

**GAMING AND BETTING (TELEPHONE BETTING)
AMENDMENT ACT 1994 No. 39**

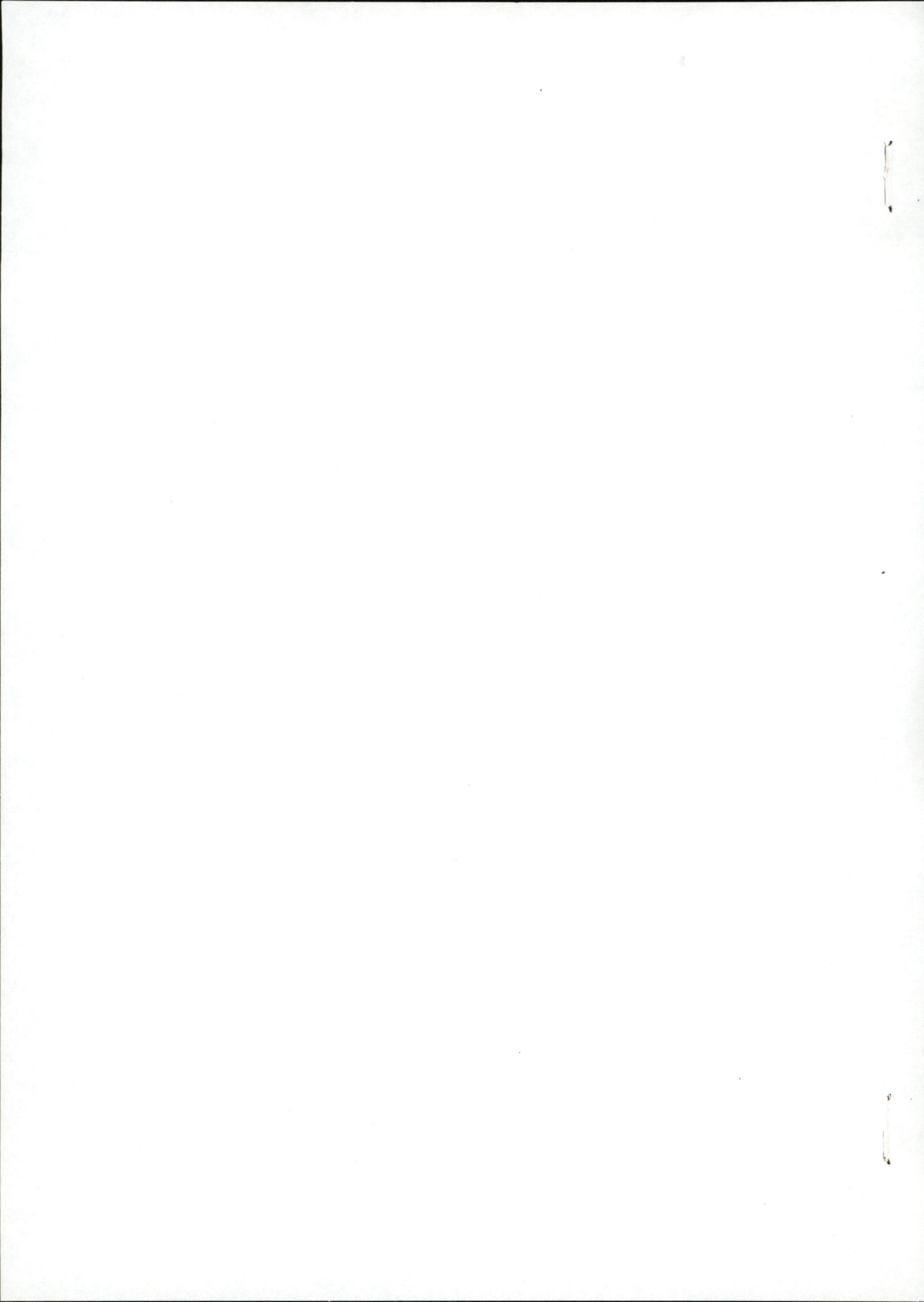
NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Commencement
3. Amendment of Gaming and Betting Act 1912 No. 25
4. Consequential amendment of Bookmakers (Taxation) Act 1917 No. 15

SCHEDULE 1—AMENDMENTS



**GAMING AND BETTING (TELEPHONE BETTING)
AMENDMENT ACT 1994 No. 39**

NEW SOUTH WALES



Act No. 39, 1994

An Act to amend the Gaming and Betting Act 1912 and the Bookmakers (Taxation) Act 1917 with respect to betting by telephone with a bookmaker operating at a race-meeting. [Assented to 2 June 1994]

Gaming and Betting (Telephone Betting) Amendment Act 1994 No. 39

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Gaming and Betting (Telephone Betting) Amendment Act 1994.

Commencement

2. This Act commences on a day or days to be appointed by proclamation.

Amendment of Gaming and Betting Act 1912 No. 25

3. The Gaming and Betting Act 1912 is amended as set out in Schedule 1.

Consequential amendment of Bookmakers (Taxation) Act 1917 No. 15

4. The Bookmakers (Taxation) Act 1917 is amended by inserting in section 36A (1) (b) after the words "this Act" the words ", section 6C of the Gaming and Betting Act 1912".

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 6C:

After section 6B, insert:

Telephone betting

6C. (1) The Minister may, in writing, authorise a licensed bookmaker to accept or make bets by telephone while the bookmaker is on a race-course at a time when it is lawful for betting to take place on the race-course.

(2) The Minister may impose conditions that a bookmaker holding an authority under this section is to comply with in accepting, making, dealing with and giving effect to bets to which the authority relates.

SCHEDULE 1—AMENDMENTS—*continued*

(3) The Minister may delegate his or her functions under this section (other than this power of delegation) to an officer of the Department of Sport, Recreation and Racing.

(4) A bookmaker who accepts or makes a bet by telephone while the bookmaker is on a race-course is guilty of an offence unless, at the time the bet is accepted or made, the bookmaker is authorised under this section to do so.

Maximum penalty: 100 penalty units.

(5) A bet accepted by telephone as authorised by this section is taken to have been made on the race-course on which it is accepted.

(6) Such fees as are fixed by order of the Minister published in the Gazette are payable by a bookmaker:

- (a) for the issue of an authority under this section; and
- (b) for each period of 12 months during which the authority is in force.

(7) The Minister may, on the recommendation of the Committee, cancel, or suspend for a period specified in the recommendation, the authority held by a bookmaker under this section, if the bookmaker has failed:

- (a) to comply with a condition to which the authority is subject; or
- (b) to pay a fee payable by the bookmaker under this section.

(8) In this section:

“**Committee**” means the Bookmakers Revision Committee constituted under the Bookmakers (Taxation) Act 1917;

“**Minister**” means the Minister administering Part 4.

(2) Section 47 (**Penalty for advertising as to betting**):

At the end of section 47, insert:

(2) This section does not operate to prohibit advertisement by a bookmaker of the willingness of the bookmaker to accept bets made by telephone if:

SCHEDULE 1—AMENDMENTS—*continued*

- (a) the bookmaker is authorised by section 6C to engage in telephone betting; and
 - (b) the advertisement complies with the conditions to which the authority of the bookmaker under section 6C is subject.
- (3) Section 47A (**Keeping place for communicating betting information**):

After section 47A (3) (a), insert:

(a1) This section does not operate to prohibit the communication or conveying of information by a bookmaker who is on a race-course if the information:

- (i) is communicated or conveyed, on a day on which a race-meeting (other than a barrier trial meeting, a harness racing trial meeting or a greyhound trial meeting) is being held on the race-course, in response to a telephone request by a person who is not on the race-course; and
- (ii) relates to a bet proposed to, or made with, the bookmaker in accordance with a current authority held by the bookmaker under section 6C.

- (4) Section 47B (**Advertisements relating to betting and forecasting of race results**):

After section 47B (4) (a), insert:

(a1) This section does not operate to prohibit the printing or publication in a newspaper of an advertisement or notice of the willingness of a bookmaker to accept bets made by telephone if:

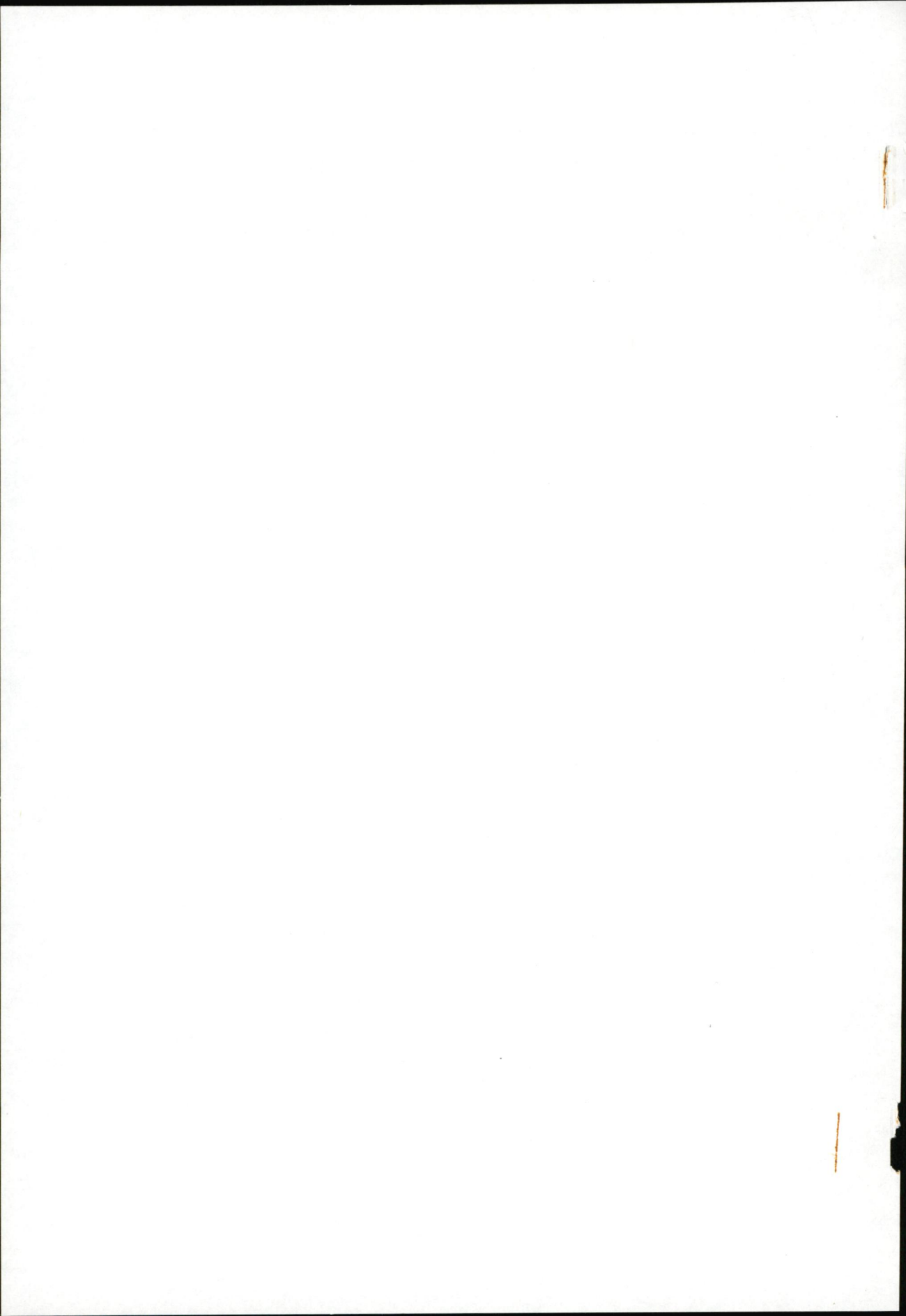
- (i) the bookmaker is authorised by section 6C to engage in telephone betting; and
- (ii) the advertisement complies with the conditions to which the authority of the bookmaker is subject.

SCHEDULE 1—AMENDMENTS—*continued*

- (5) Section 47C (**Keeping of place for conveying certain oral statements**):

From section 47C (3) (a), omit “such race-meeting”, insert instead “the race-meeting or in accordance with a current authority held by the bookmaker under section 6C”.

[*Minister's second reading speech made in—
Legislative Assembly on 4 May 1994
Legislative Council on 11 May 1994*]



GAMING AND BETTING (TELEPHONE BETTING)

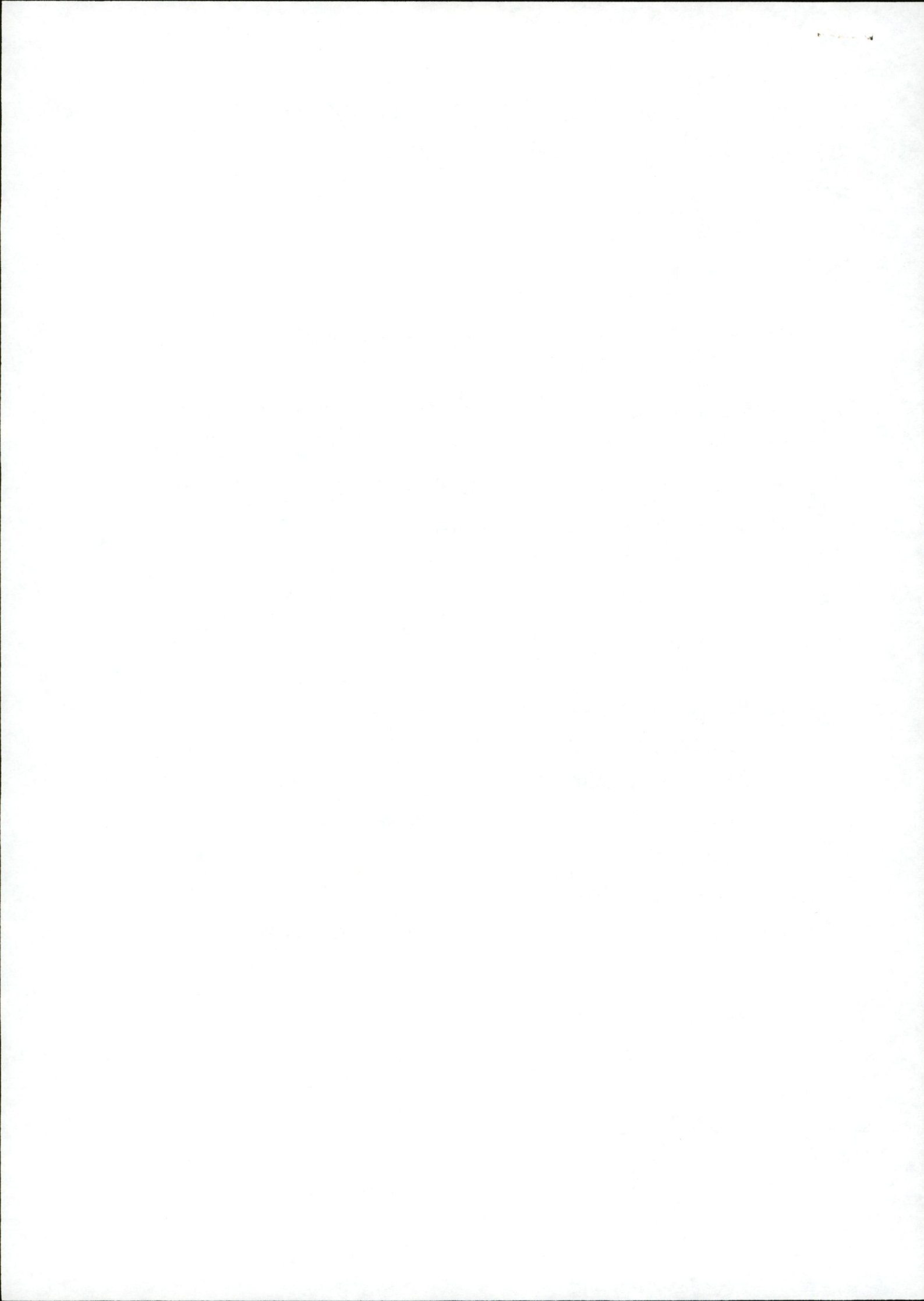
AMENDMENT BILL 1994

MR PRESIDENT,

I MOVE THAT THIS BILL BE NOW READ A SECOND TIME.

THE PURPOSE OF THE PROPOSAL BEFORE THE HOUSE IS TO AMEND THE PROVISIONS OF THE GAMING AND BETTING ACT TO ALLOW LICENSED BOOKMAKERS TO ACCEPT BETS BY TELEPHONE ON A RACECOURSE DURING THE CONDUCT OF A RACE MEETING.

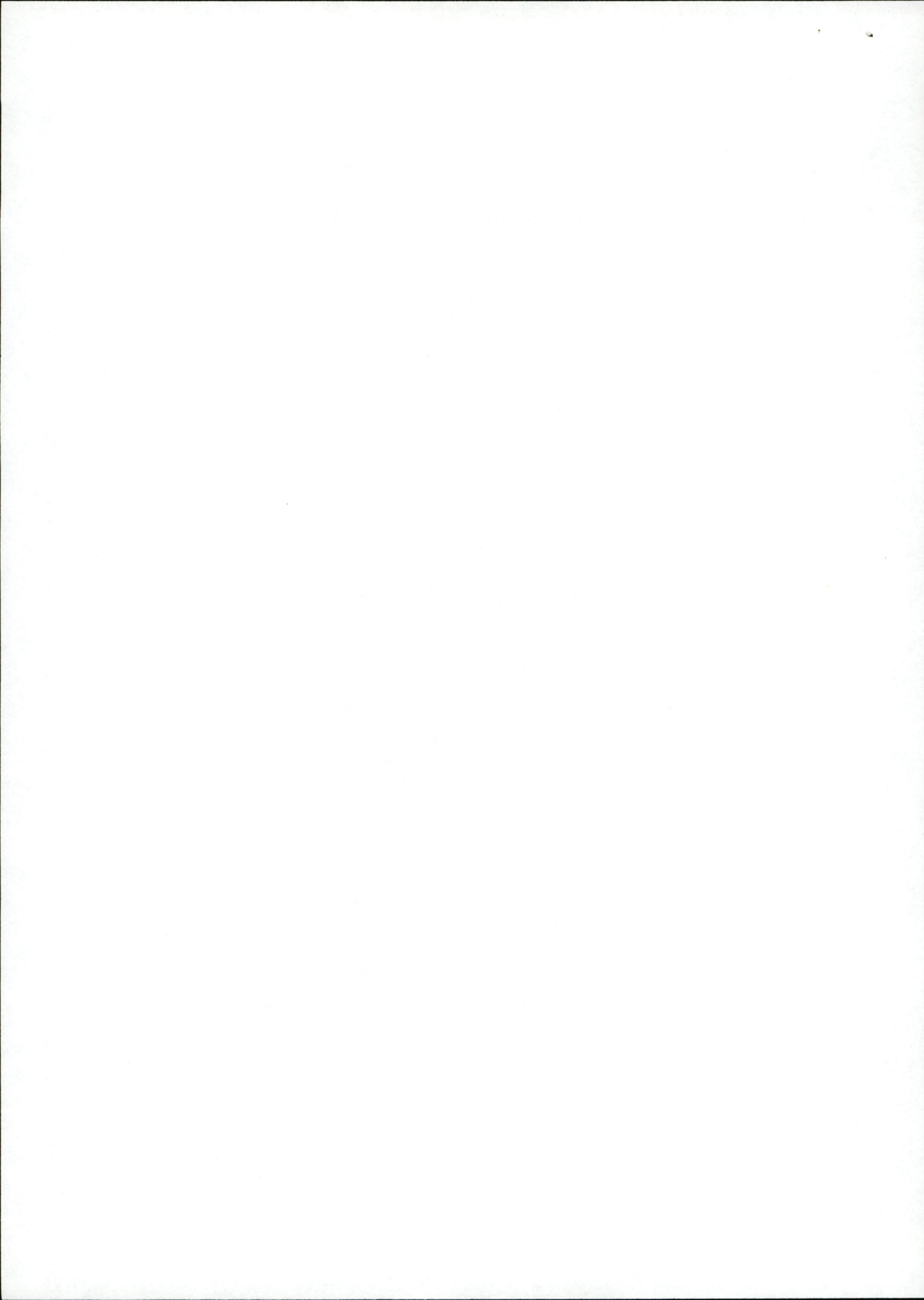
LET ME SAY FROM THE OUTSET, MR PRESIDENT THAT THIS MEASURE IS ONE WHICH THE GOVERNMENT IS TAKING WITH THE OVERALL SUPPORT OF THE RACING INDUSTRY IN THIS STATE. ALL THREE CODES OF RACING IN NSW; THAT IS GALLOPING, HARNESS RACING AND GREYHOUND RACING HAVE INDICATED SUPPORT FOR THIS PROPOSAL. THE AIM OF THE PROPOSALS IS TWOFOLD. THE FIRST BEING TO ASSIST THE VIABILITY OF THE BOOKMAKING INDUSTRY IN THIS STATE, AND THE SECOND TO COMBAT THE EXISTING ILLEGAL SP BOOKMAKING OPERATORS THROUGH THE PROVISION OF A LEGAL ALTERNATIVE.



WITH REGARD TO BOOKMAKERS VIABILITY, HONOURABLE MEMBERS MIGHT BE INTERESTED TO NOTE THAT BOTH THE NUMBER OF BOOKMAKERS OPERATING AND THE TOTAL BETTING TURNOVER HELD BY THIS GROUP HAVE SHARPLY DECLINED IN RECENT YEARS. IN FACT BETWEEN 1980 AND 1993 THE TOTAL NUMBER OF BOOKMAKERS OPERATING DECREASED BY 40% FROM 1113 TO 668.

TOTAL BETTING TURNOVER HAS DIMINISHED FROM A HIGH POINT OF \$1382 MILLION IN 1989 TO \$869 MILLION IN THE LAST FINANCIAL YEAR AND AS AT 31ST MARCH, 1994 A FURTHER DECLINE OF 11% HAS BEEN RECORDED THIS FINANCIAL YEAR COMPARED TO LAST YEAR.

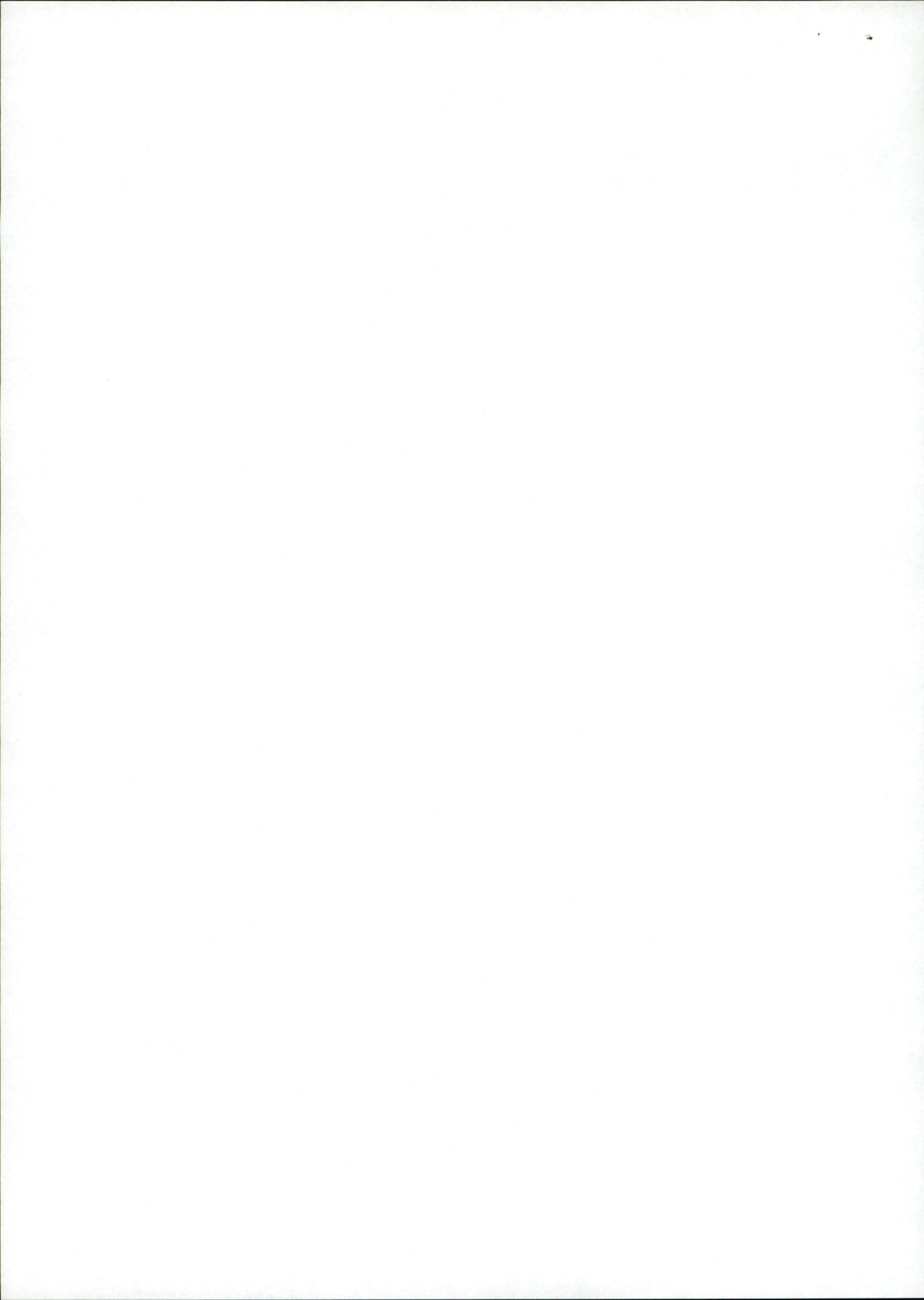
MR PRESIDENT, IT IS POSSIBLE THAT THE SIGNIFICANCE OF THESE DECLINES ARE NOT REALISED BY SOME MEMBERS WHO ARE NOT FAMILIAR WITH THE STRUCTURE OF THE RACING INDUSTRY IN THIS STATE. I WOULD HOWEVER ASSURE THESE MEMBERS THAT THERE IS GENERAL AGREEMENT IN THE INDUSTRY THAT ANY FURTHER DECLINE IN NUMBERS AND VIABILITY OF BOOKMAKERS WILL HAVE SERIOUS RAMIFICATIONS FOR THE INDUSTRY AS A WHOLE. MORE SPECIFICALLY THIS DOWNWARD TREND WILL HAVE A DETRIMENTAL EFFECT ON RACE MEETING ATTENDANCES AND TOTALIZATOR BETTING TURNOVERS, THIS IN TURN WILL AFFECT BOTH RACE CLUB AND GOVERNMENT REVENUES.



IN RESPECT OF THIS GOVERNMENT'S ON-GOING COMMITMENT TO COMBATING SP BETTING, THE PROPOSAL WILL PROVIDE A LEGAL ALTERNATIVE FOR PUNTERS WHO ARE UNABLE TO ATTEND RACE MEETINGS AND WISH TO BET AT A FIXED PRICE WITH A BOOKMAKER. I BELIEVE THAT THE GREATEST INROADS IN ERADICATING SP BETTING RESULT FROM DIRECT COMPETITION. A LEGAL TELEPHONE BETTING SYSTEM FOR LICENSED BOOKMAKERS WILL FURTHER IMPACT ON CURRENT SP OPERATORS AND WILL ASSIST IN THEIR EXCLUSION FROM THE MARKET.

MR PRESIDENT, I MENTIONED EARLIER THE SUPPORT THAT THE RACING INDUSTRY HAS EXPRESSED FOR THIS INITIATIVE, AND I SHOULD NOW ALSO POINT OUT THAT GOVERNMENTS IN MOST OTHER STATES AND TERRITORIES HAVE ALREADY APPROVED OF SIMILAR TELEPHONE BETTING SYSTEMS FOR IMPLEMENTATION IN THOSE JURISDICTIONS. IN THIS RESPECT I UNDERSTAND THAT THE SYSTEM OPERATED BY SOUTH AUSTRALIA BOOKMAKERS SINCE MAY OF LAST YEAR HAS RESULTED IN AN OUTFLOW OF RACING INVESTMENTS TO THAT STATE FROM NSW PUNTERS. THIS TREND IS EXPECTED TO CONTINUE UNLESS A VIABLE OPERATION IS ESTABLISHED IN NSW WITH THE RESULT THAT SIGNIFICANT AMOUNTS OF POTENTIAL RACE CLUB AND GOVERNMENT REVENUES WILL BE LOST TO INTERSTATE BODIES.

UNDER THE PROPOSED AMENDMENTS BOOKMAKERS WISHING TO PARTICIPATE IN TELEPHONE BETTING WILL NEED TO APPLY TO THE MINISTER FOR SPORT, RECREATION AND RACING FOR A PERMIT. ANY SUCH PERMISSION WILL BE SUBJECT TO CONDITIONS IMPOSED BY THE MINISTER.

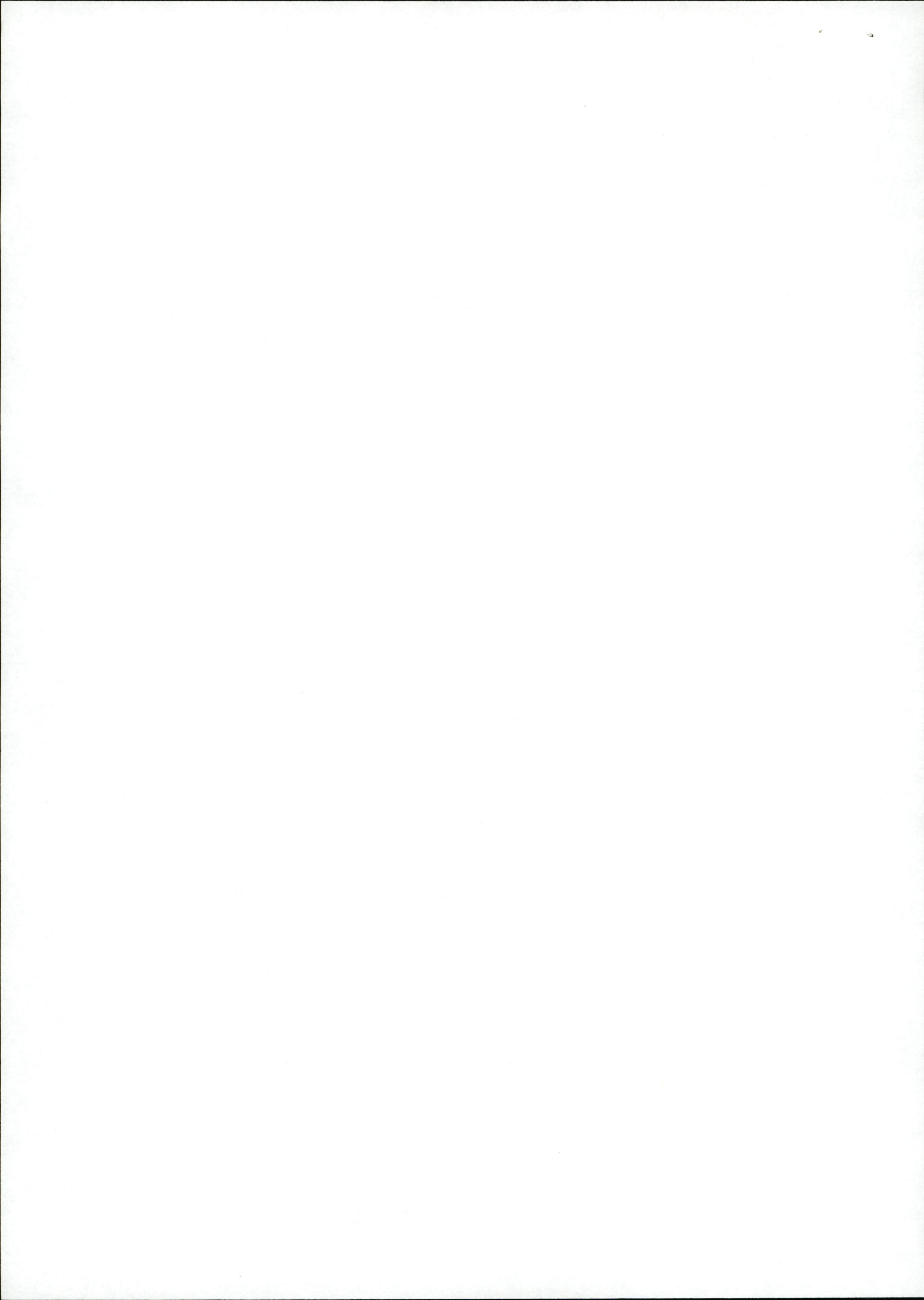


MR PRESIDENT, I MIGHT MAKE MENTION OF TWO OF THE MAJOR CONDITIONS WHICH WILL BE ATTACHED TO THE SCHEME.

THE FIRST WILL PRESCRIBE A MINIMUM BET LEVEL OF \$250 OUTLAY OR \$2000 LIABILITY. THIS MEASURE HAS BEEN AGREED TO ON AN AUSTRALIA-WIDE BASIS IN ORDER TO ENSURE THAT THERE IS NO SIGNIFICANT THREAT TO ESTABLISHED TAB BETTING SERVICES. IT IS A MEASURE WHICH IS SUPPORTED BY THE BOOKMAKERS THEMSELVES, AS THEY HAVE INSISTED FOR SOME TIME NOW THAT THE MARKET THEY HAVE TARGETED IS THE CURRENT ILLEGAL SP MARKET AND NOT THE RANK AND FILE TAB PUNTER.

A FURTHER CONDITION WILL LIMIT THE AMOUNT OF BETTING MARKET INFORMATION THAT BOOKMAKERS WILL BE ALLOWED TO PASS ONTO THEIR CLIENTS.

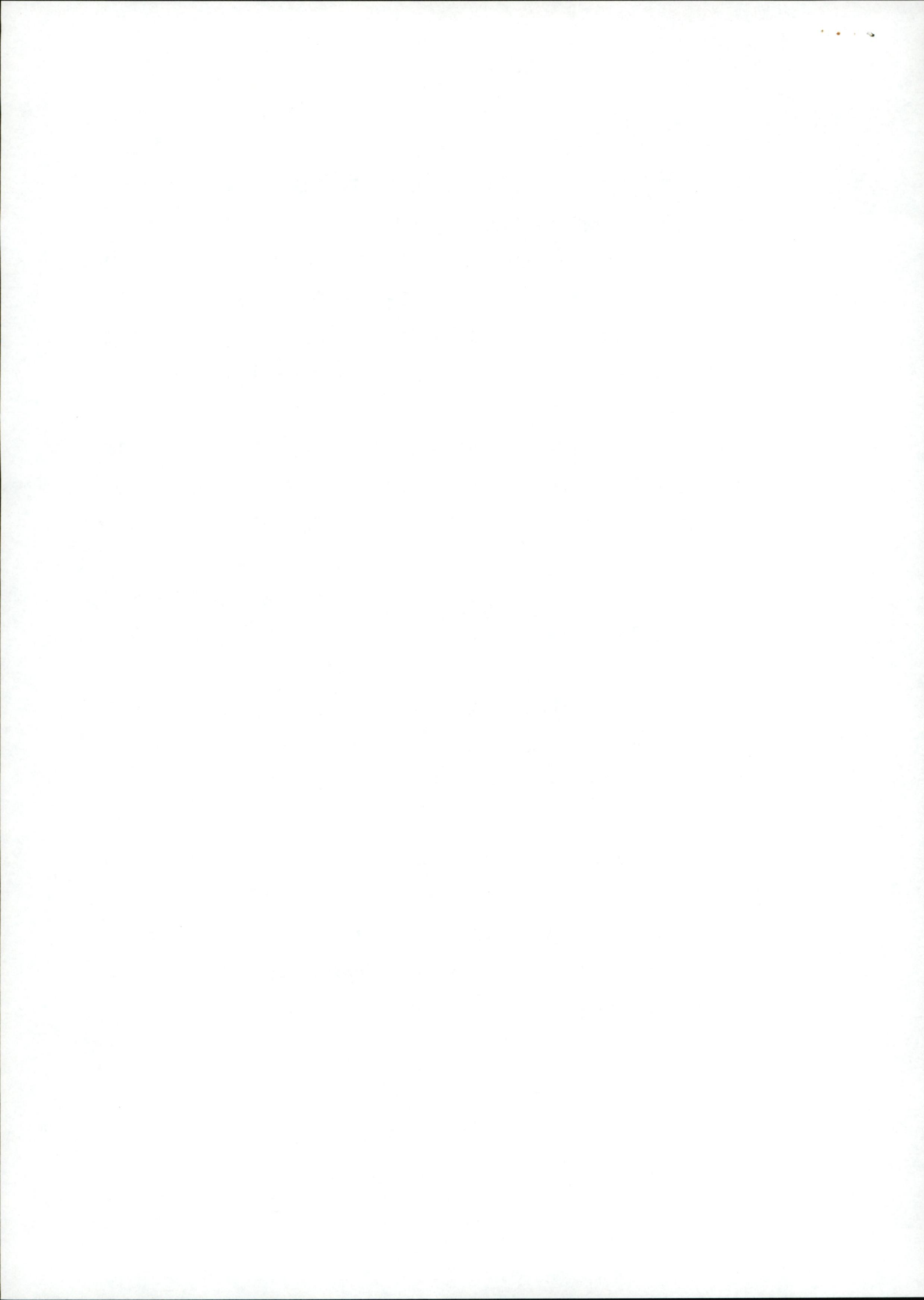
OTHER PROVISIONS OF THE BILL WILL ALLOW PARTICIPATING BOOKMAKERS TO ADVERTISE AVAILABILITY OF TELEPHONE BETTING SERVICES AND ENABLE AUTHORISED BOOKMAKERS TO MAKE STATEMENTS ABOUT BETTING ODDS THEY ARE PREPARED TO ACCEPT OR OFFER.



ALL CALLS TO PARTICIPATING BOOKMAKERS WILL BE MADE TO A "PABX" (OR SIMILAR) SYSTEM THAT WILL ENABLE DETAILS OF THE BETS MADE TO BE LOGGED AND RECORDED BY AN ATTACHED RECORDING UNIT. CALLS TO THE "PABX" WILL THEN BE DIVERTED TO MOBILE TELEPHONES USED BY BOOKMAKERS IN SUCH A WAY AS TO ENSURE THAT THE TELEPHONE NUMBERS OF THE MOBILE TELEPHONES DO NOT BECOME KNOWN. THIS WILL ENSURE THAT ALL CALLS TO BOOKMAKERS ARE LOGGED THROUGH THE SYSTEM AND RECORDED. THE "PABX" AND RECORDING EQUIPMENT WILL BE PURCHASED BY AND BE UNDER THE CONTROL OF THE DEPARTMENT OF SPORT, RECREATION AND RACING.

AS FAR AS REVENUES FROM THE SCHEME ARE CONCERNED, ALTHOUGH IT IS NOT INTENDED AS A REVENUE RAISING EXERCISE, IT IS ENVISAGED THAT AT THE CURRENT 1% TURNOVER TAX RATE APPLICABLE TO BETS MADE WITH BOOKMAKERS, THE GOVERNMENT WILL RECEIVE ADDITIONAL REVENUE IN THE ORDER OF \$1M IN THE FIRST FULL YEAR OF OPERATION OF THE SCHEME.

IN ADDITION THE RACE CLUBS THEMSELVES ARE EXPECTED TO BENEFIT FROM THIS INITIATIVE BY A COMPARABLE AMOUNT THROUGH RECEIPT OF ADDITIONAL TURNOVER LEVIES AS A RESULT OF THE SCHEME. THESE AMOUNTS ARE BEST ESTIMATES PROVIDED AS A RESULT OF COMPARISONS WITH SIMILAR SYSTEMS OPERATING INTERSTATE.



THE LEGISLATION WILL PROVIDE FOR THE IMPOSITION OF FEES PAYABLE BY BOOKMAKERS TO PARTICIPATE IN THE SCHEME. HOWEVER THOSE FEES ARE NOT INTENDED TO RAISE REVENUE BUT WILL BE SET AT A LEVEL TO RECOVER COSTS INVOLVED IN THE PURCHASE OF THE MOBILE PHONES USED BY BOOKMAKERS AND OTHER MISCELLANEOUS COSTS.

IN CONCLUSION MR PRESIDENT, I SHOULD MENTION THAT THE AMENDMENTS ALSO PROVIDE FOR THE POWERS OF THE BOOKMAKERS REVISION COMMITTEE TO BE EXPANDED TO ALLOW THE COMMITTEE TO INQUIRE INTO ALLEGED BREACHES OF CONDITIONS ATTACHED TO THE SCHEME AND TO RECOMMEND THE CANCELLATION OR SUSPENSION OF ANY AUTHORISATION TO PARTICIPATE IN THE SCHEME.

I COMMEND THE BILL TO THE HOUSE.

FIRST PRINT

**GAMING AND BETTING (TELEPHONE BETTING)
AMENDMENT BILL 1994**

NEW SOUTH WALES



EXPLANATORY NOTE

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

The object of this Bill is to amend the Gaming and Betting Act 1912 ("the Principal Act") in order to enable a licensed bookmaker to accept or make bets by telephone while at a race-meeting.

Clause 1 states the short title of the proposed Act.

Clause 2 provides for the proposed Act to commence on a day or days to be proclaimed.

Clause 3 provides for the amendment of the Principal Act as set out in Schedule 1.

Clause 4 amends the Bookmakers (Taxation) Act 1917 to include a failure to pay an amount due in relation to an authority to engage in telephone betting among the grounds on which the Bookmakers Revision Committee may take disciplinary action against a bookmaker.

SCHEDULE 1—AMENDMENTS

Schedule 1 (1) inserts proposed section 6C enabling the Minister administering Part 4 of the Principal Act to authorise a licensed bookmaker to accept or make bets by telephone while on a race-course on a race day. It would be an offence for a bookmaker to engage in that sort of betting without being so authorised.

The section also provides for the fees payable by a bookmaker in relation to an authority to engage in telephone betting and enables the Bookmakers Revision Committee to recommend that the Minister cancel or suspend such an authority.

Schedule 1 (2) enables a bookmaker authorised as proposed by Schedule 1 (1) to advertise a willingness to accept bets made by telephone while the bookmaker is on a race-course on a race day. Without the amendment, any such advertising would be illegal.

Gaming and Betting (Telephone Betting) Amendment 1994

Schedule 1 (3) enables a bookmaker authorised as proposed by Schedule 1 (1) to convey, in reply to a request made by telephone, information relating to a bet to be made, or made, with the bookmaker. Without the amendment, it would be illegal to do so. The conditions to which the bookmaker's authority is subject must be complied with.

Schedule 1 (4) has a similar effect to the amendment proposed by Schedule 1 (3) but operates in slightly different circumstances.

Schedule 1 (5) enables a bookmaker authorised as proposed by Schedule 1 (1) to make certain oral statements about betting odds that the bookmaker is prepared to accept or offer. Without the amendment, the statements would be illegal.

FIRST PRINT

**GAMING AND BETTING (TELEPHONE BETTING)
AMENDMENT BILL 1994**

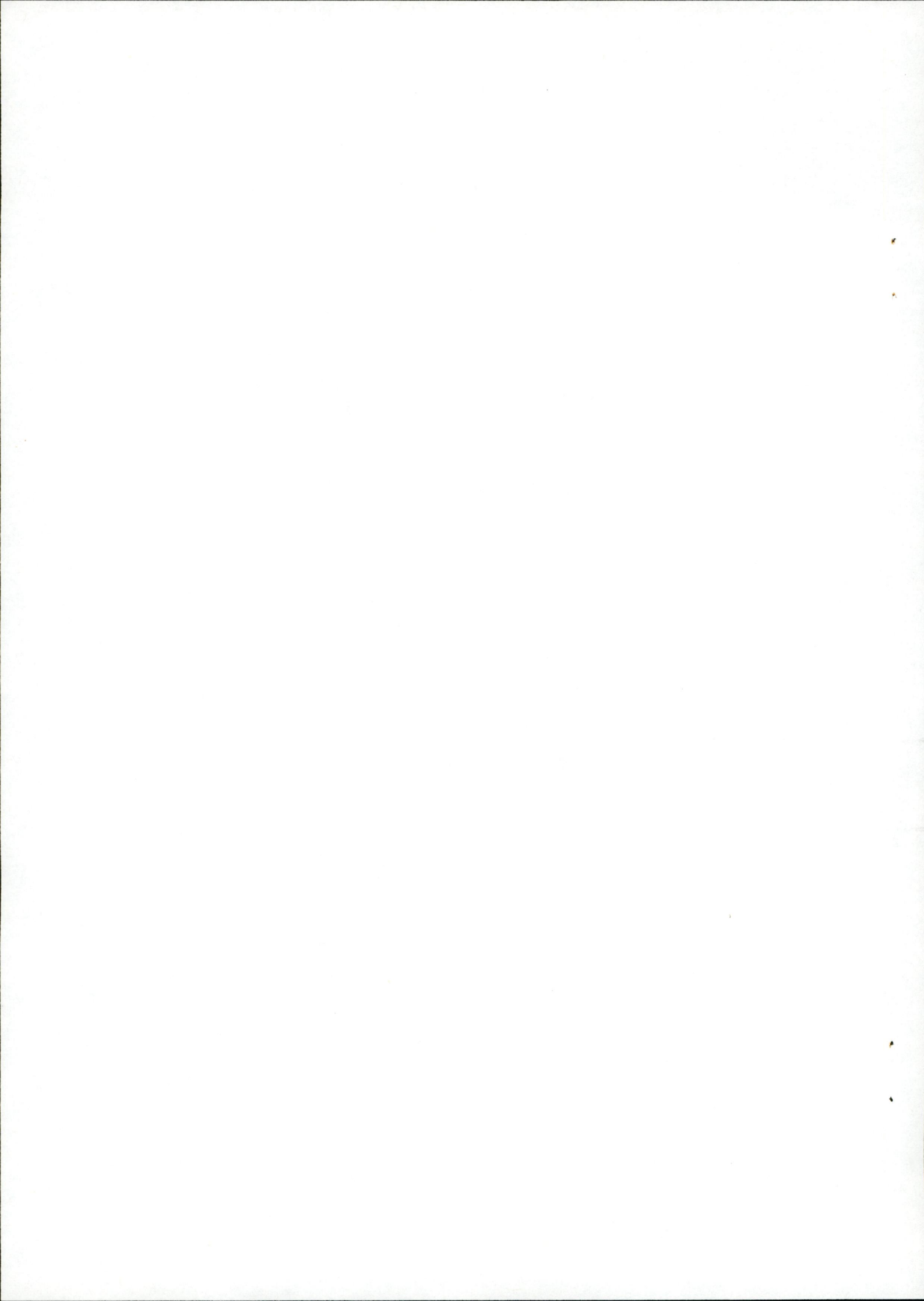
NEW SOUTH WALES



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2. Commencement
3. Amendment of Gaming and Betting Act 1912 No. 25
4. Consequential amendment of Bookmakers (Taxation) Act 1917 No. 15

SCHEDULE 1—AMENDMENTS



**GAMING AND BETTING (TELEPHONE BETTING)
AMENDMENT BILL 1994**

NEW SOUTH WALES



No. , 1994

A BILL FOR

An Act to amend the Gaming and Betting Act 1912 and the Bookmakers (Taxation) Act 1917 with respect to betting by telephone with a bookmaker operating at a race-meeting.

Gaming and Betting (Telephone Betting) Amendment 1994

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Gaming and Betting (Telephone Betting) Amendment Act 1994.

5 Commencement

2. This Act commences on a day or days to be appointed by proclamation.

Amendment of Gaming and Betting Act 1912 No. 25

3. The Gaming and Betting Act 1912 is amended as set out in
10 Schedule 1.

**Consequential amendment of Bookmakers (Taxation) Act 1917
No. 15**

4. The Bookmakers (Taxation) Act 1917 is amended by inserting in
15 section 36A (1) (b) after the words "this Act" the words " , section 6C of
the Gaming and Betting Act 1912".

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 6C:

After section 6B, insert:

20 **Telephone betting**

6C. (1) The Minister may, in writing, authorise a licensed bookmaker to accept or make bets by telephone while the bookmaker is on a race-course at a time when it is lawful for betting to take place on the race-course.

25 (2) The Minister may impose conditions that a bookmaker holding an authority under this section is to comply with in accepting, making, dealing with and giving effect to bets to which the authority relates.

Gaming and Betting (Telephone Betting) Amendment 1994

SCHEDULE 1—AMENDMENTS—*continued*

- (3) The Minister may delegate his or her functions under this section (other than this power of delegation) to an officer of the Department of Sport, Recreation and Racing.
- (4) A bookmaker who accepts or makes a bet by telephone while the bookmaker is on a race-course is guilty of an offence unless, at the time the bet is accepted or made, the bookmaker is authorised under this section to do so. 5
- Maximum penalty: 100 penalty units.
- (5) A bet accepted by telephone as authorised by this section is taken to have been made on the race-course on which it is accepted. 10
- (6) Such fees as are fixed by order of the Minister published in the Gazette are payable by a bookmaker:
- (a) for the issue of an authority under this section; and 15
- (b) for each period of 12 months during which the authority is in force.
- (7) The Minister may, on the recommendation of the Committee, cancel, or suspend for a period specified in the recommendation, the authority held by a bookmaker under this section, if the bookmaker has failed: 20
- (a) to comply with a condition to which the authority is subject; or
- (b) to pay a fee payable by the bookmaker under this section. 25
- (8) In this section:
- “**Committee**” means the Bookmakers Revision Committee constituted under the Bookmakers (Taxation) Act 1917;
- “**Minister**” means the Minister administering Part 4. 30
- (2) Section 47 (**Penalty for advertising as to betting**):
- At the end of section 47, insert:
- (2) This section does not operate to prohibit advertisement by a bookmaker of the willingness of the bookmaker to accept bets made by telephone if: 35

Gaming and Betting (Telephone Betting) Amendment 1994

SCHEDULE 1—AMENDMENTS—*continued*

- (a) the bookmaker is authorised by section 6C to engage in telephone betting; and
- 5 (b) the advertisement complies with the conditions to which the authority of the bookmaker under section 6C is subject.

(3) Section 47A (**Keeping place for communicating betting information**):

After section 47A (3) (a), insert:

- 10 (a1) This section does not operate to prohibit the communication or conveying of information by a bookmaker who is on a race-course if the information:
- 15 (i) is communicated or conveyed, on a day on which a race-meeting (other than a barrier trial meeting, a harness racing trial meeting or a greyhound trial meeting) is being held on the race-course, in response to a telephone request by a person who is not on the race-course; and
- 20 (ii) relates to a bet proposed to, or made with, the bookmaker in accordance with a current authority held by the bookmaker under section 6C.

(4) Section 47B (**Advertisements relating to betting and forecasting of race results**):

25 After section 47B (4) (a), insert:

- (a1) This section does not operate to prohibit the printing or publication in a newspaper of an advertisement or notice of the willingness of a bookmaker to accept bets made by telephone if:
- 30 (i) the bookmaker is authorised by section 6C to engage in telephone betting; and
- (ii) the advertisement complies with the conditions to which the authority of the bookmaker is subject.

Gaming and Betting (Telephone Betting) Amendment 1994

SCHEDULE 1—AMENDMENTS—*continued*

- (5) Section 47C (**Keeping of place for conveying certain oral statements**):

From section 47C (3) (a), omit “such race-meeting”, insert instead “the race-meeting or in accordance with a current authority held by the bookmaker under section 6C”.

