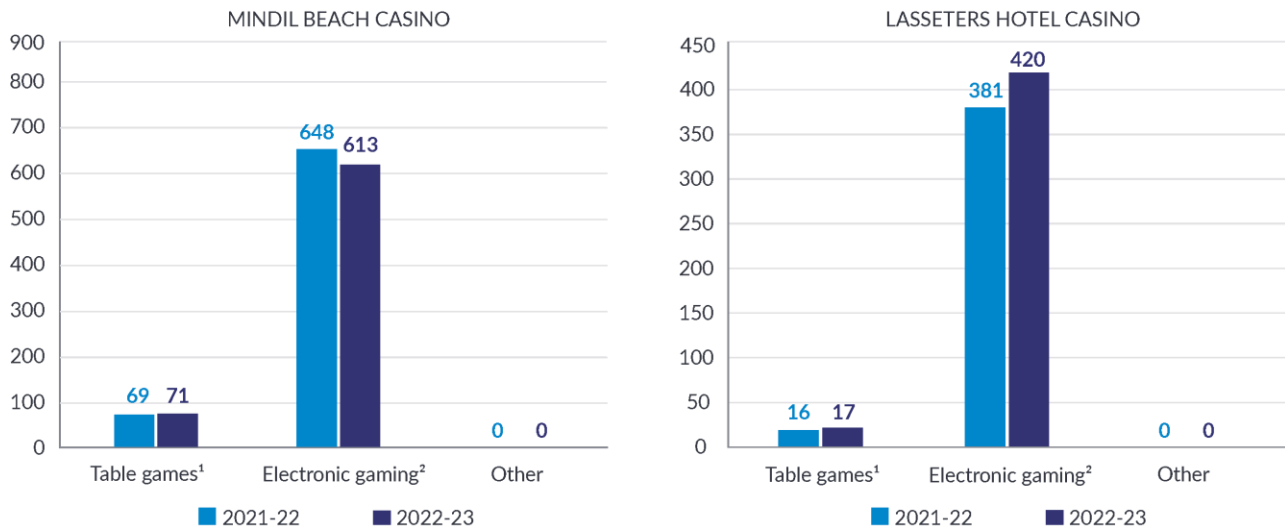
### 5. Casinos

There are currently 2 casinos licensed to operate in the Northern Territory. Casinos are permitted to operate approved games (table games) and gaming machines. The agreement with Mindil Beach Casino also allows for the provision of Keno within the Northern Territory. There are currently 64 venues permitted to conduct NT Keno in the Northern Territory.

Gaming tax  (minus GST exemption)	
In 2021-22	In 2022-23
<b>\$5.973M</b>	<b>\$4.864M</b>

Community benefit levy is not included and therefore is lower than published in prior year reports. Further information regarding the Community Benefit Fund can be found in the Community Benefit Fund Annual Report for 2022-23.

Figure 2: Northern Territory casinos gambling product distribution



<sup>1</sup> Includes Semi Automated Table Games (SATGs)    <sup>2</sup> Includes Fully Automated Table Games (FATGs)

### NT Casino Code of Practice for Gaming Harm Minimisation 2023

Licensing NT Gaming Inspectors, through consultation with key stakeholders, developed a specific code of practice for casinos which focuses on harm minimisation measures rather than problem gambling.

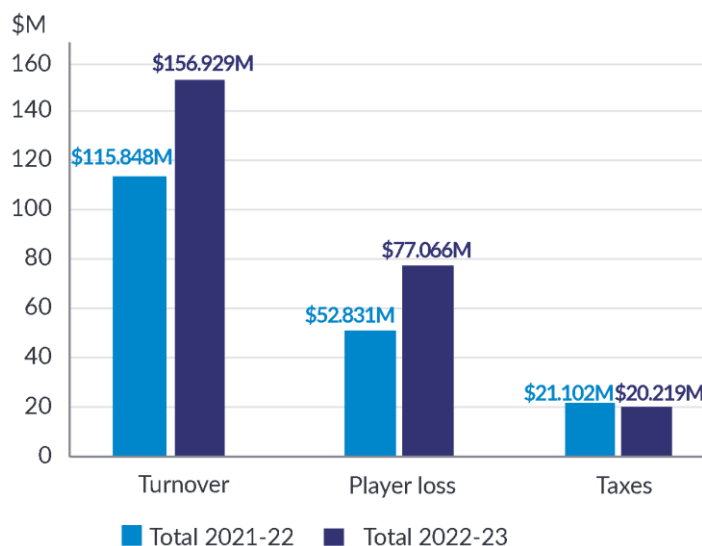
The NT Casino Code of Practice for Gaming Harm Minimisation 2023 (Casino Code) provides guidance on how to minimise the harms of gaming by creating responsible gaming environments in line with best practice and community expectations.

The Casino Code can be viewed on the NT Government website: [nt.gov.au](https://www.nt.gov.au)

## 6. Lotteries

In accordance with the *Gaming Control Act 1993*, the Director may approve the way a lottery business is conducted and direct the licensee to provide details from time to time.

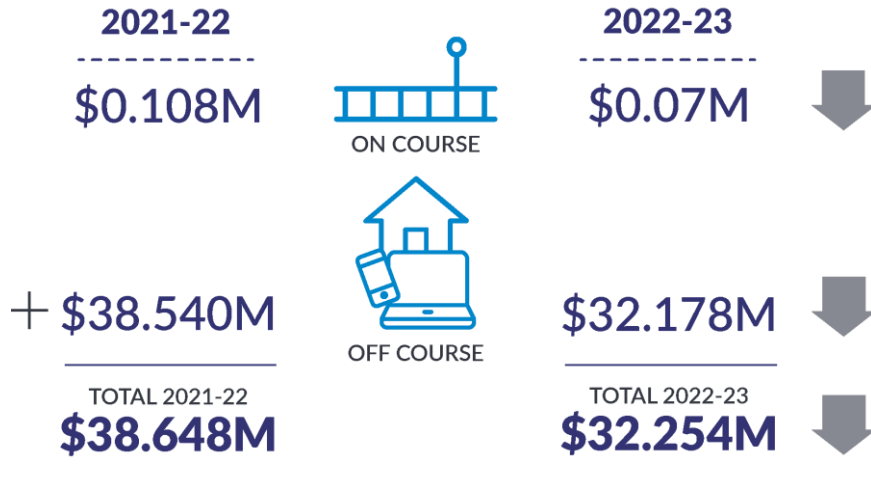
Figure 3: Lotteries turnover, player loss and revenue generated comparisons



Sales are made up of lottery products including mail order and instant 'scratchies' and internet gaming.

## Totalisator licensing

UBET NT Pty Ltd (UBET), which is a subsidiary of TABCORP Limited, holds the only totalisator licence in the Northern Territory. UBET operates from 50 outlets across the Territory, consisting of 2 independent retail venues, 44 club/hotel licensed premises and 4 on-course venues. UBET also holds a sports bookmaker licence, issued by the Director.



Further details of taxation raised are contained in the Department of Treasury and Finance annual report <https://treasury.nt.gov.au/publications/annual-reports>

## 7. Kava

The Director has powers under the *Kava Management Act 1998* to deal with kava and associated matters, including the disposal of kava and related property seized by police for kava-related offences.

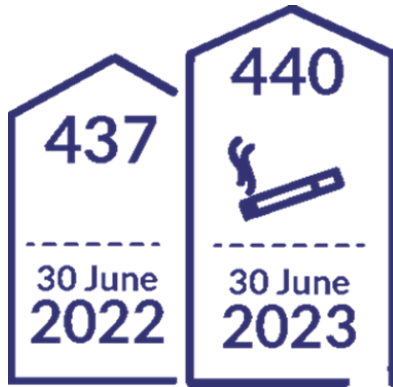


Destruction of kava seized is dependent on the finalisation of judicial proceedings, which can account for significant variations year on year.



## 8. Tobacco Licensing

The Director issues tobacco retail licences to allow for the sale of tobacco products. As of 30 June 2023 there were 440 licences in force compared to 437 in June 2022 with 262 applications processed between 1 July 2022 and 30 June 2023.



The number of active tobacco licences

Table 6: Applications processed between 2022-23

Licence Type	New	Renewal	Other
Tobacco Mobile Licence	4	1	1
Tobacco Retail Licence	36	128	89
Tobacco Specialist Licence	1	2	0
<b>Total</b>	<b>41</b>	<b>131</b>	<b>90</b>



## Index of figures and tables

Table 1: Applications processed as at 30 June 2023 .....	5
Table 2: Types of Restricted Areas as at 30 June 2023 .....	6
Table 3: Private Restricted Premises (including common areas) granted in 2022-23 compared to 2021-22 .....	7
Figure 1: Liquor permit activity for General Restricted Areas for 2022-23 compared to 2021-22 .....	7
Table 4: Complaints received and actions taken by the Director over the past three years .....	8
Table 5: Top 10 licensed clubs and hotels/taverns based on machine gaming Gross Profit for 2022-23 .....	10
Figure 2: Northern Territory casinos gambling product distribution .....	13
Figure 3: Lotteries turnover, player loss and revenue generated comparisons .....	13
Table 6: Applications processed between 2022-23 .....	15