

Northern Territory Licensing Commission 2006-07 Annual Report

Chairman's Message



This report covers the period from 1 July 2006 to 30 June 2007. In this time, Mr John Flynn was the Licensing Commissioner and then Ms Brenda Monaghan acted as the Commissioner until my appointment in early January 2007. I take this opportunity to pay tribute to the outstanding work done by Mr Flynn and Ms Monaghan and this report reflects input from all Chairpersons for the period of the report.

I reaffirm the Licensing Commission's approach towards its work and hearings in that its approach is inquisitorial, ie fact finding rather than adversarial or prosecutorial. Proceedings are legal as required but conducted nonetheless with a minimum of formality.

On taking up the position I confirmed the priorities of the Commission would be:

- An unforgiving approach to underage drinking or sale of takeaway liquor by licensed establishments to underage persons;
- A tough approach to the serving of intoxicated patrons; and
- An overall aim of reducing anti social behaviour, particularly the harm caused through takeaway alcohol purchases.

Whilst the matters dealt with by the Licensing Commission are usually challenging, liquor-related issues in the Territory are particularly so as we face the reality of per capita consumption at nearly twice that of the national average. The serious harms being caused by harmful and excessive drinking applies across the whole of the Northern Territory community.

The development of Alcohol Management Plans - community driven plans to address local alcohol issues – across a number of Northern Territory communities has seen an increased focus on Liquor Supply Plans. Liquor Supply plans are an important part of the overarching Alcohol Management Plan providing tailored restrictions on alcohol availability, particularly takeaway sales. They are an important tool in regulating alcohol sales and consumption and requiring increasing effort and attention by the Commission in consultation with all parties.

The Alice Springs Alcohol Management Plan has introduced strategies including restrictions on sales of specific products. A restricted area and permit system arrangement for takeaway alcohol on the Gove Peninsular as part of an Alcohol Management Plan for the East Arnhem area is being finalised.

To facilitate more flexible options for the introduction of alcohol initiatives across the Northern Territory, the *Liquor Act* was amended to add provisions for Public Restricted Areas and to declare Restricted Premises.

The use of the Public Restricted Provisions of Part VIII of the *Liquor Act* foreshadows considerable work and community consultation by the Commission. The first hearing into an application for a Public Restricted Area was considered for Alice Springs with the “dry” town to come into effect on 1 August 2007.

In line with the provisions for General Restricted Areas, amendments were made to enable private residences to be declared “dry” and one hundred and seventeen (117) private restricted premises were declared restricted across this period.

During the year, the Minister in consultation with the Commission, continued the Moratorium on any new takeaway alcohol licences. This has been in response to community concerns about the number of liquor outlets already operating.

The statistics contained within this report indicate a substantial increase in liquor related hearings to 96 during the reporting period with the prior years indicating 29 and 67 hearings respectively.

In this term, the Commission undertook a review of the procedures Developers are required to follow to obtain a liquor licence for new building projects. This initiative would involve Developers applying for “in principle” liquor licences at the same time as application is made for a Building Development Permit.

Following a review of Camera Surveillance measures operating at licensed premises, new tighter guidelines came into force during the year to improve patron surveillance in licensed premises.

The Commission has foreshadowed its concern in relation to the ease with which applicants are able to meet the criteria in applying for Gaming Machine Licences.

It should also be noted that in June 2007, the Australian Government launched its Northern Territory Intervention “to protect Aboriginal children from abuse”. Part of the intervention included major restrictions on the import of kava into Australia that will in practical effect, bring the regulated trade of kava under the *Kava Management Act* to a halt.

The full scope and impact of the intervention as it particularly applies to kava and liquor is as yet unknown, but will be watched with interest by Territorians and others beyond our borders.

	<p>I would like to place on the record my appreciation the support work undertaken by Licensing and Regulation staff, other related government agencies such as the Northern Territory Police and the cooperation the Commission has received from industry through the Northern Territory Australian Hotels Association.</p> <p>Richard O’Sullivan Chairman, NT Licensing Commission</p>
<p>The Commission</p>	<p>The Northern Territory Licensing Commission (the Commission) is an independent statutory authority with extensive powers to regulate and enforce Territory racing, gaming, liquor, private security and related licensing legislation.</p> <p>The Commission was established on 14 February 2000 by the Northern Territory Licensing Commission Act (the Act) and replaced several statutory authorities, namely the Liquor Commission, Gaming Machine Commission, Gaming Control Commission, Private Security Licensing Authority and the Escort Agency Licensing Board. The Chairperson and four Members of the Commission also make up the Racing Commission.</p> <p>The Licensing Commission operates as an independent tribunal with responsibility for licensing and related matters covering liquor control, kava management, private security, totalisators, escort agencies and gaming machines.</p> <p>The Licensing and Regulation Division of the Department of Justice works closely with the Commission, bringing matters to its attention and giving advice associated with licence applications, variations and breaches.</p> <p>Although located within the Department of Justice, the Commission maintains its independence as a statutory authority separate from the Department and its Licensing and Regulation area. Nonetheless, the Commission is serviced in the exercise of its functions by Licensing and Regulation through its investigations, monitoring, record keeping, enforcement and reporting. The Director of Licensing is a statutory officer appointed under the Licensing Commission Act.</p> <p>The Act requires the Commission to prepare a report to the Minister for Racing, Gaming and Licensing at the end of each financial year on the Commission’s operations during that year, under each Act that confers powers or imposes functions upon it.</p>

<p>Members of the Commission</p>	<p>Members are appointed by the Minister. Although the Act limits terms of appointment to three years, members are eligible for reappointment.</p> <p>Members as at 30 June 2007:</p> <p>Mr Richard O’Sullivan (Chairperson) Ms Elizabeth Morris* Mr Paul Costigan * Mr John Brears* Ms Helen Kilgariff* Ms Brenda Monaghan (Legal Member) Mr Ian O’Reilly Ms Jane Large Ms Veronica McClintic</p> <p>* Denotes membership of the Racing Commission pursuant to the <i>Racing and Betting Act</i>.</p> <p>Ms Morris and Ms Monaghan are Northern Territory Public Sector employees. All other members receive sitting fees and allowances in accordance with rates determined by the <i>Remuneration (Statutory Authorities) Act</i>.</p>
<p>Legislation</p>	<p>The Commission is a body corporate that operates as an administrative authority and quasi-judicial tribunal, with responsibility for licensing and related matters in accordance with the requirements of the following legislation:</p> <ul style="list-style-type: none"> • <i>Northern Territory Licensing Commission Act</i> • <i>Liquor Act</i> • <i>Kava Management Act</i> • <i>Private Security Act</i> • <i>Totalisator Licensing and Regulation Act</i> • <i>Gaming Control Act</i> • <i>Gaming Machine Act</i> • <i>Prostitution Regulation Act</i> • <i>Racing and Betting Act</i> (as the Racing Commission) • <i>Tobacco Control Act</i>

<p>Commission Procedures</p>	<p>The majority of matters considered by the Commission arise from reports submitted by the Director of Licensing. The Director of Licensing investigates all applications, complaints and objections made under any of the Acts listed above and provides appropriate reports to the Commission.</p> <p>The major determinative decisions under the legislation are made by the Commission through a full corporate meeting or a meeting of a quorum selected by the Chairperson for the purpose, or consequent upon and as an outcome of a hearing.</p> <p>The Commission is legislatively required to conduct hearings in certain circumstances, for example where an objection to an advertised application under the <i>Liquor Act</i> is ruled to comply with the relevant legislated formalities.</p> <p>The Commission maintains records and minutes of all meetings and publishes full written reasons for the majority of its decisions arising from hearings on its website.</p> <p>Many of the functions are delegated by the Commission at its discretion. Delegates include the Chairperson, the Director of Licensing, Deputy Directors of Licensing, the Manager Racing, designated staff of Racing, Gaming and Licensing, and sometimes individual Commission members. All decisions made by delegates are decisions of the Commission, for which it bears ultimate responsibility.</p>
<p>Commission Business</p>	<p>The Commission conducts monthly meetings determining issues from across the broad range of its legislative responsibilities. In addition, special meetings of membership quorums and other groupings of members are conducted on an ‘as needs’ basis in relation to specific and often urgent matters. Meetings regularly take place in Darwin and Alice Springs, and from time to time in the relevant Territory communities.</p> <p>Hearings are conducted by panels of members selected by the Chairperson. Under the <i>Liquor Act</i>, hearing panels may comprise one or three members. Because a party to a hearing who is disaffected by a decision of a single member may ask for a re-hearing before a panel of three members, liquor hearings are normally conducted before a panel of three.</p> <p>The Commission attempts to conduct all hearings at or near the location where the matter originated. Hearings therefore occur in the Territory’s major towns, and often in smaller communities.</p> <p>The nature and number of hearings and meetings, and the number of days devoted to them, are shown in Table 1.</p>

Table 1: Hearings and Meetings	Hearings & Meetings			Hearings & Meetings No. of Days		
	Type of Hearing / Meeting	2005	2006	2007	2005	2006
Scheduled monthly Commission meetings	12	9	11	24	9	11
Special Commission meetings	13	7	2	13	7	2
Community liaison	6	3	10	8	5	11
Escort agency meetings	5	0	0	5	0	1
Conferences attended	2	1	2	6	4	7
Hearings	71	67	75	97	105	100
Handing down decisions	1		0	1		0
Total	110	87	100	154	130	132
Liquor Licensing						
<p>The <i>Liquor Act</i> requires the Commission to conduct hearings in a range of circumstances including contested applications for liquor licences (ie. where there are objections), for variations to licence conditions and unresolved complaints relating to operational aspects of existing licences. Generally, any applicant whose application is refused without a hearing may demand a hearing before the Commission. Table 2 summarises the nature of hearings conducted during 2006-07 and compares them with those conducted in the previous four years.</p>						

Table 2: Liquor-Related Hearings	Nature of Hearings	2003	2004	2005	2006	2007
	Application for a restricted area	0	2	5	2	3
	Application for the grant of a liquor licence	15	9	2	4	13
	Complaint pursuant to section 48 – breach of <i>Liquor Act</i>	8	7	7	14	16
	Complaint pursuant to section 48 – other (eg, alleged breach of licence conditions)	15	18	5	13	9
	Application to cancel liquor licence	7	9	3	0	4
	Application to vary conditions of liquor licence	12	8	6	4	18
	Application to substitute premises	2	0	0	0	1
	Transfer of liquor licence ¹		2	0	0	0
	Requests by licensees for review of licence conditions ¹		3	1	6	2
	Seized vehicle hearings ¹				11	8
	Seized vehicle reviews ¹				11	22
	Total ²	59	58	29	67	96
<p>1. Where data is absent, it is either unavailable or not reported in this format.</p> <p>2. The surge in the number of liquor related hearings since 2005 is due in part to the increase in applications for review of seized vehicle hearings and the deferral of a number of matters due to circumstances beyond the control of the Commission. The increase in activity is also a reflection of an improved process adopted by the Commission, which convenes a subgroup of the Commission to consider matters and make decisions outside of the lengthy hearing process. Hearings in relation to applications are demand driven and are outside the control of the Commission.</p>						

<p>Complaints against Licensed Premises</p>	<p>Section 48 of the <i>Liquor Act</i> provides that “a person may make a complaint arising out of the conduct of the business at licensed premises or the conduct of the licensee in relation to the business of a licence, or that the licensee is not a fit and proper person”. The <i>Liquor Act</i> requires all complaints to be in writing, to be lodged with the Director of Licensing and to be signed by the person lodging the complaint. The Director of Licensing is then required to investigate all complaints and to provide licensees with the opportunity to respond to the complaint prior to a report being placed before the Commission. Although there is opportunity for the licensee and the Director of Licensing to informally mediate the complaint, many proceed to a hearing. Table 3 shows the number of formal complaints received and actions taken during 2006-07 and compares them with the complaints received and actions taken over the previous four years.</p>																																																					
<p>Table 3: Liquor Complaints Received through Director of Licensing and Action Taken</p>	<table border="1"> <thead> <tr> <th data-bbox="525 936 892 1025">Liquor Complaints Received and Action Taken</th> <th data-bbox="892 936 1011 1025">2003</th> <th data-bbox="1011 936 1131 1025">2004</th> <th data-bbox="1131 936 1251 1025">2005</th> <th data-bbox="1251 936 1370 1025">2006</th> <th data-bbox="1370 936 1439 1025">2007</th> </tr> </thead> <tbody> <tr> <td data-bbox="525 1025 892 1115">Complaints investigated, but no further action warranted</td> <td data-bbox="892 1025 1011 1115">8</td> <td data-bbox="1011 1025 1131 1115">7</td> <td data-bbox="1131 1025 1251 1115">6</td> <td data-bbox="1251 1025 1370 1115">6</td> <td data-bbox="1370 1025 1439 1115">9</td> </tr> <tr> <td data-bbox="525 1115 892 1205">Licences surrendered following complaint</td> <td data-bbox="892 1115 1011 1205">0</td> <td data-bbox="1011 1115 1131 1205">0</td> <td data-bbox="1131 1115 1251 1205">0</td> <td data-bbox="1251 1115 1370 1205">0</td> <td data-bbox="1370 1115 1439 1205">0</td> </tr> <tr> <td data-bbox="525 1205 892 1317">Licences suspended due to breaches of licence conditions (section 66(1)(b))</td> <td data-bbox="892 1205 1011 1317">13</td> <td data-bbox="1011 1205 1131 1317">4</td> <td data-bbox="1131 1205 1251 1317">3</td> <td data-bbox="1251 1205 1370 1317">7</td> <td data-bbox="1370 1205 1439 1317">10</td> </tr> <tr> <td data-bbox="525 1317 892 1429">Complaints heard and finalised without licence suspension</td> <td data-bbox="892 1317 1011 1429">10</td> <td data-bbox="1011 1317 1131 1429">21</td> <td data-bbox="1131 1317 1251 1429">9</td> <td data-bbox="1251 1317 1370 1429">20</td> <td data-bbox="1370 1317 1439 1429">1</td> </tr> <tr> <td data-bbox="525 1429 892 1518">Complaints awaiting decision</td> <td data-bbox="892 1429 1011 1518">3</td> <td data-bbox="1011 1429 1131 1518">2</td> <td data-bbox="1131 1429 1251 1518">3</td> <td data-bbox="1251 1429 1370 1518">1</td> <td data-bbox="1370 1429 1439 1518">1</td> </tr> <tr> <td data-bbox="525 1518 892 1608">Complaints withdrawn</td> <td data-bbox="892 1518 1011 1608">1</td> <td data-bbox="1011 1518 1131 1608">0</td> <td data-bbox="1131 1518 1251 1608">3</td> <td data-bbox="1251 1518 1370 1608">1</td> <td data-bbox="1370 1518 1439 1608">1</td> </tr> <tr> <td data-bbox="525 1608 892 1664">Total</td> <td data-bbox="892 1608 1011 1664">35</td> <td data-bbox="1011 1608 1131 1664">34</td> <td data-bbox="1131 1608 1251 1664">24</td> <td data-bbox="1251 1608 1370 1664">35</td> <td data-bbox="1370 1608 1439 1664">22</td> </tr> </tbody> </table>						Liquor Complaints Received and Action Taken	2003	2004	2005	2006	2007	Complaints investigated, but no further action warranted	8	7	6	6	9	Licences surrendered following complaint	0	0	0	0	0	Licences suspended due to breaches of licence conditions (section 66(1)(b))	13	4	3	7	10	Complaints heard and finalised without licence suspension	10	21	9	20	1	Complaints awaiting decision	3	2	3	1	1	Complaints withdrawn	1	0	3	1	1	Total	35	34	24	35	22
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<p>Suspension of Licence</p>	<p>Liquor licences may be suspended as penalty for breaches of the <i>Liquor Act</i> or licence conditions, or for non-compliance with directions issued by the Commission, only when it is satisfied that the breach is of sufficient gravity to justify suspension. Suspensions can also occur when the premises are not open for the sale or supply of liquor (section 66(1)(c)) such as at the request of a licensee undertaking building renovations or similar. Section 48A allows for the immediate suspension of a</p>																																																					

licence in an emergency, or pending investigation of a complaint. Such suspensions would normally be at the request of the Police during a cyclone, major flood or civil disturbance. Table 4 shows the licences suspended during 2006-07 and the basis for the suspensions.

Table 4: Liquor Licences Suspended 2006-07	Licence Number	Suspended Date	No of Days / Section	Premises
	81201182	06/07/06 13/09/06	Indefinitely 66(1)(c) Extended after 90 days Lifted 1/12/06	Hayes Creek Roadside Inn
80901818	14/08/06 – 23/08/06	10 Days 66(1)(b)	Good Fortune Take-Away Mini Mart	
80515920	15/08/06	Indefinitely 66(1)(c)	The Cinema Café	
80903294	01/09/06	56 Days 66(1)(b)	Tiwi Supermarket	
81402352	09/09/06	1 Day 66(1)(b)	Alice Springs Golf Club	
81402285	14/09/06 19/09/06	1 Day (Takeaway) 66(1)(b) 1 Day (Premises)	Alice Springs Memorial Club	
80900486	25/09/06 – 04/10/06	10 Days 66(1)(b)	Everley Parap	
80300296	07/10/06	1 Day	Kitty O'Sheas	
80316511	04/10/06	Indefinitely 66(1)(b)	Lazy Lizard Caravan Park	
80103282	16/10/06	Indefinitely 66(1)(b) 66(1)(c)	Borrooloola Inn	
80900103	02/11/06	Indefinitely 66(1)(c)	Rapid Creek Supermarket	
80315790	19/11/06	Indefinitely 66(1)(c)	Rorke's Drift Bar Café	
80300317	28/11/06	1 Day 66(1)(b)	Squires Tavern	
80516130	01/01/07	Indefinitely 66(1)(c)	Kozy	
80316631	01/01/07	Indefinitely 66(1)(c) Reinstated	Fox N Fiddle British Inn 03/04/2007	
80304179	24/01/07	1 Day, 1 Suspended	Corroboree	

			66(1)(b)	Park Tavern
	80802930	14/02/07 – 18/02/07	5 Days 66(1)(c)	Central Australian Football League
	80516520	29/06/07	Indefinitely 66(1)(c)	Loui's on the Park
Cancellation of Licence	<p>Cancellation of a liquor licence usually occurs as a consequence of the premises not having been used for the sale or supply of liquor for a period of 90 days. Cancellation can also occur on the grounds that:</p> <ul style="list-style-type: none"> the licensee is no longer a fit and proper person to hold the licence; the licensee has been found guilty of an offence against the <i>Liquor Act</i>; the licensee is serving a term of imprisonment; or the licensee has failed to comply with a condition of his or her licence. <p>The Commission may also cancel a licence on the ground that the premises no longer meets the needs or wishes of the community, but cancellation on this ground is subject to the payment of compensation.</p> <p>The Commission is required to conduct a hearing before cancelling a licence on any ground.</p>			
Table 5: Liquor Licences Cancelled 2006-07	Licence Number	Cancel Date	Premises	
	81000039	26/07/06	Elders Pastoral – Katherine	
	80103282	14/12/06	Borrooloola Inn	
Surrender of Licence	<p>The <i>Liquor Act</i> enables a licensee to voluntarily surrender a licence by lodging the licence with the Director of Licensing. The surrender has no effect until accepted by the Commission, which must first satisfy itself that all persons who have an interest in the licensed premises to which the licence relates have been given at least two weeks' notice of the licensee's intention to surrender the licence. The person whose licence is surrendered remains liable for an act or omission done, caused, permitted or made by him or her prior to the surrender, and for any liability incurred prior to the surrender. Table 6 identifies licences surrendered during 2006-07.</p>			

Table 6: Liquor Licences Surrendered 2006-07	Licence Number	Surrender Date	Premises			
	80203723	17/07/06	Red Centre Resort			
	80901646	06/10/06	Mac's Liquor - Darwin			
	80900486	02/11/06	Everley Parap			
	80016764	11/12/06	Bayside Store			
	80516568	04/01/07	Passage to India Restaurant			
Restricted Areas	<p>The <i>Liquor Act</i> empowers the Commission, upon application, to declare an area to be a general restricted area, a public restricted area or a private restricted premises. When considering applications, the Commission is required to ascertain the opinions of residents, licensees and community government councils.</p> <p>During the 2006/07 year, the Commission declared:</p> <ul style="list-style-type: none"> • two general restricted areas (Gilwi and Pigeon Hole); • one public restricted area (Alice Springs); and • 117 private restricted premises. 					
Permits	<p>The Commission may grant permits to residents of restricted areas that authorise the holder to possess, control and consume liquor within the restricted area. Permits are regularly restricted to particular kinds or amounts of liquor. The Commission regularly delegates initial assessment of permit applications to a local permit committee with a Constitution approved by the Commission. The Commission may revoke a permit at its discretion. Permit revocation is normally at the request of police, either in relation to individual permits or by way of a blanket revocation across an area to meet an emergency situation. Generally, permits are current for one year and need to be renewed annually. Table 7 provides details of liquor permit activity for restricted areas during 2006-07 and compares them to the previous four years.</p>					
Table 7: Liquor Permits for Restricted Areas	Liquor Permits	2003	2004	2005	2006	2007
	Permits issued	1377	1394	1565	3401	2210
	Permits revoked	15	57	43	167	4
	Permits cancelled	105	16	47	130	18

Working with Communities	The Licensing Commission has been active in responding to requests from communities that are endeavouring to address unacceptable behaviours arising from liquor misuse. Clubs on the Tiwi Islands for example, are working with the Commission to try to minimise the alcohol related harm experienced in their communities.		
Seized Vehicles	<p>The <i>Liquor Act</i> provides licensing inspectors, including all Northern Territory police, with powers to “seize, take, detain, remove and secure any vehicle, vessel or aircraft” upon reasonable grounds for suspecting that the conveyance has been involved in illegally bringing liquor into a restricted area or in possessing or consuming liquor in a restricted area”.</p> <p>Seized vehicles are held and stored by police on behalf of the Chairperson. Upon any person (not just the owner or driver) being found guilty by a court of any offence in relation to which the conveyance was seized, the seized equipment is automatically forfeited to the Government. The <i>Liquor Act</i> describes the manner and circumstances in which claims for the return of seized vehicles or other conveyances can be made to the Chairperson and the Minister. After forfeiture, conveyances may be disposed of by the Chairperson as he sees fit, with the provision that a decision by the Chairperson to return the conveyance to a previous owner requires the approval of the Minister, who needs to be satisfied the applicant was not knowingly involved in the unlawful carriage of liquor that triggered the seizure and had no reasonable grounds to suspect that such an offence might be committed with the vehicle.</p>		
Table 8: Seized Vehicle Movements	Seized Vehicles	2005-06	2006-07
	Vehicles on hand beginning of year	135	120
	Vehicles seized during the year	94	75
	Vehicles returned to owners	49	34
	Vehicles disposed	60	22
	Vehicles on hand at year end	120	139

Kava Licensing	
History	<p>Kava is a mood-altering drink prepared from the crushed root of the pepper plant. Widely used in South Pacific countries in a ceremonial context, it was first introduced into the Arnhem Land area of the Territory in the early 1980s and readily adopted in most coastal and island communities across the Top End.</p> <p>The <i>Kava Management Act</i> prohibits the possession of kava outside a declared licence area except in accordance with a licence.</p>
Kava Licence Areas and Kava Licences	<p>Ten or more residents of an area or a community government council could apply to the Minister to have an area declared a kava licence area, in which kava may be legally sold and consumed. A kava management plan detailing the intended practices and procedures relating to the possession, supply and consumption of kava within the designated area was also required. Details of how profits would be applied to the benefit of the community and measures to be implemented by the community to minimise harm to residents and the amenity of the community also formed part of the plan specific to the area.</p> <p>The Commission would investigate the needs and opinions of the community prior to giving a kava management plan approval. Once approved, the Minister could declare an area where kava may be sold for consumption</p> <p>The Commission could grant a retail licence for a declared kava licence area. Four retail licences had been granted being incorporated bodies on behalf of the Laynhapuy Homelands, Yirrkala, Ramingining and Warruwi communities.</p>
Australian Government Import Restrictions	<p>In June 2007, the Australian Government in conjunction with its intervention into the Northern Territory triggered by the “Little Children are Sacred Report”, imposed severe restrictions on the importation of kava to Australia. Commercial quantities of kava can now only be imported for pharmaceutical or research purposes. This will effectively cease the regulated trade of kava in the Northern Territory once existing stocks of kava are exhausted.</p>

Gaming Machine Licensing																								
Legislation	<p>The principal functions of the Commission arising under the <i>Gaming Machine Act</i> are to:</p> <ul style="list-style-type: none"> • determine applications for all gaming machine licences; • determine the number of gaming machines for each licensed premises, and appropriate licence conditions; • issue directions to licensees in relation to the conduct of gaming and the administration of licensed premises; and • conduct disciplinary action against licensees, including the power to suspend or cancel a licence, and to appoint an administrator. <p>The <i>Gaming Machine Act</i> does not apply to casinos.</p> <p>Section 21(1A) of the <i>Northern Territory Licensing Commission Act</i> requires the Licensing Commission to report to the Minister the extent to which the objectives of the <i>Gaming Machine Act</i> have been met during the financial year.</p>																							
Gaming Machine Licences	<p>Gaming machine licences remain in effect until cancelled, revoked or ceased. Licences are not transferable, and therefore a new licence is required when a licensed premise changes owner. The Commission approvals of new gaming machine licences for the past five years are shown in Table 9.</p>																							
Table 9: New Gaming Machine Licence Approvals	<table border="1"> <thead> <tr> <th>Gaming Machine Licences</th> <th>2003</th> <th>2004</th> <th>2005</th> <th>2006</th> <th>2007</th> </tr> </thead> <tbody> <tr> <td>Hotels¹</td> <td>11</td> <td>5</td> <td>12</td> <td>4</td> <td>10</td> </tr> <tr> <td>Clubs</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>1</td> </tr> </tbody> </table>	Gaming Machine Licences	2003	2004	2005	2006	2007	Hotels ¹	11	5	12	4	10	Clubs	0	0	0	0	1	2003	2004	2005	2006	2007
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Distribution of Gaming Machines	<p>Historically, the distribution of gaming machines is reported on a regional basis. The southern region refers to all gaming machine licensed venues in the Alice Springs and Tennant Creek areas. All other venues are included in the northern region. Table 10 shows that at 30 June 2007, 73 premises were operating 1097 gaming machines.</p>																							

Table 10: Gaming Machine Distribution	Gaming Machine Distribution		In clubs	In hotels	TOTAL
	2005	Northern Region	523	235	758
		Southern Region	164	63	227
		TOTAL	687	298	985
	2006	Northern Region	534	273	807
		Southern Region	172	71	243
		TOTAL	706	344	1050
	2007	Northern Region	553	299	852
		Southern Region	177	68	245
		TOTAL	730	367	1097
Gaming Machine Industry Performance	<p>The performance of community-based gaming machines has been monitored on a monthly basis since the introduction of cash-paying gaming machines in 1996.</p> <p>Table 11 shows gaming machine numbers, gross profits and tax paid by clubs in 2006-07.</p> <p>Table 12 shows gaming machine numbers, gross profits, tax paid by hotels and community benefit levy contributions in 2006-07.</p>				

**Table 11:
Northern
Territory
Community
Gaming Machine
Performance in
Clubs**

Northern Territory Community Gaming Machine Performance in Clubs, year ended 30 June 2007

Club Venue	Number of Machines	Gross Profit (\$)	Gaming Tax
Alice Springs Golf Club Inc	8	65,209	9,4
Alice Springs Memorial Club Inc	45	1,776,120	524,7
Alice Springs RSL Club	24	520,498	113,8
Alyangula Golf Club	8	200,917	40,0
Alyangula Recreation Club	15	812,075	201,2
Buff Club	16	708,996	169,3
Casuarina All Sports Club	45	6,142,078	2,389,5
Cazalys Palmerston	45	4,678,902	1,761,7
Darwin Bowls and Social Club Inc	3	3,884	5
Darwin Golf Club Inc	13	148,082	27,9
Darwin Leagues Club	5	3,417	4
Darwin North RSL Services Club	6	51,624	6,7
Darwin RSL Services And Social Club	20	468,429	102,1
Darwin Sailing Club	10	92,257	15,2
Darwin Trailer Boat Club	10	171,540	33,6
Federal Sports Club	10	222,957	45,0
Gillen Club	45	1,877,540	564,3
Gove Country Golf Club	12	119,880	21,4
Humpty Doo & Rural Area Golf Club	10	37,673	6,7
Jabiru Sports & Social Club	17	702,820	167,0
Katherine Club	45	2,136,006	671,5
Katherine Country Club	25	1,370,032	384,8
Katherine Sports & Recreation Club	19	692,147	162,9
Nightcliff Sports Club	18	1,083,570	290,6
Palmerston Golf & Country Club Inc	22	628,325	143,1
Palmerston Sports Club	45	5,839,953	2,259,9
PINT Club	24	626,601	142,3
Sporties Club Inc	16	369,980	78,7
St Mary's Football Sporting and Social Club	30	707,703	169,1
Tennant Creek Bowling Club Inc	4	13,751	1,7
Tennant Creek Memorial Club Inc	25	1,532,326	439,4
The Arnhem Club	45	5,195,266	1,983,2
Tracy Village Social & Sports Club	45	4,838,886	1,830,3
Total Clubs:	730	43,839,446	14,759,5

**Table 12:
Northern
Territory
Community
Gaming Machine
Performance in
Hotels**

<i>Northern Territory Community Gaming Machine Performance in Hotels, year ended 30 June 2007</i>				
Hotel Venue	Number of Machines	Gross Profit (\$)	Gaming Tax (\$)	Community Benefit Levy (\$)
Adelaide River Inn *	0	23,953	10,278	2,395
Aileron Roadhouse	4	52,494	22,525	5,249
Ayers Rock Resort Residents Club	3	29,583	12,694	2,958
Barkly Homestead	5	62,547	26,839	6,255
Beachfront Hotel	10	1,090,269	467,834	109,027
Crossways Hotel	10	531,460	228,049	53,146
Dowlings Parap Village Tavern	10	1,183,053	507,648	118,305
Fox N Fiddle British Inn	10	57,344	24,606	5,734
Gapview Resort Hotel	10	287,336	123,296	28,734
Goldfields Hotel	10	330,084	141,639	33,008
Heavitree Gap Tavern	10	333,041	142,908	33,304
Hibiscus Tavern	10	1,158,768	497,227	115,877
Hidden Valley Tavern	10	534,032	229,153	53,403
Howard Springs Tavern	10	697,929	299,481	69,793
Humpty Doo Hotel Motel	10	768,649	329,827	76,865
Humpty Doo Tavern	10	1,199,604	514,750	119,960
Katherine Hotel	10	608,870	261,266	60,887
Kitty O'Shea's Irish Bar -Cafe and Nightclub - and The Rox Bar and N	10	527,091	226,175	52,709
Litchfield Hotel	10	355,702	152,632	35,570
Mandorah Beach Hotel	5	108	46	11
Marrara Hotel	10	743,566	319,064	74,357
Mataranka Hotel	10	357,513	153,409	35,751
Noonamah Tavern	10	173,800	74,577	17,380
Palmerston Tavern	10	629,229	270,002	62,923
Pine Creek Hotel	10	253,265	108,676	25,327
Plaza Karama Tavern	10	1,093,348	469,156	109,335
Quality Hotel Frontier Darwin	10	840,994	360,870	84,099
Rum Jungle Motor Inn	10	308,142	132,224	30,814
Squires Tavern / The Time Nightclub	10	647,269	277,743	64,727
Tennant Creek Hotel	10	326,254	139,996	32,625
The Cavenagh	10	588,872	252,685	58,887
The Deck Bar	10	293,332	125,869	29,333
The Victoria Hotel	10	912,255	391,449	91,226
Threeways Roadhouse	6	22,324	9,579	2,232
Timber Creek Wayside Inn	4	59,581	25,566	5,958
Todd Tavern	10	597,483	256,380	59,748
Top End Hotel	10	503,499	216,052	50,350
Virginia Tavern	10	147,373	63,238	14,737
Walkabout Tavern	10	1,037,314	445,111	103,731
Winnellie Hotel Motel	10	500,225	214,647	50,023
Total Hotels:	357	19,867,557	8,525,169	1,986,756
Total NT:	1,087	63,707,003	23,284,696	1,986,756
Note: Adelaide River Inn ceased on 24 October 2006.				
Source: Department of Justice, Northern Territory				

Private Security Licensing

The *Private Security Act* provides for the regulation of security providers. There are three categories of security providers, and three corresponding types of security licences: crowd controller, security officer and security firm. A person may hold both a crowd controller's licence and a security officer's licence. Although a crowd controller includes any person screening or monitoring persons seeking entry to any public place or any event or function at all, licensed crowd controllers are more usually employed at licensed premises, places of entertainment, and sporting events and concerts. Private security officers are employed to care for property, such as performing the duties of bank guards, payroll escorts and the like, and undertaking security patrols of buildings such as offices, shops, car yards and shopping centres.

Most licence approval decisions required by the *Private Security Act* are delegated to the Director of Licensing who may grant a licence subject to the probity of the applicant, but cannot refuse a licence unless the applicant has been found guilty of a disqualifying offence. Applications lodged by persons who are not automatically disqualified, but who nevertheless may be inappropriate to hold a licence, are referred to the Commission for decision.

Refusal of applications is usually based on the criminal history of the applicant. Refusal is automatic for applicants with disqualifying offences including many crimes relating to drugs, dishonesty or violence. The Commission has broad powers to impose conditions on licences and from time to time imposes reporting, training or employment requirements.

Licences may be granted for as long as three years. A licence renewal may not be refused without the applicant being given an opportunity to show cause against the refusal. The Commission includes in every show cause notice an opportunity for the applicant to personally appear before the Commission at a hearing. Most recipients of show cause notices take advantage of this opportunity. The Commission also issues a show cause notice where it intends to refuse an application for a new licence.

<p>Licence Numbers</p>	<p>There is a Crowd Controller’s Register and a Security Officers’ Register which lists all full licence and provisional licence holders. A full licence holder will have completed an approved training course. Provisional licence holders generally obtain the qualification required to become a fully licensed officer during the provisional period of three months. A provisional licence may be issued to an applicant on the basis that he or she attends an approved training course and on the condition that they are supervised at all times while on duty.</p> <p>No licence is issued prior to an applicant undergoing a detailed criminal history record check.</p> <p>The number of crowd controller, security officer and dual licences current as at 30 June 2007 is shown below:</p> <table border="1" data-bbox="555 824 1187 1048"> <tr> <td>Dual security/crowd controller</td> <td>870</td> </tr> <tr> <td>Sole crowd controller</td> <td>75</td> </tr> <tr> <td>Sole private security officers</td> <td>308</td> </tr> </table>	Dual security/crowd controller	870	Sole crowd controller	75	Sole private security officers	308
Dual security/crowd controller	870						
Sole crowd controller	75						
Sole private security officers	308						
<p>Mutual Recognition</p>	<p>Section 17 of the <i>Mutual Recognition Act (Commonwealth)</i> requires the Commission to recognise the registration of a person in another state or territory as a security officer or crowd controller by issuing that person with the equivalent Northern Territory licence. Issues sometimes arise when an applicant for mutual recognition would not otherwise qualify for a licence under the Territory legislation. This occurs particularly where such an applicant would be automatically disqualified from obtaining a licence under the <i>Private Security Act</i> on the basis of an unacceptable criminal record. In the latter cases, the Commission has issued the licence as required by the <i>Mutual Recognition Act</i>, then taken appropriate show cause action under the <i>Private Security Act</i> to what is then a local licence.</p> <p>Table 13 provides details of licences issued by the Commission pursuant to its obligations under the <i>Mutual Recognition Act</i> in 2006-07.</p>						

Table 13: Licences Issued under Mutual Recognition	Issuing Jurisdiction	Crowd Controller	Security Officer	Dual Licence
	WA	3	1	3
	NSW		21	5
	Qld	2	2	20
	SA		2	5
	Vic	2	1	5
	Tas			1
	ACT			
	Total	7	27	39
	Escort Agency Licensing			
	<p>The statutory role of the Commission is to determine applications for operators' and managers' licences for escort agencies, and to set licence conditions. The Commission also has the power to suspend or cancel a licence upon breach of licence conditions, or the licensee ceasing to be a suitable person or the business being conducted in such a way as to make the practice undesirable.</p> <p>No complaint process is provided by the <i>Prostitution Regulation Act</i>, but historically the Commission enquires into a complaint by a show cause notice and an invitation to the affected licensee to attend a hearing conducted in furtherance of such enquiry.</p> <p>The Commission interviews all applicants for new licences in order to assess their suitability to hold a licence. A person found guilty of one of a range of sexual, violent or drug-related offences may be ineligible to hold a licence or considered to be unsuitable by the Commission, depending on the offence.</p> <p>Licences are renewable annually.</p> <p>There were five (5) escort agency operators' licences and an escort agency manager licence current as at 30 June 2007.</p>			

Totalisator Licensing	
	<p>There is only one totalisator licence in operation, and ongoing Commission activity in relation to this licence has been minimal.</p> <p>From time to time the Commission approves additional or substitute totalisator agencies.</p> <p>The <i>Totalisator Licensing and Regulation Act</i> provides a public complaint mechanism in relation to the conduct of a totalisator licensee, with complaints to be investigated and determined by the Commission. The Commission has a range of sanction powers ranging from a reprimand or fine to cancellation of the licence.</p> <p>No complaints were received during 2006-07.</p>
Tobacco Licensing	
	<p>The Commission's role under the <i>Tobacco Control Act</i> is limited to reviewing refusals of the Director of Licensing to grant, transfer or vary a licence, and decisions of the Director of Licensing suspending or cancelling a licence. Section 41 of the <i>Tobacco Control Act</i> requires reviews to be conducted in accordance with Part 4 of the <i>Northern Territory Licensing Commission Act</i>, which mandates a fair and expeditious manner of hearing and a proper consideration of the issues.</p> <p>No applications for review were lodged with the Commission in the reporting period.</p>