

# Licensing NT Annual Report

2020-21



The Hon Natasha Fyles  
Minister for Racing, Gaming & Licensing and  
Minister for Alcohol Policy  
Parliament House  
State Square  
Darwin NT 0800

Dear Minister,

The impact of COVID-19, the resulting restrictions and the subsequent rolling border closures has proved a challenge for the liquor and hospitality industries throughout 2020-21. However, Licensing NT has worked extremely hard to support industry and ensure we meet our objectives of delivering a timely and efficient licensing regime, while minimising potential harm to the community through targeted compliance and education. Highlights from the year include:

- undertaking the Technical Review of the *Liquor Act 2019* and Liquor Regulation 2019
- introducing harm minimisation audits on licensed premises
- collecting the first risk-based licensing fees
- creating online applications through the 'Can Do' portal, leading to more efficient processes
- partnering with Hospitality NT to develop a free, online Responsible Service of Alcohol Refresher course
- strengthening our relationships with other key partners, including NT Police, Department of Health, Retail Drinks Australia, and the racing and online wagering industries
- creating a self-exclusion system for those who may have a problem with gambling
- continuing to review the *Racing and Betting Act 1983*
- commissioning an independent investigation into the Darwin Greyhound Association
- continuing to provide significant grant funding to community organisations, and for gambling amelioration and research
- establishing an electronic motor vehicle dealers' register
- updating the Private Security and Building Practitioner qualifications in line with national standards.

I am extremely proud of what the team has accomplished over the past year and look forward to working with industry to deliver another suite of achievements in 2021-22.

I am pleased to submit the 2020-21 Licensing NT Annual Report for your consideration.

Yours sincerely



Philip Timney  
Executive Director  
Liquor, Racing and Gaming  
30 September 2021

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## 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 tax and levies)
- *Kava Management Act 1998*
- *Racing and Betting Act 1983*
- *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)

The Executive Director Occupational Licensing and Associations had responsibility for matters in accordance with the *Private Security Act 1995*.

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

As at 30 June 2021, 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

Stephen Gelding held the following statutory appointment:

- Director of Private Security Regulation

Note: Where Director is referred to throughout this report, it relates to the above information depending on the specific Act.

## Activities of the 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 the communities in the Territory
- regulating the sale, supply, service, promotion and consumption of liquor in a way that stimulates the tourism and hospitality industries.

### New liquor licences



The growth in the number of licences is a result of the conversions of continuing special licences under the *Liquor Act 1978*, to full licences under the new Act.

### Licences transferred

The Liquor Act enables a licensee to transfer a licence to another person or entity.



## Liquor licenses with a special event authority

The implementation of the Liquor Act 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 2020-21



## 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.

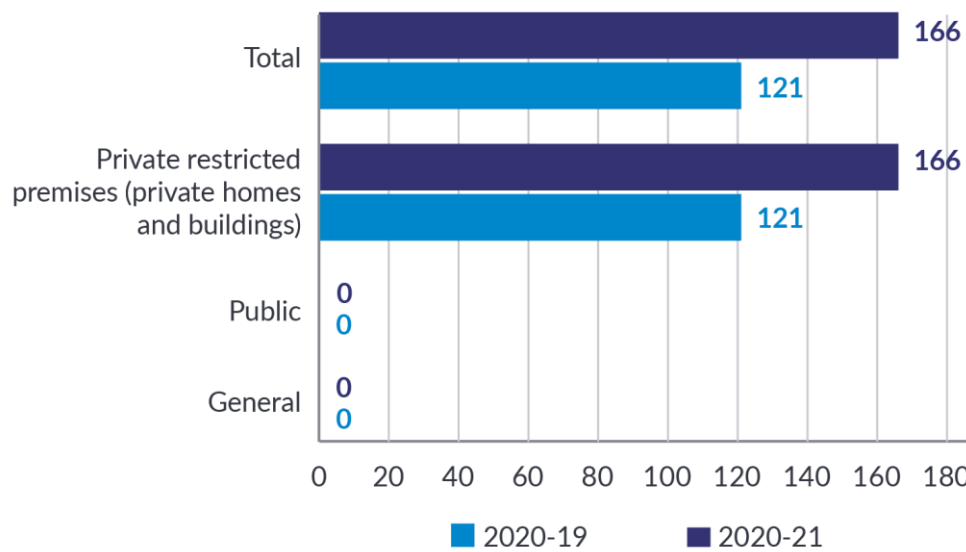
Other types of restricted areas (such as Special Restricted Area or Designated Area) may be declared at the discretion of the responsible Minister. In addition to restricted areas declared under the Liquor Act, the Commonwealth Minister responsible for the *Stronger Futures in the Northern Territory Act (Cth) 2012* is able to declare areas to be an Alcohol Protected Area. Such a declaration is deemed to be a General Restricted Area for the purposes of the Liquor Act.

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, by Gazette Notice, exempt an area for certain times or days to permit liquor consumption in a public place.

Table 1: Types of Restricted Areas as at 30 June 2021

	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 Indigenous 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.

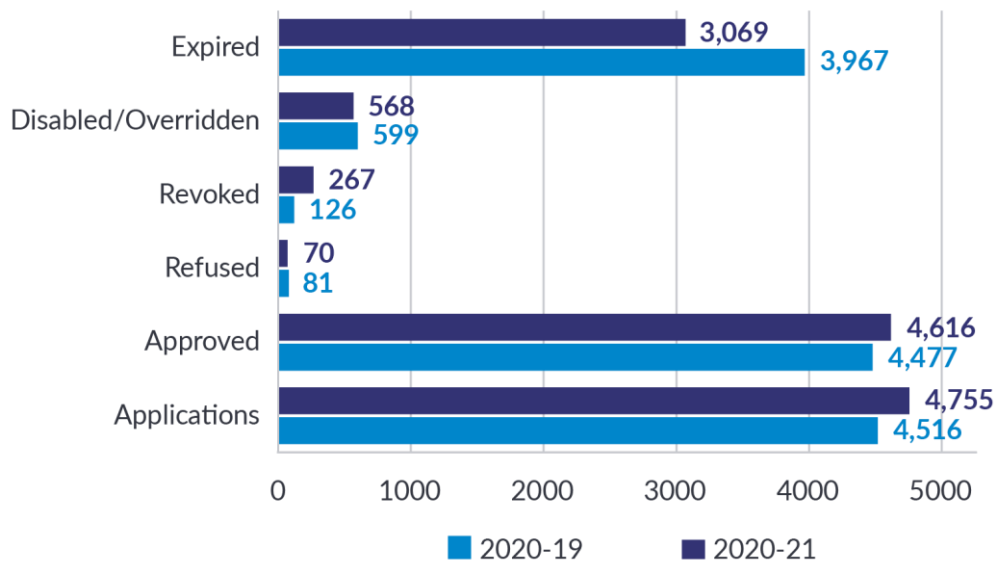
Figure 1: Restricted Areas and premises granted in 2020-21 compared to 2019-20



## 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 2: Liquor permit activity for General Restricted Areas for 2020-21 compared to 2019-20



## 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 2: Complaints received and actions taken by the Director during 2020-21 compared to 2019-20

Liquor complaints received and action taken	2019-20	2020-21
Complaints under investigation as at 30 June with outcome yet to be determined	5	4
Complaints investigated, but no further action warranted	29	33
Complaints investigated, formal warning issued	3	10
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	3	2
Complaint investigated and monetary penalty or infringement notice imposed	0	1
Complaint referred to the NT Liquor Commission for disciplinary action	12	17
Total	52	67

## Compliance and enforcement

Licensing Inspectors are employed within Licensing NT and hold appointments as liquor inspectors under section 16 of the Liquor Act 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 2020-21 reporting period, 2,594 compliance visits were undertaken, compared to 1,881 in 2019-20.

## 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.



Between 1 July 2020 and 30 June 2021,  
**8** licences were cancelled under this provision.

This compares to **14** licences from the introduction of the new Act on 1 October 2019, to 30 June 2020.

## Harm minimisation

Harm minimisation strategies can include education to influence safer drinking choices, regulation of drinking environments to manage the availability of alcohol and engaging stakeholders to address irresponsible and risky behaviours.

Harm minimisation audits were introduced with the commencement of the new Liquor Act. They are thorough and complex, taking several weeks to complete.

From 1 July 2020 to 30 June 2021,  
**3** Harm Minimisation Audits were  
 conducted across the Territory.



## 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>

## Exercise of the Director's emergency powers

The Liquor Act provides that, in an emergency, the Director may suspend a liquor licence, impose additional licence conditions and vary licence in the public interest.

During the COVID-19 emergency, the Director exercised those powers to impose a condition requiring licensees of takeaway liquor outlets to be satisfied that a customer has a lawful residence at which to consume the liquor within the region in which the liquor is purchased. Restrictions were also placed on Licensees with drive through bottleshop facilities, prohibiting liquor sales to passengers in a taxi, private hire car or other commercial vehicle. This restriction also applied to on-duty taxi drivers.

In addition, the Director authorised the sale of liquor, in association with the purchase of a takeaway meal, for consumption away from a licensed premise.

The NT Liquor Commission also provided the Director with an emergency delegation to approve the extension of licensed footprints to allow licensees to better manage the social distancing requirements arising from the pandemic. A total of 9 licensed premises were subject of approval of extended footprints.

## 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.

## Licensing NT partnership with Hospitality NT

Under the Liquor Act, it is a requirement that all licensees ensure staff serving or supervising the serving of alcohol in the Territory complete a refresher course every 3 years.

Over time, Licensing NT identified there was a lack of training organisations offering Responsible Service of Alcohol (RSA) refresher courses.

Licensing NT partnered with Hospitality NT to take the opportunity to develop a free online RSA refresher course. As a result, the course is the first of its kind with the inclusion of Territory-specific questions involving the Banned Drinker Register and minimum floor price.

The refresher course provides workers who received their qualifications elsewhere, or a long time ago, with the opportunity to undertake a free course to upskill their qualifications. The course includes real-life case studies from the Territory.

It proved so popular that 1000 people completed the course in the first 2 weeks, highlighting the strong partnership between Licensing NT and the industry's peak body.



*Left to right: Alex Bruce (Hospitality NT), Danielle Jones, Philip Timney (Executive Director of Liquor, Racing and Gaming)*

## 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.

### Distribution of community gaming machines

As at 30 June 2021, the total number of community gaming machines authorised to be operated under the 73 gaming machine venue licences issued under the *Gaming Machine Act 1995*, including operational and non-operational, was 1,554.



This compares to 30 June 2020, where the total number of community gaming machines authorised to be operated under the 78 gaming machine venue licences issued under the *Gaming Machine Act 1995*, including operational and non-operational, was 1,614.

The distribution of community gaming machines is monitored on a regional basis. The southern region refers to all community gaming machine licensed venues in the Alice Springs and Tennant Creek areas. All other venues are included in the northern region.

Table 3: Distribution of gaming machines

	2019-20			2020-21		
	Clubs	Hotels/taverns	TOTAL	Clubs	Hotels/taverns	TOTAL
Northern region	738	658	1396	660	680	1340
Southern region	161	57	218	164	50	214
<b>TOTAL</b>	<b>899</b>	<b>715</b>	<b>1614</b>	<b>824</b>	<b>730</b>	<b>1554</b>

## 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 the 2020-21 reporting period, the average gross profit per operational machine per day was \$291.59 compared to \$170.43 in 2019-20. Gaming machine gross profit has increased by 62.53% to \$147.513 million in 2020-21, up from \$90.762 million during the 2019-20 reporting period.

Table 4: Licensed clubs based on machine gaming Gross Profit for 2020-21

Each group in alphabetical order	
Top 10	11-20
Casuarina All Sports Club	Alyangula Golf Club
Cazalys Palmerston Club Inc	Darwin Bowls and Social Club
Club Eastside	Darwin Golf Club
Gillen Club	Darwin Trailer Boat Club
Katherine Club	Humpty Doo & Rural Area Golf Club
Katherine Country Club	Nightcliff Sports Club
Palmerston Golf & Country Club	PINT Club Darwin
Silks Darwin Racing	RAOB Club (Darwin) Inc
Tennant Creek Memorial Club Inc	Sporties Club
Tracy Village Social & Sports Club	St Marys Football Sporting & Social Club

Table 5: Licensed hotels/taverns based on machine gaming Gross Profit for 2020-21

Each group in alphabetical order	
Top 10	11-20
Airport Hotel	Beachfront Hotel
Bell Bar & Bistro (The)	Cavenagh (The)
Hibiscus Tavern	Coolalinga Village Tavern
Howard Springs Tavern	Discovery Darwin
Humpty Doo Tavern	Katherine Hotel Motel
Landmark (The)	Lizards Bar & Restaurant
Palmerston Tavern	Monsoons
Parap Village Tavern	Precinct Tavern (The)

Each group in alphabetical order	
Plaza Karama Tavern	TAP on Mitchell (The)
Walkabout Tavern	Virginia Tavern
Berry Springs Tavern	Corroboree Park Tavern
Darwin FreeSpirit Resort	Darwin River Tavern
Frontier Hotel Darwin	Deck Bar (The)
Gapview Resort Hotel	Goldfields Hotel
Hidden Valley Tavern	Good Times Bar & Grill
Hotel Darwin	Mataranka Hotel
Humpty Doo Hotel	Noonamah Tavern
Litchfield Motel	Pine Creek Hotel
Shenannigans Irish Pub	Smith Street Social
Winnellie Hotel Darwin	Stuart Hotel (The)
	Tennant Creek Hotel
	Todd Tavern

## Community Benefit Fund



The Community Benefit Fund **levy on electronic gaming machines** in hotels and casinos.

The increase can primarily be attributed to the COVID-19 closures during March-June 2020 resulting in no levy being collected during the lockdown period, significantly reducing the 2019-20 figure.

Further information regarding the Community Benefit Fund can be found in the Community Benefit Fund Annual Report for 2020-21.

### 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.

#### Gaming machine manager licences

The number of **gaming machine manager licences**



**895**  
in 2020-21  
**874**  
in 2019-20

### 4. 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 Darwin 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.

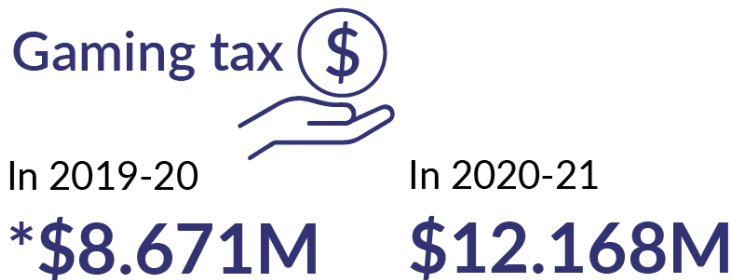
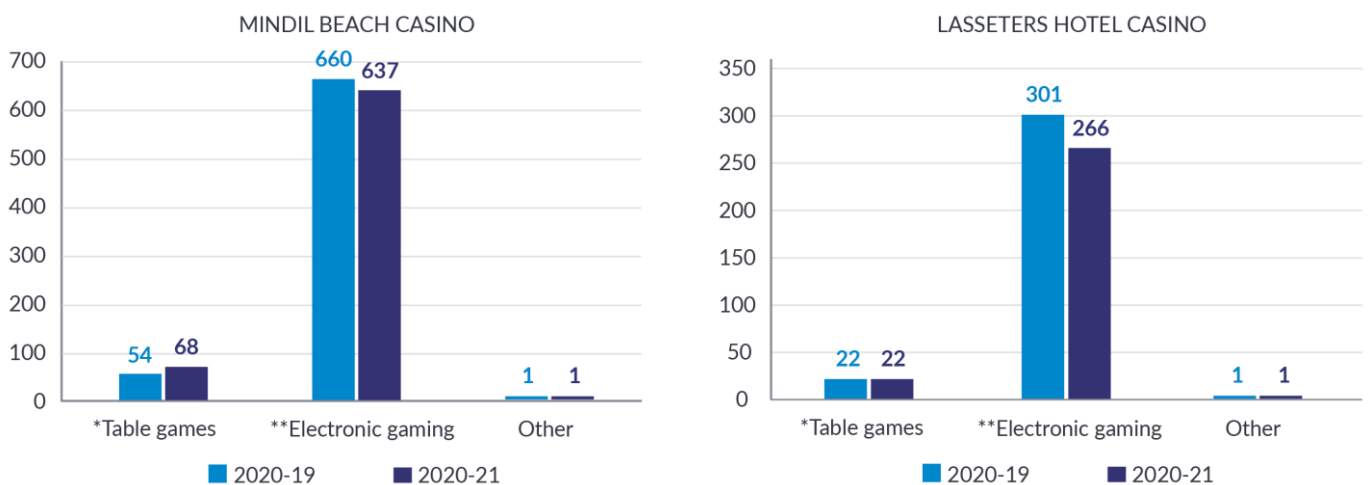


Figure for 2019-20 amended from previously reported amount due to changes implemented following waiver of taxes and levies due to COVID-19 restrictions in early 2020.

Figure 3: Northern Territory casinos gambling product distribution



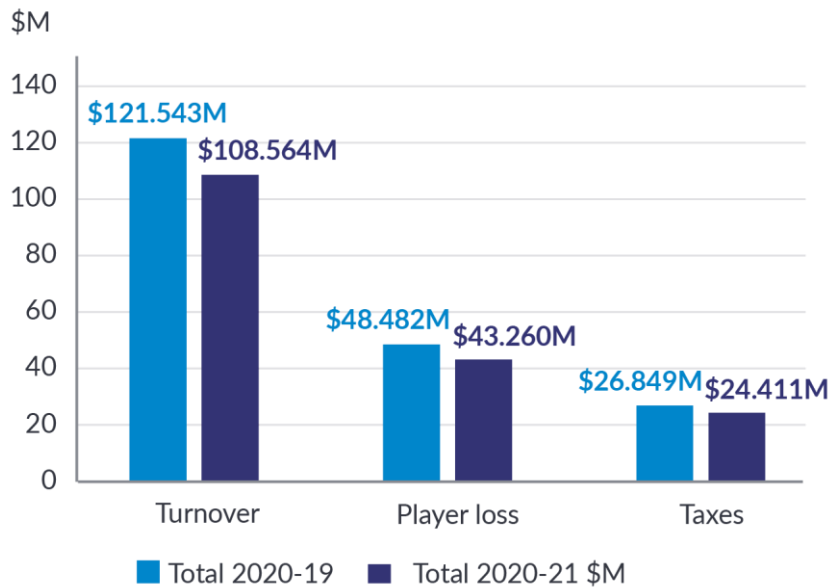
\* Table games include Chip Suspense

\*\* Electronic Gaming includes Fully Automated Table Games (FATGs)

## 5. 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. The Director also has administrative responsibility for the *Soccer Football Pools Act 1978*.

Figure 4: Lotteries turnover, player loss and revenue generated comparisons

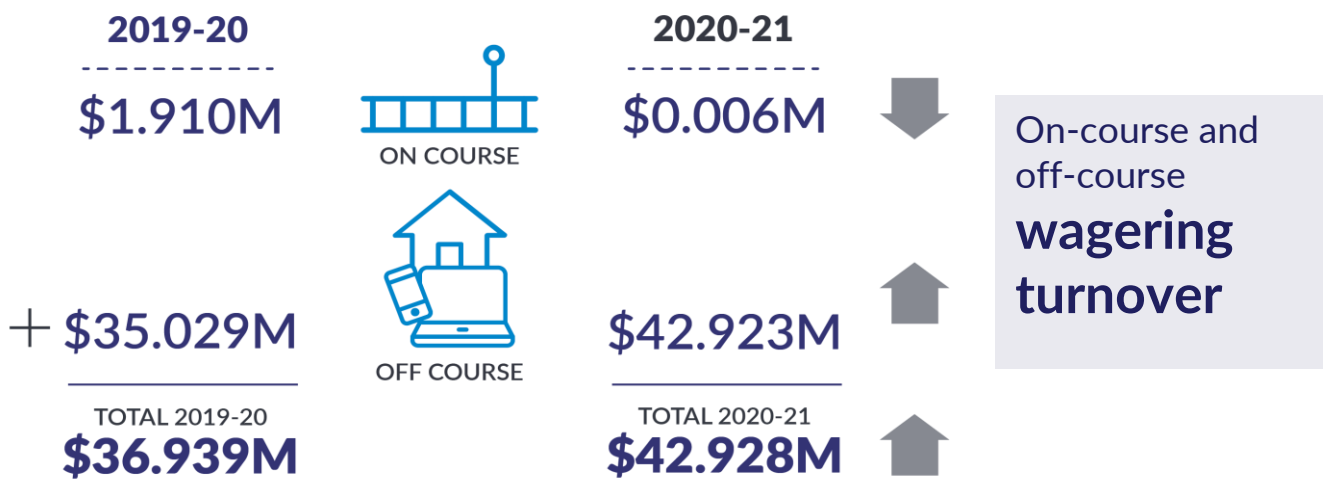


Sales are made up of lottery products, instant 'scratchies' and soccer pools.

### Totalisator licensing

UBET NT Pty Ltd (UBET), which is a subsidiary of TABCORP Limited, holds the only totalisator licence in the Territory. UBET operates from 54 outlets across the Territory, consisting of 4 independent retail venues, 42 club/hotel licensed premises and 4 on-course venues. UBET also holds a sports bookmaker licence, issued by the Director.

The Director investigates and determines complaints with a range of penalty powers available. No complaints were received during the reporting period.



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

## 6. Private security

The Director has the power to grant licences to individuals and firms who wish to conduct security-related activities. There are 3 types of licences under the *Private Security Act 1995*.

- Crowd Controller - employed to control and monitor the behaviour of people, screen people seeking entry to places and remove people because of their behaviour
- Security Officer - employed to patrol or guard another person's property
- Security firm - a person or partnership that supplies the services of security officers or crowd controllers to other people.

Individuals can hold a crowd controller and a security officer licence at the same time.



The number of licences processed by Licensing NT

### Private security licences

Table 6: Private security licences in force as at 30 June 2021 compared to 30 June 2020

Type of licence	30 June 2020	30 June 2021
Security officer and crowd controller	1708	1766
Security officer	229	214
Crowd controller	75	75
Security firm	95	107
<b>Total</b>	<b>2107</b>	<b>2162</b>

## Complaints against security providers

The *Private Security Act 1995* provides for a formal complaint process. The Director determines such complaints and may impose penalties against the licensee.

### 2020-21 REPORTING PERIOD

**17**

Investigations completed  
in accordance with the  
*Private Security Act 1995*

**6** ✓  
Complaints  
**SUBSTANTIATED**

**4** ⚖️  
Licences  
**SUSPENDED**  
Awaiting  
court outcome

**3** ⚖️  
Licences  
**CURRENT**  
Awaiting  
court outcome

**4** ✗  
No breach  
of licence  
conditions  
**DISMISSED**

**3** ⛔  
Licences  
**CANCELLED**

**3** 🕒  
Licences  
**SUSPENDED**  
for short  
period

### 2019-20 REPORTING PERIOD

**8**

Investigations completed  
in accordance with the  
*Private Security Act 1995*

**2** ⛔  
Complaints  
**SUBSTANTIATED**  
Licences  
**CANCELLED**

**2** ⚖️  
Licences  
**SUSPENDED**  
Awaiting  
court outcome

**3** ⚖️  
Licences  
**CURRENT**  
Awaiting  
court outcome

**1** ✗  
No breach  
of licence  
conditions  
**DISMISSED**

## 7. Tobacco licensing

The Director issues tobacco retail licences to allow the sale of tobacco products.



**450**  
30 June 2021

**477**  
in 2019-20

The number of **valid licences** issued.

## 8. Kava licensing

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.*

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