

## **PIDs, Reducing Gaming Machine Numbers, and Territorial Authority Consents**

1. From 1 July 2009 gaming machines that do not have the player information display (PID) feature will not operate.
2. Provided some of the gaming machines at a venue do have PIDs, operators can reinstate the rest of their gaming machines after 1 July 2009 as they become PID compliant.

The Department has received a number of queries about PID upgrades and territorial authority (TA) consents.

We understand that some operators will not have all of their gaming machines PID compliant by 1 July 2009 (regulations 2 and 7 Gambling (Harm Prevention and Minimisation) Regulations 2004) because of, for example:

- Cost of upgrade
- Availability of compliant gaming machines
- Availability of technicians to install new gaming machines

As of 1 July 2009 gaming machines with software that is not PID compliant will no longer be recognised by the EMS and will not operate on the network. Gaming machines that are not PID compliant will not meet the harm prevention and minimisation minimum equipment standards.

Concerns have been raised about operators' ability to reinstate gaming machines after they have been upgraded for PIDs. Provided a venue remains licensed, the maximum number of gaming machines that 'may operate' does not change as long as some of the gaming machines at the venue are operating. The number of gaming machines that 'may operate' at a venue is explained below, with examples.

### **How many gaming machines 'may operate' at a venue?**

All operators were required by the Gambling Act 2003 (the Act) to notify the Department of the number of gaming machines operating at all venues on 22 September 2003 (the 'notified number'). A venue that held a licence on 17 October 2001 that has not been without a licence for more than 6 months since then 'may operate' its 'notified number' of gaming machines.

A venue licensed after 17 October 2001, or which has been without a licence for more than 6 months since then, 'may operate' no more than the number of gaming machines stated on its territorial authority consent. Some venues licensed on 17 October 2001 may have applied for, and been granted, TA consent to increase their gaming machines above their 'notified number'. The number on the TA consent is the number these venues 'may operate'.

An operator will be able bring the gaming machines back "on-line" once the gaming machines are PID compliant without needing TA (or further TA) consent at any time in the future. A new TA consent for licensed venues is only required if a venue is increasing gaming machine numbers beyond the 'notified number' or above the maximum number allowed on the venue's most recent TA consent (i.e. above the number of gaming machines that 'may operate' at the venue).

**Example 1: The Sports Club**

- currently operates 18 gaming machines
- venue was licensed on 17 October 2001 (and has not been without a licence for more than 6 months since then)
- notified the Department that 18 gaming machines were operating on 22 September 2003, and has not been without a licence since then, therefore 'may operate' 18 gaming machines
- upgrades 12 gaming machines for PIDs by 1 July 2009
- operates 12 gaming machines for a year, then upgrades another 6 = 18 gaming machines operating at the venue – No territorial authority consent is needed.

**Example 2: The Ocean Bar**

- currently operates 9 gaming machines
- venue was licensed on 1 February 2005 and has TA consent to operate 9 gaming machines
- upgrades 6 gaming machines for PIDs by 1 July 2009
- operates 6 gaming machines for 8 months, then upgrades another 3 = 9 gaming machines operating at the venue – No (further) territorial authority consent is needed.

Operators should use this opportunity to consider the most efficient number of gaming machines at each venue. In many cases fewer gaming machines could generate the same level of gaming machine proceeds.

**NB:** The information above applies to any voluntary reduction in gaming machines being operated at a venue, not just reductions due to the PID requirement.

The above information is subject to operators and venues meeting all other requirements under the Act.

Operators who decide to voluntarily reduce the number of gaming machines operating at a venue can do so by forwarding the appropriate amendment application to the Department.