

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The Australian Jockey Club (**the AJC**) is an unincorporated club that was formed in 1842. It holds a lease of Randwick Racecourse that was granted to it under the *Australian Jockey Club Act 1873* by the trustees of the Racecourse (the **Racecourse trustees**) and, as a result, has the use of and is responsible for the management of the Racecourse. That Act confers various powers on the Chairman of the Committee of the AJC (the **AJC Chairman**) and the Committee of the AJC (the **AJC Committee**) to act on behalf of the AJC so as to enable it to undertake activities that would otherwise have been impracticable because it is an unincorporated body. The Act also deals with issues concerning the management and use of Randwick Racecourse. In April 2008, the AJC Committee formed a public company limited by guarantee known as Australian Jockey Club Limited (ACN 130 406 852) (**AJC Limited**) so that the business undertaking of the AJC could be managed using a modern corporate structure that was better suited to the contemporary commercial context. It is intended that members of the AJC will be offered the opportunity to become members of the newly incorporated AJC Limited. This process may take some time. The AJC will continue in existence into the future as a separate entity to AJC Limited to facilitate this process of membership transfer.

The objects of this Bill are:

- (a) to transfer the lease of Randwick Racecourse vested in the AJC Chairman to AJC Limited and to provide for the lease to be issued for a further term or terms, and
- (b) to provide for the functions of AJC Limited in relation to Randwick Racecourse, and
- (c) to transfer the remainder of the business undertaking of the AJC to AJC Limited, and
- (d) to repeal the *Australian Jockey Club Act 1873* and to re-enact (with modifications) some of the provisions of that Act that have continuing application, and
- (e) to make provision for matters of a savings or transitional nature, and
- (f) to make consequential amendments to certain other Acts and statutory instruments.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 sets out the objects of the proposed Act.

Clause 4 defines certain words and expressions used in the proposed Act and contains certain other interpretative provisions.

Part 2 Randwick Racecourse

Division 1 Functions of AJC Limited

Clause 5 provides that the functions that are conferred on or imposed on AJC Limited by proposed Part 2 are conferred or imposed only while AJC Limited is the lessee of Randwick Racecourse.

Clause 6 provides for the functions that AJC Limited has over Randwick Racecourse.

Clause 7 enables the Racecourse trustees to consent to the use of Randwick Racecourse for certain additional activities.

Clause 8 enables AJC Limited to maintain buildings and other improvements within Randwick Racecourse and to erect or re-erect buildings and other improvements.

Division 2 Racecourse trustees

Clause 9 continues the power of the Governor to appoint the Racecourse trustees despite the repeal of the *Australian Jockey Club Act 1873* by the proposed Act. The power to make such appointments is currently conferred by the preamble to that Act.

Division 3 Leasing of Racecourse

Clause 10 enables the Racecourse trustees to grant further leases of Randwick Racecourse to AJC Limited for periods not exceeding 99 years on the surrender of the current lease. It also requires the trustees to ensure that the first lease granted under the proposed section meets certain contractual obligations of the State.

Clause 11 specifically authorises certain conduct done in connection with the granting of leases under proposed section 10 that might otherwise contravene Part IV of the *Trade Practices Act 1974* of the Commonwealth or the *Competition Code of New South Wales*.

Division 4 Use of Racecourse

Clause 12 enables AJC Limited to make by-laws, with the approval of the Governor, in connection with the use or management of Randwick Racecourse.

Clause 13 enables AJC Limited to exclude or expel certain persons from Randwick Racecourse.

Clause 14 makes it an offence for a person wilfully to trespass on any part of Randwick Racecourse (or any building or structure located within that Racecourse). The maximum penalty for such an offence will be 50 penalty units (currently, \$5,500).

Part 3 Transfer of business undertaking of AJC to AJC Limited

Clause 15 defines certain terms and expressions used in proposed Part 3.

Clause 16 transfers assets held by or on behalf of the AJC to AJC Limited on the day on which the proposed Act commences (the **commencement day**).

Clause 17 transfers licences, permits, consents, entitlements, accreditations and other authorities held by or on behalf of the AJC and in force under State legislation to AJC Limited on the commencement day.

Clause 18 transfers the liabilities of the AJC (including liabilities enforceable against the AJC Chairman or other AJC Committee members and former holders of those offices) to AJC Limited on the commencement day. It also transfers the rights that may be exercised by or on behalf of the AJC to AJC Limited.

Clause 19 ensures that AJC Limited becomes the party to certain contracts and other arrangements entered into by or on behalf of the AJC instead of the AJC or the person on behalf of the AJC.

Clause 20 provides for certain pending proceedings by or against the AJC relating to its transferred business undertaking to be treated as being proceedings by or against AJC Limited.

Clause 21 provides for certain acts, matters or things done, or omitted to be done, in relation to the AJC's transferred business undertaking to be treated as having been done, or omitted to be done, by, to or in respect of AJC Limited.

Clause 22 updates certain references in legal instruments (including legislation) to reflect the fact that the AJC's business undertaking has been transferred to AJC Limited.

Clause 23 provides for how certain assets, rights and liabilities located outside of New South Wales are to be treated when the business undertaking of the AJC is transferred to AJC Limited.

Clause 24 confirms that the AJC Chairman and any other AJC Committee member (and former holders of those offices) cease to have the rights and liabilities that they had or incurred in their official capacities in relation to AJC's business undertaking once the undertaking is transferred to AJC Limited.

Clause 25 provides for the employees of the AJC to become the employees of AJC Limited on the commencement day and preserves the terms and conditions of

employment of the transferred employees.

Clause 26 enables AJC Limited to provide abbreviated information to registration authorities (such as the Registrar-General) to enable such authorities to update registers that they maintain in respect of assets, rights or liabilities.

Clause 27 provides that no compensation is payable in connection with the operation of proposed Part 3.

Clause 28 enables the Minister, by notice in writing, to confirm that particular employees, assets, rights, liabilities or regulatory authorisations have been transferred to AJC Limited under proposed Part 3.

Part 4 Miscellaneous

Clause 29 repeals the *Australian Jockey Club Act 1873*.

Clause 30 confirms that the AJC is not dissolved by reason of the operation of the proposed Act.

Clause 31 provides that the proposed Act binds the State and, in so far as the legislative power of the Parliament of New South Wales permits, the other States, the Territories and the Commonwealth.

Clause 32 provides that the proposed Act is intended to have effect outside of the territorial limits of New South Wales as well as within the State.

Clause 33 ensures that the operation of the proposed Act will not result in a breach of contract or any other civil liability.

Clause 34 provides that State tax is not payable in respect of matters relating to the transfer of the AJC's business undertaking to AJC Limited.

Clause 35 makes provision for the giving or service of documents under the proposed Act.

Clause 36 enables the Governor to make regulations for the purposes of the proposed Act.

Clause 37 provides that offences against the proposed Act or by-laws made under the proposed Act may be dealt with summarily before the Local Court.

Clause 38 is a formal provision that gives effect to the savings, transitional and other provisions set out in Schedule 1.

Clause 39 is a formal provision that gives effect to the amendments to the Acts and statutory instruments set out in Schedule 2.

Clause 40 provides for the review of the proposed Act in 5 years.

Schedule 1 Savings, transitional and other provisions

Schedule 1 contains savings, transitional and other provisions consequent on the enactment of the proposed Act.

Schedule 2 Amendment of other Acts and statutory instruments

Schedule 2 makes consequential amendments to certain other Acts and statutory instruments.