



City Tattersalls Club Amendment Bill.

Second Reading

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [9.57 p.m.], on behalf of Mr Grant McBride: I move:

That this bill be now read a second time.

The City Tattersall's Club Amendment Bill provides for amendments to the City Tattersall's Club Act 1912. City Tattersall's Club was established for the purposes of racing and sport. During the introduction of the 1912 bill Parliament heard that the club was a sporting club that already consisted of a large number of members, and in a sure sign of the times the membership was exclusively male. By 1912 the club was already licensed to operate until 11.00 p.m. and was recognised as one of the leading sporting clubs of that era. Since that time the club has operated under its own Act, which was introduced as a private member's bill. The club has developed into an established and profitable entity with a large membership, and is a well-known landmark in the central business district. The 1912 Act places a number of significant restrictions on the operation of the club.

When the 1912 Act was introduced it was explained that the object of the bill was to incorporate the club in order that its funds may be invested and properly protected by the committee without the necessity for calling a general meeting of members who are scattered all over the Commonwealth. Although those restrictions were appropriate for the time, they do not sit easily with the demands of the contemporary commercial environment that now faces the club. Despite these restrictions, City Tattersall's Club must operate as would any other club that was granted a certificate of registration under the Registered Clubs Act. Essentially, the proposed amendments to the Act seek to bring it into line with contemporary practice. The first amendment will dispense with a requirement that a special general meeting be held to approve the borrowing of any money or to dispose of any money, goods or chattels belonging to the club. The existing requirements for approval at a special general meeting applies regardless of how small the amount in question may be. This is clearly inappropriate for carrying out regular commercial transactions.

In the future, a meeting to approve the borrowing or disposal of any money will be required only if the amount or value in question exceeds \$1.5 million. However, the disposal of goods or chattels belonging to the club will not require any such approval. In line with the club's updated financial arrangements, the club will also be subject to a cap of \$5.5 million on interest-bearing liabilities. In addition, the club's Act also limits the amount of money that may be expended by the club's committee to \$1,000. This amount was originally £500 and has not increased since 1912. This means that the club is effectively required to hold a special general meeting for every occasion when expenditure on any form of building work on the club's properties is required, if the amount to be expended exceeds \$1,000.

Given standard costs for any form of building work, it is considered unnecessarily onerous to require the approval of a special general meeting for virtually every specific item of expenditure. Although the club previously has relied on longstanding resolutions to authorise such expenditure, this is not a viable long-term solution. It is proposed that the amount of expenditure requiring approval be increased to \$1.5 million, in line with today's needs in terms of expenditure. This amount simply reflects the level of costs incurred by the club for normal maintenance and improvements to its city premises and the Boonoona Ski Lodge at Perisher Valley. These proposals were put to a special general meeting of the club's members that was held on 14 October 2003. The members voted in support of the proposals.

It is proposed that an automatic sunset provision be inserted into the Act requiring the repeal of the Act on 31 December 2005, by which time the club will have established itself as a company under the Corporations Act 2001. This transition will enable the City Tattersall's Club to exist as a registered club in the same manner as other registered clubs in New South Wales. Two years will allow the club enough time to institute the necessary changes to become a company. The completion of these necessary changes also forms part of the conditions for the Act to be repealed. Honourable members should note that the provisions of the bill will commence on the date of assent.

The Government considers that none of the measures in the bill raises any issues relevant to the Legislation Review Committee's scrutiny of bills function. The bill will not trespass unduly on personal rights or liberties, which is very important. It will not make rights, liberties or obligations unduly dependent upon insufficiently defined administrative powers or upon non-reviewable decisions, and it will not delegate legislative powers. This bill will remove archaic and outdated provisions in the City Tattersall's Act. It will pave the way for the club to operate on an equal footing with other registered clubs in New South Wales. I commend the bill to the House.

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