

### What's required for an SIA?

Since May 2000, Registered Clubs applying for the authorisation of gaming machines have required an assessment to be made of the likely impact of those machines on the local community. This includes addressing the gaming history of the venue and the gaming environment of the local community. The process is known as a Social Impact Assessment (SIA).

A Social Impact Assessment is prepared by, or requested by the Club, and must be approved by the Liquor Administration Board before the Club can increase its number of poker machines.

#### Requirements for Approval

Before approving an SIA, the Board must be satisfied that:

- the SIA complies with the Gaming Machines Act 2001 and the Gaming Machines Regulation 2002
- the SIA demonstrates that gaming machine operations in the applicant Club will be conducted in a responsible manner
- there is no school, place of public worship or hospital in the immediate vicinity of the proponent Club (applies to a new Club only)
- the premises are not within a retail shopping centre, and
- the overall social and economic impact of granting the application will not be detrimental to the local community (applies to a Class 2 SIA only).

The number of gaming machines that may be applied for in the SIA is limited by the internal floor space in the venue and the number of machines authorised prior to the application. Internal floor space of a venue includes an outdoor dining area or other enclosed seating area, but does not include any outdoor areas such as a car park. Any venue with a floor space of 400m<sup>2</sup> or more is not affected by any limitations.

There are two classes of SIA's, simply known as *Class 1* and *Class 2*.

A **Class 1 SIA** is required if the application relates to:

- an increase of 4 or less gaming machines in a 3 year period, or

- a transfer of poker machine entitlements from a venue within 1 kilometre, or
- a new Club being moved within 1 kilometre of existing premises and there is no proposed increase in gaming machines.

If the board approves a Class 1 SIA in relation to an increase of 4 or less machines over a 3 year period, and the venue subsequently applies to keep additional gaming machines within that 3 year period (that would take the increase above 4), the venue is required to complete a Class 2 SIA.

A **Class 2 SIA** is required in all other cases and must include the information required for a Class 1 SIA. The Board, when considering a Class 2 SIA, receives a review report which incorporates various checklists. This helps establish whether the applicants SIA has met the regulatory requirements for a Class 2 SIA.

#### Advertising

After an SIA has been lodged with the Board, the applicant must:

- place a copy of the SIA and the application on public exhibition at the venue to which the application relates
- advertise the application in a newspaper circulating in the area of the venue
- provide a copy of the application and the SIA to the Director of Liquor and Gaming and the local council at or before the time the advertisement is published.

The Board cannot determine an application to which an SIA relates until after 30 days has expired, and must take into account any written submission made within that period.

## Approval of the SIA

Before approving an SIA, the Board must be satisfied that:

- the SIA complies with the requirements of the Act and the Regulation,
- the SIA has demonstrated that the activities involving gaming machines in the venue concerned will be conducted in a responsible manner,
- in relation to a Class 2 SIA – overall economic and social impact of granting the application will not be detrimental to the local community.

Both Class 1 and Class 2 SIA's are to be lodged with an SIA cover sheet which is available at the Department of Gaming and Racing website.

For further information about Social Impact Assessments, visit the Department of Gaming and Racing website at [www.dgr.nsw.gov.au](http://www.dgr.nsw.gov.au) or alternatively, Cutcher and Neale are able to assist and complete both forms of SIA applications. Please contact Ian Neale at our office for any further information or assistance.

## Gaming Machine Taxation in 2004

Previously, the gaming machine tax year for Clubs commenced on 1 December and ended on 30 November. The Gaming Machine Tax Act 2001 now states that the gaming machine tax year commences on 1 September and ends on 31 August. With this change, the 2004 year will consist of three quarters with the first quarter commencing 1 December 2003. From 2005 onwards, the gaming machine tax year will revert back to four quarters commencing 1 September 2004 and ending 31 August 2005.

Please remember that this change to the 2004 gaming machine tax year will have an impact on the Community Development & Support Expenditure Scheme (CDSE). Gaming machine profits for the 2004 year will be reduced to \$750,000 to determine if your Club is eligible to make CDSE payments, but only for 2004. For 2005, the threshold for CDSE will revert back to \$1,000,000.

## Self Audit Checklists

The Department of Gaming and Racing have made available a checklist that is completed by their officers when inspecting registered clubs. This checklist addresses such issues as signage, advertising, responsible service of alcohol, responsible conduct of gambling and much more.

Completing this checklist, available at [www.dgr.nsw.gov.au](http://www.dgr.nsw.gov.au) under the 'Gaming' heading, will ensure that your Club complies with specific liquor and/or gaming machine laws.

## Did You Know?

- A GST rebate will be paid by the government on the first \$200,000 of annual gaming machine revenue. The intention at this stage is the rebate will be paid quarterly in arrears based upon gaming revenue data collected by the Central Monitoring System. The first rebate will be received after the August 2004 gaming machine quarter.
- There has been an increase in allowances paid to employees effective from 11 February 2004.
- The Club Managers Award was updated and commences from the first pay period on or after 4 January 2004. Increases were 2.7% (2004) and 2.5% (2005).
- Registered Clubs are no longer required to obtain a permit for authorising the conduct of Club bingo games or Not-For-Profit promotional raffles effective from 1 December 2003. For further information, refer to the Department of Gaming and Racing website.