

# **Freedom of Information Publication Coversheet**

The following information is provided pursuant to section 28 of the *Freedom of Information Act 2016*.

FOI Reference: CMTEDDFOI 2018-0071

Information to be published	Status	
1. Access application	Published	
2. Decision notice	Published	
3. Documents and schedule	Published	
4. Additional information identified	No	
5. Fees	N/A	
6. Processing time (in working days)	34	
7. Decision made by Ombudsman	N/A	
8. Additional information identified by Ombudsman	N/A	
9. Decision made by ACAT	N/A	
10. Additional information identified by ACAT	N/A	

From: CMTEDD FOI To:

Subject: Freedom of Information request Date: Friday, 23 March 2018 2:46:38 PM

Please find online enquiry details below. Please ensure this enquiry is responded to within fourteen working days.

# Your details

All fields are optional, however an email address OR full postal address must be provided for us to process your request. An email address and telephone contact number will assist us to contact you quickly if we need to discuss your request.

Title:

First Name:

Last Name:

Business/Organisation:

Address:

Suburb:

Postcode:

State/Territory:

Phone/mobile:

Email address:

**Request for information** 



(Please provide as much detail as possible, for example subject matter and relevant dates, and also provide details of documents that you are not interested in.)

Under the Freedom of Information Act 2016 I want to (\*required field):

I write to request under the Freedom of Information Act 2016 the brief dated 18 May 2015 prepared in relation access the following document/s to the meeting regarding the Aquis Casino Development Proposal.

I do not want to access the following documents in relation to my request::

Thank you.

Freedom of Information Coordinator



Our ref: CMTEDDFOI 2018-0071



#### FREEDOM OF INFORMATION REQUEST

I refer to your request submitted under section 30 of the *Freedom of Information Act* 2016 (the Act), received by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) on 23 March 2018, in which you sought access under the *Freedom of Information Act* 2016 (the Act).

Specifically, you sought access to "...the brief dated 18 May 2015 prepared in relation to the meeting regarding the Aquis Casino Development Proposal."

# Authority

Dear

I am an Information Officer appointed by the Director-General of CMTEDD under section 18 of the Act to deal with access applications made under Part 5 of the Act.

## **Timeframes**

In accordance with section 40 of the Act, CMTEDD is required to provide a decision on your access application by 16 May 2018.

# **Third Party Consultation**

In making this decision, I completed consultation with a relevant third party in accordance with section 38 of the Act. The third party did not object to release of the information.

#### **Decision on access**

I have decided to fully release the document to you. I have included as <u>Attachment A</u> to this decision the schedule of the document. The document released to you are provided as <u>Attachment B</u> to this letter.

# Charges

Pursuant to *Freedom of Information (Fees) Determination 2017 (No 2)* processing charges are not applicable for this request because the total number of folio's to be released to you is below the charging threshold of 50 pages.

# Online publishing - Disclosure Log

Under section 28 of the Act, CMTEDD maintains an online record of access applications called a disclosure log. Your original access application, my decision and document released to you in response to your access application will be published in the CMTEDD disclosure log after 21 May 2018. Your personal contact details will not be published. The CMTEDD disclosure log is at:

https://www.cmtedd.act.gov.au/functions/foi/disclosure-log.

### **Ombudsman Review**

My decision on your access request is a reviewable decision as identified in Schedule 3 of the Act. You have the right to seek Ombudsman review of this outcome under section 73 of the Act within 20 working days from the day that my decision is published in CMTEDD disclosure log, or a longer period allowed by the Ombudsman.

If you wish to request a review of my decision you may write to the Ombudsman at:

The ACT Ombudsman

GPO Box 442

**CANBERRA ACT 2601** 

Via email: ombudsman@ombudsman.gov.au

# ACT Civil and Administrative Tribunal (ACAT) Review

Under section 84 of the Act, if a decision is made under section 82(1) on an Ombudsman review, you may apply to the ACAT for review of the Ombudsman decision. Further information may be obtained from the ACAT at:

ACT Civil and Administrative Tribunal

Level 4, 1 Moore St

GPO Box 370

Canberra City ACT 2601

Telephone: (02) 6207 1740 http://www.acat.act.gov.au/

Should you have any queries in relation to your request please contact me by telephone on 6207 7754 or email CMTEDDFOI@act.gov.au

Yours sincerely,

Daniel Riley

Information Officer

Information Access Team

Chief Minister, Treasury and Economic Development Directorate

16 May 2018



# FREEDOM OF INFORMATION **REQUEST SCHEDULE**

NAME	WHAT ARE THE PARAMETERS OF THE REQUEST	Reference NO.	
	The brief dated 18 May 2015 prepared in relation to the meeting regarding the Aquis Casino	CMTEDDFOI 2018-0071	
	Development Proposal.		

Ref No	Page number	Description	Date	Status	Reason for Exemption	Online Release Status
1	1-5	Brief – Meeting with Tony Fung – Casino Development Proposal Attachment A: Aquis proposal summary	18 May 2015	Full	n/a	Yes
Total No						



Ref: BM15/974

# SUBJECT: MEETING WITH TONY FUNG – CASINO DEVELOPMENT PROPOSAL

To: Chief Minister

A/g Director-General, Economic Development

CC: Minister for Racing and Gaming

Head of Service

Deputy Director-General, Access Canberra

From: Chief Executive Officer, ACT Gambling and Racing Commission

Date: 18 May 2015

# Critical date and reason

20 May 2015 to provide a timely briefing for the 21 May 2015 meeting.

# **Purpose**

To provide background information for the meeting with Aquis Canberra scheduled from 2:45pm to 4:00pm on Thursday 21 May 2015 in the conference room on level 4 of the Canberra Nara Centre (note the change from level 1).

# Background

- 1. Casino Canberra Pty Ltd, the casino owner and licensee, was sold to Aquis Canberra Pty Ltd in late December 2014. Aquis Canberra is part of the larger Fung Group of companies which are ultimately owned by Mr Tony Fung who is Hong Kong based. The Fung Group of companies is mainly involved with property development and property management in Hong Kong, mainland China as well as other areas of Asia.
- 2. The Fung Group has recently been buying properties around the Gold Coast (including the Sheraton Mirage hotel) with a view to providing a broader base for Chinese visitors at integrated resorts in Australia. It is understood that a casino is proposed for this Gold Coast resort if approved by the Queensland Government. It is also understood that the Cairns (Yorkeys Knob) proposed large integrated resort is still being pursued by the Aquis Group.

- 3. Since taking over operations, Aquis Canberra has:
  - actively promoted the casino in Sydney and inter-state and has increased business, particularly premium players;
  - recently appointed a new general manager, Mr Geoff Andres, from Macau;
  - proposed a new \$14m refurbishment for the Canberra Casino to be completed this calendar year;
  - increased staffing in management and on the gaming floor (25 additional staff since January 2015 with a further 20 by July 2015); and
  - sought a large number of approvals from the Commission for changes to gaming equipment and business operations.
- 4. Aquis Canberra has also proposed a public float of a newly acquired company that will be placed into the ownership structure which will enable it to finance future developments and expansions as well as establish a history in Australia for later larger developments. The Commission is currently working through the regulatory issues with advice from the Government Solicitor's Office as required.

#### Issues

- 5. Attendance at the meeting will include the following:
  - Mr Tony Fung (Aquis owner, Chairman)
  - Mr Justin Fung (Managing Director, Casino Canberra)
  - Ms Jessica Mellor (Director, Casino Canberra)
  - Mr Geoff Andres (CEO, Casino Canberra)
  - Mr Neil Pathak (Aguis lawyer Partner at Gilbert and Tobin)
  - Mr Ian Smith (Director, Cox Architecture)
  - Mr Chris Millman (Director, Cox Architecture)
  - Mr Gary Rake (A/g Director-General, Economic Development)
  - Mr Dan Stewart (Coordinator-General Urban Renewal)
  - Mr Dave Peffer (Deputy Director-General, Access Canberra)
  - Mr Greg Jones (Chief Executive, Gambling and Racing Commission)
  - Mr Jamie Driscoll (CM Chief of Staff).
- 6. Aquis Canberra will be proposing a significant development surrounding and incorporating the current casino site in City east. The proposal involves expanding the back of the existing Convention Centre, development of restaurants and cafes in the Glebe Park precinct, a high class hotel, high quality apartments and ultimately expanding the casino's floor space.
- 7. The meeting is largely for the Aquis Group to present to you their proposal for the redevelopment and will involve a video and slide presentation along with a discussion of their concepts. A similar presentation has been provided to myself and Senior Executives from Economic Development and a summary of the core elements of the proposal is provided at <a href="Attachment A">Attachment A</a>.

8. It is anticipated that Aquis Canberra will outline that their full development proposal will only be commercially viable if gaming machines are approved for operation in the casino. As you are aware, the *Casino Control Act 2006* currently prohibits gaming machines from being operated on casino premises and therefore a legislative change would be required to allow gaming machines in the casino.

# Community Gaming Model (CGM)

- 9. The Community Gaming Model (CGM) has operated in the Territory since 1 June 2001 and provides a framework to operate Class C gaming machines in the Territory. The CGM requires clubs to be not-for-profit and to allocate a prescribed minimum amount of revenue generated by gaming machines back to the community through the services and facilities provided by clubs to their members and more broadly through contributions to community organisations, otherwise known as community contributions. The principle underpinning this model is that the revenue from gaming machines must be returned to the community.
- 10. The model prevents certain commercial operators (namely hotels and taverns) from operating Class C gaming machines (they can however, be licensed to operate Class B gaming machines). Casino Canberra is prohibited from operating any type of gaming machine. These organisations are deemed to operate on a 'for profit' basis which differs from the 'community clubs' not-for-profit arrangements. Any divergence from the existing CGM would necessitate legislative amendments.

# Gaming Machine (Reform) Amendment Bill 2015

- 11. The Minister for Racing and Gaming presented the above Amendment Bill into the Legislative Assembly on 14 May 2015. The Amendment Bill implements the second stage of the Gaming Machine Reform Package announced in October 2014 and introduces an open market trading scheme for gaming machine authorisations (for Class C machines only), underpinned by a new licensing and authorisation framework, and a phased reduction in the number of gaming machines operating in the Territory.
- 12. Trading will be based on an open market approach where Class C licensees can trade authorisations, with the value of an authorisation determined by the market. Trading will occur within maximum limits set through robust social impact assessment arrangements.
- 13. Any operator seeking to establish new club facilities to operate Class C authorisations in the Territory will need to buy authorisations from the market once requirements have been met to obtain a licence and an authorisation certificate.

# City to the Lake project

- 14. Aquis has analysed a range of options that would allow an expansion of the current Casino, including the purchase of additional leased land abutting Glebe Park (behind Glebe Apartments). A portion of this land is also being considered by the City to the Lake (CttL) project team for the relocation of the Coranderrk Filtration Pond any expansion by the Casino will need to be compatible with this proposal.
- 15. Aquis is also considering an expansion of the current convention centre and has expressed an interest in assuming management of this facility when the current licence expires. Whilst work is currently under way on the reference design and business case for Australia Forum, the Aquis proposal may provide a short to medium term opportunity to expand convention space in the city and test the market uptake ahead of any decisions on Australia Forum.

# Consultation

Economic Development was consulted in preparation of this advice.

# **Financial**

Nil from this presentation.

# Media

Nil from this presentation.

# Recommendation

That you note the above information.

**Greg Jones** 

Chief Executive Officer

Andrew Barr MLA. Answer Bar 21/5/2015
NOTED/PLEASE DISCUSS

# Aquis proposal summary

Aquis are planning an investment of approximately \$300 million into the precinct that would deliver:

- 6 star and 5 star accommodation.
- Expanded convention facilities.
- New, high end retail, food and beverage offerings (together with a new access road to these amenities at the back of the Convention Centre).
- Expanded and enhanced gaming opportunities (with a specific focus on attracting wealthy, overseas gamblers).

In return, Aquis are likely to seek the following considerations from government:

- Management rights for the existing convention centre when the current licence expires.
- Access to a portion of the land behind the Glebe Apartments this is currently leased to Amalgamated, however, discussions with LDA on acquiring this site are well advanced given its strategic importance for City to the Lake (see map below).
- A raft of changes in the gaming space, including:
  - Access to electronic gaming machines by the Casino (poker machines and other).
  - A differential tax regime for gaming activities (i.e. tables versus electronic).
  - A differential tax regime for local and overseas gamblers.

In terms of timing, Aquis is likely to ask that any legislative amendments proceed later this calendar year as they would like to lodge a development application and commence construction in the first half of 2016.

 Aquis has had preliminary discussions with a number of the clubs in relation to their plans (initiated by the clubs).

