

REGISTERED CLUBS (AMENDMENT) ACT 1988 No. 93

NEW SOUTH WALES



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REGISTERED CLUBS (AMENDMENT) ACT 1988 No. 93

NEW SOUTH WALES



Act No. 93, 1988

An Act to amend the Registered Clubs Act 1976 to provide for the linking of poker machines kept by different registered clubs; to provide for the payment of duty in respect of poker machines; and for other purposes. [Assented to 19 December 1988]

See also Liquor (Amusement Devices) Amendment Act 1988; Gaming and Betting (Poker Machines) Taxation Amendment Act 1988.

Registered Clubs (Amendment) 1988

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Registered Clubs (Amendment) Act 1988.

Commencement

2. (1) This Act commences on a day or days to be appointed by proclamation, except as provided by subsection (2).

(2) Section 4 commences on the date of assent to this Act.

Amendment of Registered Clubs Act 1976 No. 31

3. The Registered Clubs Act 1976 is amended as set out in Schedules 1-5.

Transitional provision

4. A person who, but for this section, would be required by the Registered Clubs Act 1976, as amended by this Act, to hold a licence in relation to subsidiary equipment is not required to hold such a licence until—

- (a) a day notified by the Liquor Administration Board in the Gazette for the purposes of this section; or
- (b) if an application for the licence is lodged before that day—until notified of the result of the application.

SCHEDULE 1—AMENDMENTS RELATING TO DEFINITIONS

(Sec. 3)

Section 4 (Definitions)—

(a) Section 4 (1)—

After the definition of “Board”, insert:

“centralised cash control equipment” means any device or system by means of which, in return for a cash payment made to a registered club, the operation of a poker machine kept by the club may, without the insertion of money, be commenced and, at least to the extent of the cash payment, continued;

(b) Section 4 (1)—

After the definition of “life member”, insert:

“linkage equipment” means any device or system by means of which 2 or more poker machines (whether or not kept by the same registered club) are connected so that each poker machine contributes to the registration of a right to claim a pooled amount of money or money’s worth;

*Registered Clubs (Amendment) 1988***SCHEDULE 1—AMENDMENTS RELATING TO DEFINITIONS—**
continued

“linked system” means—

- (a) poker machines connected by linkage equipment; and
 - (b) the linkage equipment;
- (c) Section 4 (1), definition of “poker machine”—

Omit the definition, insert instead:

“poker machine” means—

- (a) a device that is designed—
 - (i) for the playing of a game of chance or a game that is partly a game of chance and partly a game requiring skill; and
 - (ii) for paying out money or tokens or for registering a right to an amount of money or money’s worth to be paid out; or
 - (b) any subsidiary equipment;
- (d) Section 4 (1)—

After the definition of “special inspector”, insert:

“subsidiary equipment” means—

- (a) centralised cash control equipment; or
- (b) linkage equipment; or
- (c) any other device or system designed for use in connection with the operation of a poker machine;

SCHEDULE 2—AMENDMENTS RELATING TO POKER MACHINES

(Sec. 3)

(1) Section 79A—

After section 79, insert:

Trial of poker machine

79A. (1) A registered club may, with the approval of the Board and subject to compliance with any conditions imposed by the Board, keep on its defined premises—

- (a) on a trial basis; and
 - (b) for a period fixed by the Board,
- a poker machine that is not an approved or established poker machine.

Registered Clubs (Amendment) 1988

SCHEDULE 2—AMENDMENTS RELATING TO POKER
MACHINES—*continued*

(2) If a poker machine is kept as provided by subsection (1), this Act (section 79 (5) and (6) excepted) applies to it in the same way as the Act applies to an authorised poker machine.

(2) Section 88 (**Definitions**)—

(a) Section 88, definition of “sell”—

From paragraph (c), omit “and”.

(b) Section 88, definition of “sell”—

At the end of paragraph (d), insert—

and

(e) in relation to an approved poker machine or an established poker machine—supply under financial and other arrangements approved by the Board under section 79 (5);

(3) Section 90 (**Granting of licences**)—

Section 90 (5)—

After section 90 (4), insert:

(5) Section 96 (expenses of investigation of application) and sections 97–99 (relating to objections) do not apply in relation to an application for a licence made by a person who holds another licence under this Act or a licence granted under section 19A of the Liquor Act 1982 (licences relating to approved amusement devices).

(4) Section 90A—

After section 90, insert:

Work permits

90A. (1) The Principal Registrar may, pending a decision on an application for a seller’s licence, technician’s licence or adviser’s licence, issue a work permit in a form approved by the Board.

(2) A work permit is subject to any conditions or restrictions of which the holder of the permit is notified by the Principal Registrar when issuing the permit.

(3) A work permit may be cancelled by the Principal Registrar at any time and, unless sooner surrendered or cancelled, ceases to have effect on approval or refusal of the application made by the holder of the permit for a licence.

SCHEDULE 2—AMENDMENTS RELATING TO POKER
MACHINES—*continued*

- (4) Subject to any condition or restriction imposed under subsection (2), this Act applies to the holder of a work permit in the same way as it applies to the holder of a licence of the same kind as that applied for by the holder of the work permit.
- (5) Section 91 (**Authority conferred by licence**)—
Section 91 (4A)—
After section 91 (4), insert:
(4A) If a corporation is the holder of a poker machine dealer's licence or seller's licence, the authority conferred by this section on the corporation extends to a director or secretary of the corporation.
- (6) Section 116 (**Offences by unlicensed person**)—
(a) Section 116 (3) (b)—
Omit "a mortgage within the meaning of the Credit Act 1984," insert instead "the mortgage; or".
(b) Section 116 (3) (c)—
After section 116 (3) (b), insert:
(c) the sale is a sale by a person other than a mortgagee who obtained possession of the poker machine by exercising a power or proprietary right under financial and other arrangements approved by the Board under section 79 (5),
- (c) Section 116 (5)—
After section 116 (4), insert:
(5) A person is not guilty of an offence against this Act if the person, without being the holder of a seller's licence or an adviser's licence, exercises a function of the holder of such a licence but does so only—
(a) for the purpose of receiving training or instruction in the exercise of the function; and
(b) under the supervision of the holder of a licence of the kind in respect of which the training or instruction is given.
- (7) Section 121 (**Illegal possession of approved or established poker machines**)—
Section 121 (3)—
Omit the subsection, insert instead:
(3) Subsection (1) does not apply to a person who obtained possession of the poker machine—
(a) by the exercise of a power conferred on the person by a mortgage; or

*Registered Clubs (Amendment) 1988***SCHEDULE 2—AMENDMENTS RELATING TO POKER MACHINES—*continued***

(b) by the exercise of a power or proprietary right under financial and other arrangements approved by the Board under section 79 (5),
if the possession has not extended beyond a reasonable time.

(8) Section 123 (Exhibition of poker machines)—

Section 123 (a)—

After “purposes”, insert “or for therapeutic purposes”.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES LINKED BETWEEN CLUBS

(Sec. 3)

(1) Part 11 (Manufacture, sale etc. of poker machines)—

Part 11, Division 5A—

After Division 5 of Part 11, insert:

Division 5A—Interclub linking of poker machines**Definitions**

106A. In this Division—

“authorised person” means—

- (a) a special inspector; or
- (b) a licensing inspector; or
- (c) a member of the police force of or above the rank of sergeant or in charge of a police station; or
- (d) a person prescribed by the regulations as an authorised person for the purposes of this Division;

“authorised scheme” means a scheme that the Minister has authorised under section 106D for the operation of a linked system for poker machines kept by different clubs;

“Corporation” means the Registered Clubs Prize Funds Corporation constituted by section 106F;

“money” includes money’s worth;

“participating club” means a registered club participating in an authorised scheme;

“scheme manager” means a person (including a registered club) who, whether or not under a contract for services, manages, or supervises the operation of, an authorised scheme.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

Application of Division

106B. This Division does not apply in relation to a linked system operated on the defined premises of a registered club if the system does not include a poker machine kept and operated on the defined premises of another registered club.

Preparation of draft scheme

106C. (1) Two or more registered clubs may prepare a draft scheme for the operation of a linked system for poker machines kept by each of them.

(2) The registered clubs that prepare a draft scheme may apply, as prescribed, to the Board for the Minister's authority to implement the scheme.

(3) The application must be accompanied by the prescribed fee.

(4) The Board shall investigate the application and shall arrange for consultations with, and submissions from—

(a) the registered clubs proposing to take part in the scheme; and

(b) such other persons and organisations as, in the opinion of the Board, would have an interest in the terms of the draft scheme.

(5) The Board may, by notice in writing, require any of the applicants—

(a) to provide, in accordance with directions in the notice, such information relevant to investigation of the application as is specified in the notice; or

(b) to produce, in accordance with directions in the notice, such records relevant to investigation of the application as are specified in the notice; or

(c) to authorise a person associated with the applicant and specified in the notice to comply with a specified requirement of a kind referred to in paragraphs (a) and (b).

(6) The applicants may amend the draft scheme before it is finally considered by the Board.

(7) Following compliance with subsection (4), the Board shall submit the draft scheme to the Minister with a report by the Board on the scheme and any recommendations it wishes to make.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

(8) Sections 95 (which enables the Board to obtain further information) and 96 (which requires payment to the Board of certain expenses) apply in relation to the investigation by the Board in the same way as they apply in relation to investigation of an application for a licence.

Consideration of draft scheme by the Minister

106D. (1) After considering the report and recommendations made by the Board in relation to a draft scheme, the Minister may—

- (a) authorise implementation of the scheme; or
- (b) authorise implementation of the scheme with amendments;
or
- (c) send the matter back to the Board for further consideration; or
- (d) refuse to authorise implementation of the scheme.

(2) If the matter is referred back to the Board by the Minister, the Board shall reconsider it as if it were a fresh application.

Keeping of poker machine in a linked system

106E. (1) If a poker machine on the defined premises of a registered club is kept and operated as part of a linked system under a scheme that is not an authorised scheme, section 77 (which excludes the operation of the gaming laws in relation to a poker machine kept by a registered club) does not apply to the keeping and operation of the poker machine.

(2) The fact that the linkage equipment under an authorised scheme extends beyond the defined premises of a registered club does not mean that a poker machine within the scheme and operated on the premises is not a poker machine on the premises.

(3) It is a condition of the certificate of registration of a registered club that it will not contravene or fail to comply with the provisions of an authorised scheme under which it is a participating club.

Registered Clubs Prize Funds Corporation

106F. (1) There is constituted by this Act a corporation with the corporate name Registered Clubs Prize Funds Corporation.

(2) The affairs of the Corporation shall be managed by the Minister.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*****Delegation**

106G. The Minister or the Corporation may delegate to any officer or other person all or any of the functions (other than this power of delegation) conferred or imposed by or under this Act—

- (a) in the case of a delegation by the Minister—on the Minister; or
- (b) in the case of a delegation by the Corporation—on the Corporation.

Prize funds

106H. (1) An authorised scheme must include provision for the establishment and operation of a prize fund that—

- (a) is kept at a bank nominated by the Treasurer in an account kept by the Corporation; and
- (b) consists of contributions made by the participating clubs.

(2) Drawings on the account may, unless prohibited under this section, be made as provided by the authorised scheme in order to pay out money won by the operation of poker machines within the scheme.

(3) The Corporation may, by order in writing, prohibit any drawings on the account except by, or with the authority of, the Corporation.

(4) The bank at which a prize fund account is kept is bound by an order under subsection (3) that—

- (a) is expressed to be made under that subsection; and
- (b) is served on the bank; and
- (c) has not been revoked by another order served on the bank.

(5) If an order under subsection (3) is served on the bank, the Corporation may draw on the account to make any payment that, but for the order, could have been made from the account as provided by the scheme.

(6) The regulations may provide for the disposal of money that has not been claimed, or is the subject of a disputed claim, under an authorised scheme.

(7) It is a condition of the certificate of registration of a participating club that a payment must not be made from the prize fund except in accordance with the authorised scheme and this Act.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES LINKED BETWEEN CLUBS—*continued*

Investment of a prize fund

106I. (1) Money for the time being credited to a prize fund account and not immediately required to make a payment under the authorised scheme may be invested by the Corporation if a request to do so is made in accordance with the scheme.

(2) Unless it considers that there are special reasons not to do so, the Corporation shall, if a request to do so is made in accordance with the scheme, realise an investment made from the prize fund.

(3) The income from an investment shall be disposed of in accordance with the scheme.

(4) The proceeds of a realised investment of part of a prize fund shall be paid into the fund.

Directions to participating clubs

106J. (1) If the Minister considers that the integrity, or apparent integrity, of an authorised scheme is likely to be seriously prejudiced by—

- (a) any kind of irregularity or apparent irregularity; or
- (b) the character or reputation of any person concerned in the management or supervision of the scheme,

the Minister may, by order in writing, give a direction under subsection (2).

(2) The Minister may direct the scheme manager to take such action, or to refrain from taking such action, as may be specified in the order in relation to the authorised scheme.

(3) A scheme manager who fails to comply with a direction under subsection (2) is guilty of an offence.

Maximum penalty: \$5,000.

(4) Without limiting subsection (2), the action to be taken, or not to be taken, may relate to a person concerned in the management or supervision of the authorised scheme.

(5) It is a term of a contract for services made between the scheme manager and a participating club that the scheme manager may take, or refrain from taking, any action as required by a direction under this section.

Key employees

106K. (1) In this section—

“key employee” means a person who—

- (a) is employed in a managerial or supervisory capacity by a scheme manager or participating club; or

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

- (b) is authorised to make decisions, involving the exercise of his or her discretion, that regulate the operations of a scheme manager or participating club; or
 - (c) is concerned, in any manner prescribed by the regulations, in the operation of an authorised scheme by a scheme manager or participating club.
- (2) If the Minister considers that the integrity or apparent integrity of an authorised scheme is likely to be seriously prejudiced—
 - (a) because of the criminal record of a key employee; or
 - (b) because of the character or reputation of a key employee,the Minister may, by order in writing, give the employer a direction under subsection (3).
- (3) The Minister may direct that the employment of the key employee—
 - (a) in a specified capacity; or
 - (b) in a capacity other than a specified capacity,be terminated immediately and not renewed.
- (4) An employer given a direction under subsection (3) shall comply with the direction.

Maximum penalty: \$5,000.
- (5) It is a term of a contract for services made between the scheme manager and a participating club or any other person that the manager, club or other person must comply with a direction given under this section.
- (6) It is a term of the contract of employment of a key employee that the employer has such rights as may be necessary to enable the employer to give effect to a direction given under this section.
- (7) A termination of employment under this section may be effected despite any other Act or any law, award or industrial agreement.
- (8) The Crown does not incur any liability because of a termination of employment under this section.
- (9) This section does not limit the operation of section 106J.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*****Particulars relating to key employees**

106L. The employer of a key employee shall, if the Minister so requires by notice in writing served on the employer, provide the Minister, within a reasonable time stated in the notice, with—

- (a) the names of the persons who, under section 106K, are key employees; and
- (b) particulars of the duties of those employees in relation to the authorised scheme; and
- (c) such other relevant particulars relating to those employees as are stated in the notice.

Maximum penalty: \$5,000.

Board to be notified of terms of contract with scheme manager

106M. (1) It is a condition of the certificate of registration of a registered club that the club must, within 7 days after entering into a contract with a scheme manager in relation to an authorised scheme, lodge with the Board—

- (a) a copy of the contract; or
- (b) if the contract is not in writing—written particulars of the terms of the contract.

(2) A registered club is not required to comply with the condition if the like condition has been complied with by another participating club in the authorised scheme in relation to a contract in the same terms.

Information relating to scheme manager or participating club

106N. (1) If a change of a kind prescribed by the regulations occurs in the circumstances existing under an authorised scheme in relation to the scheme manager or a participating club at the time the authorised scheme commences—

- (a) the manager, in the case of a change that relates to the manager; or
- (b) the club, in the case of a change that relates to the club,

shall notify the Minister in writing, not later than 14 days after the occurrence of the change, of such particulars as the regulations may require in relation to it.

Maximum penalty: \$2,000.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

(2) The Minister may, by notice in writing, require a scheme manager or a participating club, or a person who, in the opinion of the Minister, has a direct or indirect association with a scheme manager or a participating club—

- (a) to provide the Minister or an authorised person, in accordance with directions in the notice, with such information relevant to the manager, the club or that association (or relevant to any matter prescribed by the regulations) as is specified in the notice; or
- (b) to produce to the Minister or an authorised person, in accordance with directions in the notice, such documents relevant to the manager, the club or that association (or relevant to any matter prescribed by the regulations) as are specified in the notice and to permit examination of the documents, the taking of extracts from the documents and the making of copies of the documents; or
- (c) to attend before the Minister or an authorised person for examination in relation to any matters relevant to the manager, the club or that association (or relevant to any matter prescribed by the regulations) and to answer any question relating to those matters.

Maximum penalty: \$2,000.

(3) A person is not excused from complying with a notice under this section on the ground that compliance might tend to incriminate the person but, if the person claims, before complying with the notice, that compliance might tend to incriminate the person, information provided in compliance with the notice is not admissible in evidence against the person in criminal proceedings other than proceedings under this Act.

(4) Where documents are produced under this section, the Minister or authorised person to whom they are produced may retain possession of the documents for such period as may reasonably be necessary to permit examination of the documents, the taking of extracts from the documents and the making of copies of the documents.

(5) At any reasonable times during the period for which documents are retained under subsection (4), the Minister or authorised person shall permit inspection of the documents by a person who would be entitled to inspect them if they were not in the possession of the Minister or an authorised person.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

(6) A person who complies with a requirement of a notice under this section does not on that account incur a liability to another person.

(7) If the Minister is satisfied that a person has, without reasonable excuse, refused or failed to comply with a requirement of a notice under this section, the Minister may certify the failure to the Supreme Court.

(8) If the Minister gives a certificate under subsection (7), the Supreme Court may inquire into the case and—

- (a) order the person to comply with the requirement within a period specified by the Court; or
- (b) if the Court is satisfied that the person failed, without reasonable excuse, to comply with the requirement—punish the person as if the person were in contempt of the Court and, if it thinks fit, also make an order under paragraph (a).

Investigations

106O. (1) The Minister may appoint a person to investigate and report upon such matters and circumstances as are specified by the Minister and relate to—

- (a) the conduct of an authorised scheme; or
- (b) a scheme manager, a participating club or a person who, in the opinion of the Minister, is an associate of a scheme manager or participating club; or
- (c) a specified person who, or a specified class of persons which includes persons who, in the opinion of the Minister, could affect the conduct of an authorised scheme; or
- (d) a specified person who, or a specified class of persons which includes persons who, in the opinion of the Minister, could be in a position to exercise direct or indirect control over a scheme manager or participating club, or over an associate of a scheme manager or participating club, in relation to the conduct of an authorised scheme.

(2) A person appointed to carry out an investigation may, for the purposes of the investigation, exercise—

- (a) the functions conferred by section 106N on the Minister; and

*Registered Clubs (Amendment) 1988***SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

(b) such other functions of the Minister as are specified by the Minister in the instrument of appointment, as if the person were the Minister.

(3) The exercise of functions under subsection (2) by a person other than the Minister has effect as if the functions had been exercised by the Minister.

Termination of certain contracts

106P. (1) The Minister may serve on each party to a relevant contract a notice in writing affording the party an opportunity to show cause within 14 days why the contract should not be terminated on the ground that, for reasons specified in the notice, it is no longer in the public interest that the contract should remain in force.

(2) A person served with such a notice may, within the period of 14 days specified in the notice, arrange with the Minister for the making of oral or written submissions as to why the contract should not be terminated.

(3) If—

(a) no arrangements are made, or no submissions are received in accordance with arrangements made, under subsection (2); or

(b) submissions are received but, in the opinion of the Minister, they do not warrant continuation of the contract, the Minister may, by notice in writing served on each party to the contract, require the contract to be terminated within a time specified in the notice.

(4) If a contract is not terminated as required by a notice under subsection (3), it is terminated by this Act.

(5) No right of compensation enforceable against the State arises because an agreement is terminated in accordance with a notice under subsection (3) or by this Act.

(6) A party to a prescribed contract terminated in accordance with a notice under subsection (3) or by this Act shall not give effect to any part of the contract.

Maximum penalty: \$5,000.

(7) Section 106N (which relates to the powers of the Minister to obtain information) applies in relation to a party to a prescribed contract in the same way as it applies in relation to a scheme manager.

*Registered Clubs (Amendment) 1988***SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

(8) In this section—

“contract” includes any kind of agreement or arrangement;

“relevant contract” means—

(a) a contract relating to the supply of goods or services to a scheme manager in connection with the conduct of an authorised scheme unless it is within a class of contracts specified by the regulations as not being relevant contracts for the purposes of this section; or

(b) a contract within a class of contracts specified by the regulations as being relevant contracts for the purposes of this section.

(2) Section 127 (**Powers of special inspectors and others**)—

Section 127 (9), definition of “relevant matter”—

At the end of the definition, insert:

; or

(c) a matter arising under Division 5A of Part 11.

**SCHEDULE 4—AMENDMENTS RELATING TO DUTY ON POKER
MACHINES**

(Sec. 3)

(1) Part 10—

(a) Part 10, heading—

Omit the heading, insert instead—

**PART 10—KEEPING OF POKER MACHINES AND
PAYMENT OF DUTY**

(b) Part 10, Division 2, heading—

Omit the heading, insert instead:

Division 2—Payment of duty

(2) Section 85 (**Duty on poker machines**)—

(a) Section 85 (1)–(5)—

Omit the subsections, insert instead:

(1) Regulations may, with the consent of the Treasurer, be made for or with respect to the payment to the Board by a registered club of duty in respect of poker machines kept and operated on the defined premises of the club.

*Registered Clubs (Amendment) 1988***SCHEDULE 4—AMENDMENTS RELATING TO DUTY ON POKER MACHINES—*continued***

(2) Without limiting the generality of subsection (1), the regulations may provide for—

- (a) the rates of duty; and
- (b) the periods in respect of which duty is payable; and
- (c) the times at which duty is payable; and
- (d) deferral of the payment of duty; and
- (e) refunds of duty; and
- (f) exemption from the payment of duty.

(b) Section 85 (6)—

Omit “annual tax, supplementary tax, or additional supplementary tax,” insert instead “duty”.

(c) Section 85 (7)—

After “Board”, insert “as duty”.

(d) Section 85 (8) (b)—

Omit “taxation payable under the Gaming and Betting (Poker Machines) Taxation Act 1956”, insert instead “duty”.

(3) Section 86 (**Records and returns**)—

Section 86 (2)—

Omit the subsection, insert instead:

(2) A registered club shall lodge with the Board—

- (a) returns in a form approved by the Board; and
- (b) an auditor’s report in a form approved by the Board; and
- (c) a statutory declaration by the secretary of the club made in a form approved by the Board.

(4) Section 87 (**Tax refund for welfare expenditure**)—

Omit the section.

SCHEDULE 5—OTHER AMENDMENTS

(Sec. 3)

(1) Section 5A (**Club may have 2 or more separate premises**)—

Section 5A (1)—

Omit “, but not more than 2,” insert instead “or more”.

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SCHEDULE 5—OTHER AMENDMENTS—*continued*

- (2) Section 17A (**Amalgamation of registered clubs**)—
 - (a) Section 17A (1)—
After “2”, insert “or more”.
 - (b) Section 17A (1) (b)—
After “club”, insert “or clubs”.
 - (c) Section 17A (2)—
After “Where 2”, insert “or more”.
- (3) Section 25 (**Grounds of objection**)—
 - (a) Section 25 (2)—
After “by 2”, insert “or more”.
 - (b) Section 25 (2) (e)—
After “2”, insert “or more”.
 - (c) Section 25 (2) (e)—
Omit “both”, insert instead “all”.
- (4) Section 51 (**Consumption of liquor or operation of poker machines by persons under 18 years**)—
 - Section 51 (1)—
Omit “\$200”, insert instead “\$500”.
- (5) Section 52 (**Prohibition on persons under 18 years being in bars**)—
 - Section 52 (1)—
Omit “\$200”, insert instead “\$1,000”.
- (6) Schedule 4 (**Rules for election to governing body for term of 3 years**)—
 - (a) Schedule 4, clause 2—
Omit the clause.
 - (b) Schedule 4, clause 3—
Omit the clause, insert instead:
First general meeting under triennial rule
3. (1) The members elected to the governing body at the first general meeting at which the triennial rule applies shall be divided into 3 groups.
 - (2) The groups—
 - (a) shall be determined by drawing lots; and
 - (b) shall be as nearly as practicable equal in number; and
 - (c) shall be designated as group 1, group 2 and group 3.

Registered Clubs (Amendment) 1988

SCHEDULE 5—OTHER AMENDMENTS—*continued*

(3) Unless otherwise disqualified, the members of the governing body—

- (a) in group 1 shall hold office for 1 year; and
- (b) in group 2 shall hold office for 2 years; and
- (c) in group 3 shall hold office for 3 years.

(c) Schedule 4, clause 4—

Omit “one-third in number of the members of”, insert instead “the number of members required to fill vacancies on”.

[*Minister's second reading speech made in—
Legislative Assembly on 10 November 1988
Legislative Council on 30 November 1988*]







REGISTERED CLUBS (AMENDMENT) BILL 1988

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The following Bills are cognate with this Bill:

Liquor (Amusement Devices) Amendment Bill 1988; and
Gaming and Betting (Poker Machines) Taxation Amendment Bill 1988.

The object of this Bill is to amend the Registered Clubs Act 1976—

- (a) to require certain equipment designed for connection to a poker machine to be approved by the Liquor Administration Board ("the Board") if the poker machine is to be an authorised poker machine; and
- (b) to enable a poker machine (including subsidiary equipment) to be operated on a trial basis before being considered for approval by the Board; and
- (c) to authorise the issue of a work permit pending the decision on an application for a seller's licence, technician's licence or adviser's licence relating to poker machines; and
- (d) to provide for the linking of poker machines kept by different clubs so that all the linked machines contribute to a common pool of prize money; and
- (e) to increase certain penalties; and
- (f) to provide for payment of a duty with respect to poker machines; and
- (g) to make other amendments of a minor, consequential or ancillary nature.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 is a formal provision which gives effect to the Schedules of amendments to the Registered Clubs Act 1976.

Clause 4 is a transitional provision.

Registered Clubs (Amendment) 1988

SCHEDULE 1—AMENDMENTS RELATING TO DEFINITIONS

This Schedule inserts definitions of—

- (a) “centralised cash control equipment” which describes a system under which a cash payment at a central point releases a poker machine for operation, to the extent of the payment, without inserting coins;
- (b) “linkage equipment” which describes the device or system by which poker machines in different clubs may be linked to contribute to a common prize;
- (c) “linked system” comprising linked poker machines and the equipment by which they are linked;
- (d) “subsidiary equipment” which includes centralised cash control equipment, linkage equipment and other equipment designed for use in connection with the operation of a poker machine.

The Schedule also modifies the definition of poker machine to include subsidiary equipment.

SCHEDULE 2—AMENDMENTS RELATING TO POKER MACHINES

Schedule 2 (1) enables a poker machine or subsidiary equipment to be operated on a trial basis with the approval of the Board.

Schedule 2 (2) ensures that a reference to a sale of a poker machine includes a reference to a transaction, such as hire-purchase, which is not a sale although it involves a change of possession.

Schedule 2 (3) excludes objections to an application for a poker machine dealer’s licence, seller’s licence, technician’s licence or adviser’s licence if the applicant already holds one of the other licences or an amusement device dealer’s licence, seller’s licence or technician’s licence under the Liquor Act 1982.

Schedule 2 (4) enables an applicant for a poker machine seller’s licence, technician’s licence or adviser’s licence to be issued with a work permit pending a decision on the application.

Schedule 2 (5) enables the authority conferred by a dealer’s licence or seller’s licence held by a corporation to be exercised by a director or secretary of the corporation.

Schedule 2 (6) provides that it is not unlawful—

- (a) for an unlicensed person to sell a poker machine in the exercise of a power or proprietary right conferred by financial arrangements approved by the Board; or
- (b) for an unlicensed person, as a trainee under supervision, to exercise a function reserved for the holder of a poker machine seller’s licence or adviser’s licence.

Schedule 2 (7) provides that possession of a poker machine is not unlawful if, for a reasonable time, the possession is that of a person exercising rights under a mortgage or other financial arrangements approved by the Board.

Schedule 2 (8) includes therapeutic purposes among the purposes for which a poker machine may lawfully be used otherwise than for gaming.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES LINKED BETWEEN CLUBS

Schedule 3 (1) inserts in the Principal Act proposed sections 106A–106P comprising Division 5A of Part 11 of that Act.

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Proposed section 106A inserts definitions of expressions used in the proposed Division 5A.

Proposed section 106B excludes the application of the proposed Division 5A to a linked system operating entirely within the premises of a single registered club.

Proposed section 106C enables 2 or more registered clubs to prepare and submit to the Board for investigation and report to the Minister a draft scheme for the operation of a linked system for their poker machines.

Proposed section 106D enables the Minister, after considering a report and recommendations by the Board, to authorise a scheme, with or without amendments, or to refuse to do so.

Proposed section 106E—

- (a) brings within the gaming laws a poker machine linked under a scheme that has not been authorised by the Minister; and
- (b) requires a registered club to comply with an authorised scheme in which it participates.

Proposed section 106F constitutes a Registered Clubs Prize Funds Corporation under the control of the Minister.

Proposed section 106G confers powers of delegation on the Minister and the Corporation.

Proposed section 106H deals with the establishment of, and operations on, the prize fund for an authorised scheme.

Proposed section 106I provides for the investment of the prize fund established under an authorised scheme.

Proposed section 106J enables the Minister, by means of directions given to the manager of an authorised scheme, to act to preserve the integrity of the scheme.

Proposed section 106K deals with the control of key employees concerned in the operation of an authorised scheme.

Proposed section 106L enables the Minister to obtain particulars relating to key employees.

Proposed section 106M requires a copy of the contract between the manager of an authorised scheme and the participating clubs to be lodged with the Board.

Proposed section 106N confers extensive powers on the Minister to obtain information relating to a scheme manager or an associate of a scheme manager.

Proposed section 106O enables the Minister to appoint a person to investigate, and report upon, a wide range of matters that affect, or could affect, the operation of an authorised scheme.

Proposed section 106P enables the Minister to require the termination of certain contracts associated with the operation of an authorised scheme if the Minister considers that this is required in the public interest.

Schedule 3 (2) extends to matters arising under the proposed Division 5A the powers otherwise conferred by the Principal Act on an authorised person to enter premises and remove records and poker machines, and to interrogate persons.

SCHEDULE 4—AMENDMENTS RELATING TO DUTY ON POKER MACHINES

Schedule 4 (1) makes a formal amendment.

Schedule 4 (2) enables regulations to be made to provide for payment of duty with respect to poker machines.

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Schedule 4 (3) and (4) make consequential amendments.

SCHEDULE 5—OTHER AMENDMENTS

Schedule 5 (1)–(3) removes the present limitation to two of the number of registered clubs that may amalgamate.

Schedule 5 (4) and (5) increases the present maximum penalties for certain offences committed by minors.

Schedule 5 (6) removes certain difficulties that have arisen in relation to the election for a 3 year term of the members of the governing body of a registered club.

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REGISTERED CLUBS (AMENDMENT) BILL 1988

NEW SOUTH WALES



No. , 1988

A BILL FOR

An Act to amend the Registered Clubs Act 1976 to provide for the linking of poker machines kept by different registered clubs; to provide for the payment of duty in respect of poker machines; and for other purposes.

See also Liquor (Amusement Devices) Amendment Bill 1988; Gaming and Betting (Poker Machines) Taxation Amendment Bill 1988.

Registered Clubs (Amendment) 1988

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Registered Clubs (Amendment) Act 1988.

5 Commencement

2. (1) This Act commences on a day or days to be appointed by proclamation, except as provided by subsection (2).

(2) Section 4 commences on the date of assent to this Act.

Amendment of Registered Clubs Act 1976 No. 31

10 3. The Registered Clubs Act 1976 is amended as set out in Schedules 1-5.

Transitional provision

4. A person who, but for this section, would be required by the Registered Clubs Act 1976, as amended by this Act, to hold a licence in
15 relation to subsidiary equipment is not required to hold such a licence until—

- (a) a day notified by the Liquor Administration Board in the Gazette for the purposes of this section; or
- 20 (b) if an application for the licence is lodged before that day—until notified of the result of the application.

SCHEDULE 1—AMENDMENTS RELATING TO DEFINITIONS

(Sec. 3)

Section 4 (Definitions)—

(a) Section 4 (1)—

25 After the definition of “Board”, insert:

“centralised cash control equipment” means any device or system by means of which, in return for a cash payment made to a registered club, the operation of a poker machine kept by the club may, without the insertion of money, be
30 commenced and, at least to the extent of the cash payment, continued;

(b) Section 4 (1)—

After the definition of “life member”, insert:

35 “linkage equipment” means any device or system by means of which 2 or more poker machines (whether or not kept by the same registered club) are connected so that each poker machine contributes to the registration of a right to claim a pooled amount of money or money’s worth;

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SCHEDULE 1—AMENDMENTS RELATING TO DEFINITIONS—
continued

“linked system” means—

- (a) poker machines connected by linkage equipment; and
- (b) the linkage equipment;

(c) Section 4 (1), definition of “poker machine”—

5 Omit the definition, insert instead:

“poker machine” means—

- (a) a device that is designed—
 - 10 (i) for the playing of a game of chance or a game that is partly a game of chance and partly a game requiring skill; and
 - (ii) for paying out money or tokens or for registering a right to an amount of money or money’s worth to be paid out; or

- (b) any subsidiary equipment;

15 (d) Section 4 (1)—

After the definition of “special inspector”, insert:

“subsidiary equipment” means—

- (a) centralised cash control equipment; or
- (b) linkage equipment; or
- 20 (c) any other device or system designed for use in connection with the operation of a poker machine;

**SCHEDULE 2—AMENDMENTS RELATING TO POKER
MACHINES**

(Sec. 3)

25 (1) Section 79A—

After section 79, insert:

Trial of poker machine

30 79A. (1) A registered club may, with the approval of the Board and subject to compliance with any conditions imposed by the Board, keep on its defined premises—

- (a) on a trial basis; and
- (b) for a period fixed by the Board,

a poker machine that is not an approved or established poker machine.

SCHEDULE 2—AMENDMENTS RELATING TO POKER
MACHINES—*continued*

(2) If a poker machine is kept as provided by subsection (1), this Act (section 79 (5) and (6) excepted) applies to it in the same way as the Act applies to an authorised poker machine.

(2) Section 88 (**Definitions**)—

5 (a) Section 88, definition of “sell”—

From paragraph (c), omit “and”.

(b) Section 88, definition of “sell”—

At the end of paragraph (d), insert—

and

10 (e) in relation to an approved poker machine or an established
poker machine—supply under financial and other
arrangements approved by the Board under section 79 (5);

(3) Section 90 (**Granting of licences**)—

Section 90 (5)—

15 After section 90 (4), insert:

(5) Section 96 (expenses of investigation of application) and
sections 97–99 (relating to objections) do not apply in relation to
an application for a licence made by a person who holds another
licence under this Act or a licence granted under section 19A of
20 the Liquor Act 1982 (licences relating to approved amusement
devices).

(4) Section 90A—

After section 90, insert:

Work permits

25 90A. (1) The Principal Registrar may, pending a decision on
an application for a seller’s licence, technician’s licence or
adviser’s licence, issue a work permit in a form approved by the
Board.

30 (2) A work permit is subject to any conditions or restrictions
of which the holder of the permit is notified by the Principal
Registrar when issuing the permit.

35 (3) A work permit may be cancelled by the Principal Registrar
at any time and, unless sooner surrendered or cancelled, ceases to
have effect on approval or refusal of the application made by the
holder of the permit for a licence.

**SCHEDULE 2—AMENDMENTS RELATING TO POKER
MACHINES—*continued***

(4) Subject to any condition or restriction imposed under subsection (2), this Act applies to the holder of a work permit in the same way as it applies to the holder of a licence of the same kind as that applied for by the holder of the work permit.

5 (5) **Section 91 (Authority conferred by licence)—**

Section 91 (4A)—

After section 91 (4), insert:

10 (4A) If a corporation is the holder of a poker machine dealer's licence or seller's licence, the authority conferred by this section on the corporation extends to a director or secretary of the corporation.

(6) **Section 116 (Offences by unlicensed person)—**

(a) Section 116 (3) (b)—

15 Omit "a mortgage within the meaning of the Credit Act 1984," insert instead "the mortgage; or".

(b) Section 116 (3) (c)—

After section 116 (3) (b), insert:

20 (c) the sale is a sale by a person other than a mortgagee who obtained possession of the poker machine by exercising a power or proprietary right under financial and other arrangements approved by the Board under section 79 (5),

(c) Section 116 (5)—

After section 116 (4), insert:

25 (5) A person is not guilty of an offence against this Act if the person, without being the holder of a seller's licence or an adviser's licence, exercises a function of the holder of such a licence but does so only—

(a) for the purpose of receiving training or instruction in the exercise of the function; and

30 (b) under the supervision of the holder of a licence of the kind in respect of which the training or instruction is given.

(7) **Section 121 (Illegal possession of approved or established poker machines)—**

Section 121 (3)—

35 Omit the subsection, insert instead:

(3) Subsection (1) does not apply to a person who obtained possession of the poker machine—

(a) by the exercise of a power conferred on the person by a mortgage; or

*Registered Clubs (Amendment) 1988***SCHEDULE 2—AMENDMENTS RELATING TO POKER
MACHINES—*continued***

(b) by the exercise of a power or proprietary right under financial and other arrangements approved by the Board under section 79 (5),

if the possession has not extended beyond a reasonable time.

5 (8) Section 123 (**Exhibition of poker machines**)—

Section 123 (a)—

After “purposes”, insert “or for therapeutic purposes”.

**SCHEDULE 3—AMENDMENTS RELATING TO POKER
MACHINES LINKED BETWEEN CLUBS**

10

(Sec. 3)

(1) Part 11 (**Manufacture, sale etc. of poker machines**)—

Part 11, Division 5A—

After Division 5 of Part 11, insert:

Division 5A—Interclub linking of poker machines

15

Definitions

106A. In this Division—

“authorised person” means—

(a) a special inspector; or

(b) a licensing inspector; or

20

(c) a member of the police force of or above the rank of sergeant or in charge of a police station; or

(d) a person prescribed by the regulations as an authorised person for the purposes of this Division;

25

“authorised scheme” means a scheme that the Minister has authorised under section 106D for the operation of a linked system for poker machines kept by different clubs;

“Corporation” means the Registered Clubs Prize Funds Corporation constituted by section 106F;

“money” includes money’s worth;

30

“participating club” means a registered club participating in an authorised scheme;

“scheme manager” means a person (including a registered club) who, whether or not under a contract for services, manages, or supervises the operation of, an authorised scheme.

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**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

Application of Division

5 106B. This Division does not apply in relation to a linked system operated on the defined premises of a registered club if the system does not include a poker machine kept and operated on the defined premises of another registered club.

Preparation of draft scheme

10 106C. (1) Two or more registered clubs may prepare a draft scheme for the operation of a linked system for poker machines kept by each of them.

(2) The registered clubs that prepare a draft scheme may apply, as prescribed, to the Board for the Minister's authority to implement the scheme.

(3) The application must be accompanied by the prescribed fee.

15 (4) The Board shall investigate the application and shall arrange for consultations with, and submissions from—

(a) the registered clubs proposing to take part in the scheme; and

20 (b) such other persons and organisations as, in the opinion of the Board, would have an interest in the terms of the draft scheme.

(5) The Board may, by notice in writing, require any of the applicants—

25 (a) to provide, in accordance with directions in the notice, such information relevant to investigation of the application as is specified in the notice; or

(b) to produce, in accordance with directions in the notice, such records relevant to investigation of the application as are specified in the notice; or

30 (c) to authorise a person associated with the applicant and specified in the notice to comply with a specified requirement of a kind referred to in paragraphs (a) and (b).

(6) The applicants may amend the draft scheme before it is finally considered by the Board.

35 (7) Following compliance with subsection (4), the Board shall submit the draft scheme to the Minister with a report by the Board on the scheme and any recommendations it wishes to make.

*Registered Clubs (Amendment) 1988***SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

(8) Sections 95 (which enables the Board to obtain further information) and 96 (which requires payment to the Board of certain expenses) apply in relation to the investigation by the Board in the same way as they apply in relation to investigation of an application for a licence.

Consideration of draft scheme by the Minister

106D. (1) After considering the report and recommendations made by the Board in relation to a draft scheme, the Minister may—

- (a) authorise implementation of the scheme; or
- (b) authorise implementation of the scheme with amendments; or
- (c) send the matter back to the Board for further consideration; or
- (d) refuse to authorise implementation of the scheme.

(2) If the matter is referred back to the Board by the Minister, the Board shall reconsider it as if it were a fresh application.

Keeping of poker machine in a linked system

106E. (1) If a poker machine on the defined premises of a registered club is kept and operated as part of a linked system under a scheme that is not an authorised scheme, section 77 (which excludes the operation of the gaming laws in relation to a poker machine kept by a registered club) does not apply to the keeping and operation of the poker machine.

(2) The fact that the linkage equipment under an authorised scheme extends beyond the defined premises of a registered club does not mean that a poker machine within the scheme and operated on the premises is not a poker machine on the premises.

(3) It is a condition of the certificate of registration of a registered club that it will not contravene or fail to comply with the provisions of an authorised scheme under which it is a participating club.

Registered Clubs Prize Funds Corporation

106F. (1) There is constituted by this Act a corporation with the corporate name Registered Clubs Prize Funds Corporation.

(2) The affairs of the Corporation shall be managed by the Minister.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*

Delegation

106G. The Minister or the Corporation may delegate to any officer or other person all or any of the functions (other than this power of delegation) conferred or imposed by or under this Act—

- 5 (a) in the case of a delegation by the Minister—on the Minister; or
- (b) in the case of a delegation by the Corporation—on the Corporation.

Prize funds

10 106H. (1) An authorised scheme must include provision for the establishment and operation of a prize fund that—

- (a) is kept at a bank nominated by the Treasurer in an account kept by the Corporation; and
- (b) consists of contributions made by the participating clubs.
- 15 (2) Drawings on the account may, unless prohibited under this section, be made as provided by the authorised scheme in order to pay out money won by the operation of poker machines within the scheme.

20 (3) The Corporation may, by order in writing, prohibit any drawings on the account except by, or with the authority of, the Corporation.

 (4) The bank at which a prize fund account is kept is bound by an order under subsection (3) that—

- 25 (a) is expressed to be made under that subsection; and
- (b) is served on the bank; and
- (c) has not been revoked by another order served on the bank.

30 (5) If an order under subsection (3) is served on the bank, the Corporation may draw on the account to make any payment that, but for the order, could have been made from the account as provided by the scheme.

 (6) The regulations may provide for the disposal of money that has not been claimed, or is the subject of a disputed claim, under an authorised scheme.

35 (7) It is a condition of the certificate of registration of a participating club that a payment must not be made from the prize fund except in accordance with the authorised scheme and this Act.

*Registered Clubs (Amendment) 1988***SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*****Investment of a prize fund**

106I. (1) Money for the time being credited to a prize fund account and not immediately required to make a payment under the authorised scheme may be invested by the Corporation if a request to do so is made in accordance with the scheme.

(2) Unless it considers that there are special reasons not to do so, the Corporation shall, if a request to do so is made in accordance with the scheme, realise an investment made from the prize fund.

(3) The income from an investment shall be disposed of in accordance with the scheme.

(4) The proceeds of a realised investment of part of a prize fund shall be paid into the fund.

Directions to participating clubs

106J. (1) If the Minister considers that the integrity, or apparent integrity, of an authorised scheme is likely to be seriously prejudiced by—

(a) any kind of irregularity or apparent irregularity; or

(b) the character or reputation of any person concerned in the management or supervision of the scheme,

the Minister may, by order in writing, give a direction under subsection (2).

(2) The Minister may direct the scheme manager to take such action, or to refrain from taking such action, as may be specified in the order in relation to the authorised scheme.

(3) A scheme manager who fails to comply with a direction under subsection (2) is guilty of an offence.

Maximum penalty: \$5,000.

(4) Without limiting subsection (2), the action to be taken, or not to be taken, may relate to a person concerned in the management or supervision of the authorised scheme.

(5) It is a term of a contract for services made between the scheme manager and a participating club that the scheme manager may take, or refrain from taking, any action as required by a direction under this section.

Key employees

106K. (1) In this section—

“key employee” means a person who—

(a) is employed in a managerial or supervisory capacity by a scheme manager or participating club; or

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SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*

- (b) is authorised to make decisions, involving the exercise of his or her discretion, that regulate the operations of a scheme manager or participating club; or
- 5 (c) is concerned, in any manner prescribed by the regulations, in the operation of an authorised scheme by a scheme manager or participating club.
- (2) If the Minister considers that the integrity or apparent integrity of an authorised scheme is likely to be seriously prejudiced—
- 10 (a) because of the criminal record of a key employee; or
- (b) because of the character or reputation of a key employee, the Minister may, by order in writing, give the employer a direction under subsection (3).
- 15 (3) The Minister may direct that the employment of the key employee—
- (a) in a specified capacity; or
- (b) in a capacity other than a specified capacity, be terminated immediately and not renewed.
- (4) An employer given a direction under subsection (3) shall
- 20 comply with the direction.
- Maximum penalty: \$5,000.
- (5) It is a term of a contract for services made between the scheme manager and a participating club or any other person that the manager, club or other person must comply with a direction
- 25 given under this section.
- (6) It is a term of the contract of employment of a key employee that the employer has such rights as may be necessary to enable the employer to give effect to a direction given under this section.
- 30 (7) A termination of employment under this section may be effected despite any other Act or any law, award or industrial agreement.
- (8) The Crown does not incur any liability because of a termination of employment under this section.
- 35 (9) This section does not limit the operation of section 106j.

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**SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued***

Particulars relating to key employees

106L. The employer of a key employee shall, if the Minister so requires by notice in writing served on the employer, provide the Minister, within a reasonable time stated in the notice, with—

- 5 (a) the names of the persons who, under section 106K, are key employees; and
- (b) particulars of the duties of those employees in relation to the authorised scheme; and
- 10 (c) such other relevant particulars relating to those employees as are stated in the notice.

Maximum penalty: \$5,000.

Board to be notified of terms of contract with scheme manager

106M. (1) It is a condition of the certificate of registration of a registered club that the club must, within 7 days after entering into a contract with a scheme manager in relation to an authorised scheme, lodge with the Board—

- 15 (a) a copy of the contract; or
- (b) if the contract is not in writing—written particulars of the terms of the contract.

20 (2) A registered club is not required to comply with the condition if the like condition has been complied with by another participating club in the authorised scheme in relation to a contract in the same terms.

Information relating to scheme manager or participating club

25 106N. (1) If a change of a kind prescribed by the regulations occurs in the circumstances existing under an authorised scheme in relation to the scheme manager or a participating club at the time the authorised scheme commences—

- 30 (a) the manager, in the case of a change that relates to the manager; or
- (b) the club, in the case of a change that relates to the club,

shall notify the Minister in writing, not later than 14 days after the occurrence of the change, of such particulars as the regulations may require in relation to it.

35 Maximum penalty: \$2,000.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*

(2) The Minister may, by notice in writing, require a scheme manager or a participating club, or a person who, in the opinion of the Minister, has a direct or indirect association with a scheme manager or a participating club—

- 5 (a) to provide the Minister or an authorised person, in accordance with directions in the notice, with such information relevant to the manager, the club or that association (or relevant to any matter prescribed by the regulations) as is specified in the notice; or
- 10 (b) to produce to the Minister or an authorised person, in accordance with directions in the notice, such documents relevant to the manager, the club or that association (or relevant to any matter prescribed by the regulations) as are specified in the notice and to permit examination of the
- 15 documents, the taking of extracts from the documents and the making of copies of the documents; or
- (c) to attend before the Minister or an authorised person for examination in relation to any matters relevant to the manager, the club or that association (or relevant to any
- 20 matter prescribed by the regulations) and to answer any question relating to those matters.

Maximum penalty: \$2,000.

25 (3) A person is not excused from complying with a notice under this section on the ground that compliance might tend to incriminate the person but, if the person claims, before complying with the notice, that compliance might tend to incriminate the person, information provided in compliance with the notice is not admissible in evidence against the person in criminal proceedings other than proceedings under this Act.

30 (4) Where documents are produced under this section, the Minister or authorised person to whom they are produced may retain possession of the documents for such period as may reasonably be necessary to permit examination of the documents, the taking of extracts from the documents and the making of

35 copies of the documents.

40 (5) At any reasonable times during the period for which documents are retained under subsection (4), the Minister or authorised person shall permit inspection of the documents by a person who would be entitled to inspect them if they were not in the possession of the Minister or an authorised person.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES
LINKED BETWEEN CLUBS—*continued*

(6) A person who complies with a requirement of a notice under this section does not on that account incur a liability to another person.

5 (7) If the Minister is satisfied that a person has, without reasonable excuse, refused or failed to comply with a requirement of a notice under this section, the Minister may certify the failure to the Supreme Court.

(8) If the Minister gives a certificate under subsection (7), the Supreme Court may inquire into the case and—

- 10 (a) order the person to comply with the requirement within a period specified by the Court; or
- (b) if the Court is satisfied that the person failed, without reasonable excuse, to comply with the requirement—
- 15 punish the person as if the person were in contempt of the Court and, if it thinks fit, also make an order under paragraph (a).

Investigations

20 106O. (1) The Minister may appoint a person to investigate and report upon such matters and circumstances as are specified by the Minister and relate to—

- (a) the conduct of an authorised scheme; or
- (b) a scheme manager, a participating club or a person who, in the opinion of the Minister, is an associate of a scheme manager or participating club; or
- 25 (c) a specified person who, or a specified class of persons which includes persons who, in the opinion of the Minister, could affect the conduct of an authorised scheme; or
- 30 (d) a specified person who, or a specified class of persons which includes persons who, in the opinion of the Minister, could be in a position to exercise direct or indirect control over a scheme manager or participating club, or over an associate of a scheme manager or participating club, in relation to the conduct of an authorised scheme.
- 35

(2) A person appointed to carry out an investigation may, for the purposes of the investigation, exercise—

- (a) the functions conferred by section 106N on the Minister; and

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LINKED BETWEEN CLUBS—*continued***

(b) such other functions of the Minister as are specified by the Minister in the instrument of appointment,
as if the person were the Minister.

5 (3) The exercise of functions under subsection (2) by a person other than the Minister has effect as if the functions had been exercised by the Minister.

Termination of certain contracts

10 106P. (1) The Minister may serve on each party to a relevant contract a notice in writing affording the party an opportunity to show cause within 14 days why the contract should not be terminated on the ground that, for reasons specified in the notice, it is no longer in the public interest that the contract should remain in force.

15 (2) A person served with such a notice may, within the period of 14 days specified in the notice, arrange with the Minister for the making of oral or written submissions as to why the contract should not be terminated.

(3) If—

20 (a) no arrangements are made, or no submissions are received in accordance with arrangements made, under subsection (2); or

25 (b) submissions are received but, in the opinion of the Minister, they do not warrant continuation of the contract, the Minister may, by notice in writing served on each party to the contract, require the contract to be terminated within a time specified in the notice.

(4) If a contract is not terminated as required by a notice under subsection (3), it is terminated by this Act.

30 (5) No right of compensation enforceable against the State arises because an agreement is terminated in accordance with a notice under subsection (3) or by this Act.

(6) A party to a prescribed contract terminated in accordance with a notice under subsection (3) or by this Act shall not give effect to any part of the contract.

35 Maximum penalty: \$5,000.

(7) Section 106N (which relates to the powers of the Minister to obtain information) applies in relation to a party to a prescribed contract in the same way as it applies in relation to a scheme manager.

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(8) In this section—

“contract” includes any kind of agreement or arrangement;

“relevant contract” means—

(a) a contract relating to the supply of goods or services to a scheme manager in connection with the conduct of an authorised scheme unless it is within a class of contracts specified by the regulations as not being relevant contracts for the purposes of this section; or

(b) a contract within a class of contracts specified by the regulations as being relevant contracts for the purposes of this section.

(2) Section 127 (**Powers of special inspectors and others**)—

Section 127 (9), definition of “relevant matter”—

At the end of the definition, insert:

; or

(c) a matter arising under Division 5A of Part 11.

**SCHEDULE 4—AMENDMENTS RELATING TO DUTY ON POKER
MACHINES**

(Sec. 3)

(1) Part 10—

(a) Part 10, heading—

Omit the heading, insert instead—

**PART 10—KEEPING OF POKER MACHINES AND
PAYMENT OF DUTY**

(b) Part 10, Division 2, heading—

Omit the heading, insert instead:

Division 2—Payment of duty

(2) Section 85 (**Duty on poker machines**)—

(a) Section 85 (1)–(5)—

Omit the subsections, insert instead:

(1) Regulations may, with the consent of the Treasurer, be made for or with respect to the payment to the Board by a registered club of duty in respect of poker machines kept and operated on the defined premises of the club.

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- (2) Without limiting the generality of subsection (1), the regulations may provide for—
- (a) the rates of duty; and
 - (b) the periods in respect of which duty is payable; and
 - 5 (c) the times at which duty is payable; and
 - (d) deferral of the payment of duty; and
 - (e) refunds of duty; and
 - (f) exemption from the payment of duty.
- (b) Section 85 (6)—
- 10 Omit “annual tax, supplementary tax, or additional supplementary tax,” insert instead “duty”.
- (c) Section 85 (7)—
- After “Board”, insert “as duty”.
- (d) Section 85 (8) (b)—
- 15 Omit “taxation payable under the Gaming and Betting (Poker Machines) Taxation Act 1956”, insert instead “duty”.
- (3) Section 86 (**Records and returns**)—
- Section 86 (2)—
- Omit the subsection, insert instead:
- 20 (2) A registered club shall lodge with the Board—
- (a) returns in a form approved by the Board; and
 - (b) an auditor’s report in a form approved by the Board; and
 - (c) a statutory declaration by the secretary of the club made in a form approved by the Board.
- 25 (4) Section 87 (**Tax refund for welfare expenditure**)—
- Omit the section.

SCHEDULE 5—OTHER AMENDMENTS

(Sec. 3)

- (1) Section 5A (**Club may have 2 or more separate premises**)—
- 30 Section 5A (1)—
- Omit “, but not more than 2,” insert instead “or more”.

*Registered Clubs (Amendment) 1988*SCHEDULE 5—OTHER AMENDMENTS—*continued*(2) Section 17A (**Amalgamation of registered clubs**)—

(a) Section 17A (1)—

After “2”, insert “or more”.

(b) Section 17A (1) (b)—

5 After “club”, insert “or clubs”.

(c) Section 17A (2)—

After “Where 2”, insert “or more”.

(3) Section 25 (**Grounds of objection**)—

(a) Section 25 (2)—

10 After “by 2”, insert “or more”.

(b) Section 25 (2) (e)—

After “2”, insert “or more”.

(c) Section 25 (2) (e)—

Omit “both”, insert instead “all”.

15 (4) Section 51 (**Consumption of liquor or operation of poker machines by persons under 18 years**)—

Section 51 (1)—

Omit “\$200”, insert instead “\$500”.

(5) Section 52 (**Prohibition on persons under 18 years being in bars**)—

20 Section 52 (1)—

Omit “\$200”, insert instead “\$1,000”.

(6) Schedule 4 (**Rules for election to governing body for term of 3 years**)—

(a) Schedule 4, clause 2—

Omit the clause.

25 (b) Schedule 4, clause 3—

Omit the clause, insert instead:

First general meeting under triennial rule

30 3. (1) The members elected to the governing body at the first general meeting at which the triennial rule applies shall be divided into 3 groups.

(2) The groups—

(a) shall be determined by drawing lots; and

(b) shall be as nearly as practicable equal in number; and

(c) shall be designated as group 1, group 2 and group 3.

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SCHEDULE 5—OTHER AMENDMENTS—*continued*

(3) Unless otherwise disqualified, the members of the governing body—

- (a) in group 1 shall hold office for 1 year; and
- (b) in group 2 shall hold office for 2 years; and
- (c) in group 3 shall hold office for 3 years.

5

(c) Schedule 4, clause 4—

Omit “one-third in number of the members of”, insert instead “the number of members required to fill vacancies on”.



