

FIRST PRINT

**TOTALIZATOR (OFF-COURSE BETTING) AMENDMENT  
BILL 1991**

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 Totalizator (Off-course Betting) Act 1964 so as:

- (a) to allow the Totalizator Agency Board ("the Board") to conduct sweepstakes on the Melbourne Cup and such other events as the Minister authorises and to provide for the making of rules in relation to the conduct of those sweepstakes; and
- (b) to provide for the deduction of commission from investments on those sweepstakes at the rate of 25 per cent, comprising:
  - (i) commission at the rate of 15 per cent to be retained by the Board; and
  - (ii) commission at the rate of 10 per cent to be paid to the Sport and Recreation Fund.

The Bill also makes a minor consequential amendment to the Tourism Commission Act 1984.

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Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act is to commence on a day or days to be appointed by proclamation.

Clause 3 is a formal provision that gives effect to Schedule 1, which contains amendments to the Totalizator (Off-course Betting) Act 1964 ("the Principal Act").

Clause 4 makes a minor consequential amendment to section 23 of the Tourism Commission Act 1984 (Tourism Development Fund). The amendment is consequential on the amendment made by Schedule 1 (5) and removes the possibility of money derived from totalizator betting or a sweepstake from being paid into the Tourism Development Fund.

*Totalizator (Off-course Betting) Amendment 1991*

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Schedule 1 (1) amends the long title to the Principal Act. The amendment is consequential on the amendment made by Schedule 1 (3).

Schedule 1 (2) amends section 2 of the Principal Act (Definitions) by introducing a definition of "Bet". The definition of "Bet" is intended to make it clear that, when that expression is used in the Principal Act, it includes a right to purchase a chance to win prize money in a sweepstake conducted by the Board under proposed section 12B.

Schedule 1 (3) inserts in the Principal Act proposed section 12B. The proposed section will enable the Board, with the approval of the Minister, to conduct sweepstakes on such events as the Melbourne Cup horse race. Under the proposed section, the Board will be empowered to prepare rules for the conduct of such sweepstakes. Such rules will require the Minister's approval before they take effect. The proposed section applies section 13 of the Act (which relates to the conduct of totalizator betting) to the conduct of a sweepstake. The effect of this is to make it clear that the conduct of a sweepstake is lawful despite the provisions of any other Act or law to the contrary.

Schedule 1 (4) amends section 13B of the Principal Act, which at present provides for the distribution of money invested on events other than race meetings. As a result of the amendments, the section will also deal with the distribution of money received from persons who participate in sweepstakes conducted by the Board. Of the money, 75 per cent will be paid out as prize money, the Board will retain 15 per cent as commission and the rest will be paid into the Consolidated Fund and eventually transferred to the Sport and Recreation Fund established under the Soccer Football Pools Act 1975.

Schedule 1 (5) amends section 14 of the Principal Act (Provisions relating to payments by and to the Board). As a result of the amendment, sections 8B, 9, 9B and 11 of the Totalizator Act 1916 will, with appropriate modifications, apply to money that the Board receives from the conduct of sweepstakes under proposed section 12B. Those sections respectively relate to:

- payments to the Minister
- unclaimed and incorrectly calculated dividends and unclaimed refunds
- unclaimed money
- returns to be made to the Minister

Schedule 1 (6) amends section 17 of the Principal Act (Provisions relating to the betting operations of the Board). The amendments to the section are largely consequential on proposed section 12B. However, other amendments recognise that messages may now be transmitted electronically by means other than telegram or telephone.

Schedule 1 (7) makes a minor amendment to section 21 of the Principal Act (Regulations), which also recognises that bets may be transmitted otherwise than by letter, telegram or telephone.

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FIRST PRINT

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BILL 1991**

NEW SOUTH WALES

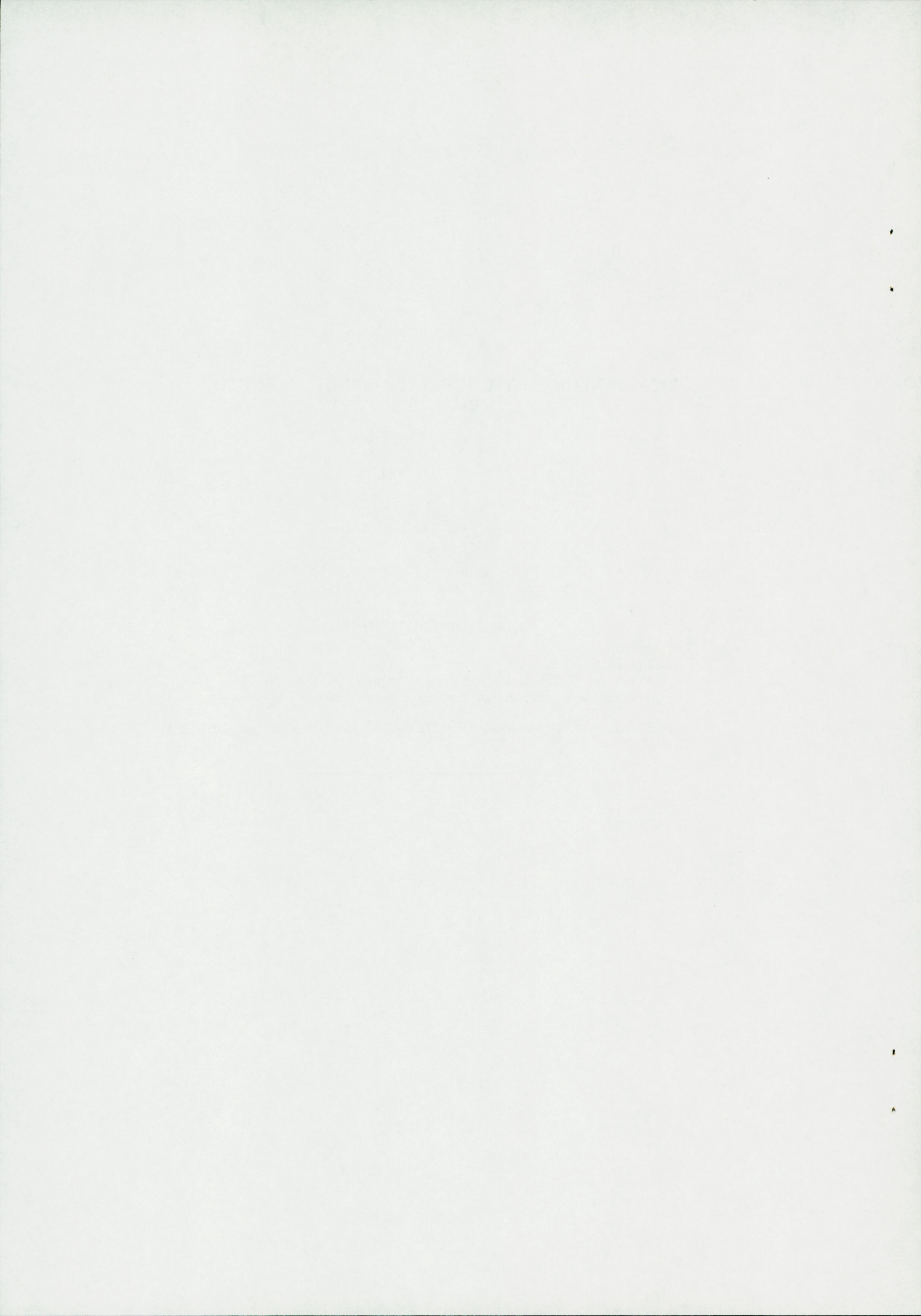


**TABLE OF PROVISIONS**

1. Short title
2. Commencement
3. Amendment of Totalizator (Off-course Betting) Act 1964 No. 1
4. Consequential amendment of Tourism Commission Act 1984 No. 46

**SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING)  
ACT 1964**

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**TOTALIZATOR (OFF-COURSE BETTING) AMENDMENT  
BILL 1991**

NEW SOUTH WALES



No.           , 1991

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**A BILL FOR**

An Act to amend the Totalizator (Off-course Betting) Act 1964 for the purpose of enabling the Totalizator Agency Board to conduct sweepstakes on the Melbourne Cup and other events and for related purposes; and to amend consequentially the Tourism Commission Act 1984.

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*Totalizator (Off-course Betting) Amendment 1991*

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**The Legislature of New South Wales enacts:**

**Short title**

1. This Act may be cited as the Totalizator (Off-course Betting) Amendment Act 1991.

**Commencement**

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

**Amendment of Totalizator (Off-course Betting) Act 1964 No. 1**

3. The Totalizator (Off-course Betting) Act 1964 is amended as set out in Schedule 1.

**Consequential amendment of Tourism Commission Act 1984 No. 46**

4. The Tourism Commission Act 1984 is amended by omitting from section 23 (2) the words "(including money paid into the Fund pursuant to section 13B (3) (b) of the Totalizator (Off-course Betting) Act 1964)".

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**SCHEDULE 1—AMENDMENT OF TOTALIZATOR  
(OFF-COURSE BETTING) ACT 1964**

(Sec. 3)

(1) Long title:

After "totalizator system;", insert "to provide for the conduct of sweepstakes in respect of certain events;".

(2) Section 2 (**Definitions**):

After the definition of "Bank", insert:

**"Bet"** includes the purchase of a chance to win prize money in a sweepstake conducted by the Board under this Act.

(3) Section 12B:

After section 12A, insert:

**Sweepstakes in respect of the Melbourne Cup and other events**

12B. (1) In this section:



*Totalizator (Off-course Betting) Amendment 1991*

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SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING) ACT 1964—*continued*

“authorised event” means:

- (a) the horse race conducted by the Victoria Racing Club on the first Tuesday in November each year and known as the Melbourne Cup; or
- (b) any event, or any event of a class, approved by the Minister for the purposes of this section;

“sweepstake” means a game in which:

- (a) each player pays a sum of money for a chance to win by lot a right in respect of a participant in an authorised event; and
- (b) the prize pool (less any deductions by way of commission permitted under this section) is distributed as prize money in accordance with rules made under this section to the holders of the rights in respect of participants in the event.

(2) The Board may, with the approval of the Minister and subject to this Act, conduct a sweepstake in respect of an authorised event.

(3) The Board must ensure that all sums paid to it for the purchase of rights to participate in a sweepstake conducted under this section are:

- (a) held and accounted for separately from other money coming into the custody or under the control of the Board; and
- (b) placed in a pool to enable the Board to conduct the sweepstake; and
- (c) available for distribution by the Board in accordance with section 13B.

(4) The Board may, with the approval of the Minister, make rules for the conduct of a particular sweepstake or any specified class of sweepstakes.

(5) Section 13 applies to the conduct of a sweepstake in the same way as it applies to the conduct of totalizator betting.

*Totalizator (Off-course Betting) Amendment 1991*

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SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING) ACT 1964—*continued*

(4) Section 13B (**Distribution of investments under sections 12A and 12B**):

(a) After section 13B (1), insert:

(1A) Where any money is placed in a pool established for the purposes of a sweepstake conducted under section 12B, the Board must, when the event to which the sweepstake relates has finished, distribute the pool in accordance with subsection (2).

(b) In section 13B (2), after “subsection (1) (b)”, insert “or the pool referred to in subsection (1A)”.

(c) In section 13B (2) (a), after “dividends”, insert “or prize money”.

(d) Omit section 13B (3) (b).

(e) From section 13B (4), omit “and the Tourism Development Fund”.

(5) Section 14 (**Provisions relating to payments by and to the Board**):

After section 14 (2), insert:

(2A) Sections 8B, 9, 9B and 11 of the Totalizator Act 1916 apply to and in respect of money placed in a pool established for the purposes of a sweepstake conducted by the Board under section 12B in the same way as they apply to and in respect of money paid into a totalizator used by a racing club within the meaning of that Act and so apply as if:

(a) a reference in those sections to a racing club or to the committee or executive body of such a club were a reference to the Board; and

(b) a reference in those sections to a totalizator were a reference to such a sweepstake; and

(c) a reference in those sections to an amount required to be paid to the Minister were a reference to an amount required to be paid to the Minister under section 13B in relation to such a sweepstake; and

(d) a reference in those sections to dividends were a reference to prize money; and



*Totalizator (Off-course Betting) Amendment 1991*

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SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING) ACT 1964—*continued*

- (e) a reference in those sections to a race-meeting or an event or contingency were a reference to an authorised event (as defined in section 12B); and
  - (f) a reference in those sections to regulations and rules were a reference to regulations and rules made under this Act.
- (6) Section 17 (**Provisions relating to the betting operations of the Board**):
- (a) From section 17 (2) (a) (ii), omit “by telegram or telephone message”, insert instead “by telephone or other electronically transmitted message”.
  - (b) From section 17 (2) (b), omit “by telegram or telephone message”, insert instead “by telephone or other electronically transmitted message”.
  - (c) From section 17 (2) (b) (ii), omit “by letter or telegram”, insert instead “otherwise than by telephone”.
  - (d) From section 17 (2) (b) (ii), omit “thereof is arranged by telegram”, insert instead “of the bet as arranged”.
  - (e) In section 17 (2) (c), after “dividend”, insert “or prize money”.
  - (f) After section 17 (2) (e), insert:
    - (f) the Board is required to accept an amount of \$1 for the right to participate in a sweepstake conducted by the Board in accordance with section 12B.
  - (g) From section 17 (4) (a), omit “and dividends payable in respect of”, insert instead “, and dividends or prize money payable in respect of,”.
- (7) Section 21 (**Regulations**):
- From section 21 (1) (c), omit “, telegram or telephone”, insert instead “or by telephone or other electronically transmitted message”.
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TOTALIZATOR (OFF-COURSE BETTING) AMENDMENT BILL, 1991  
SECOND READING SPEECH - LEGISLATIVE COUNCIL

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 TOTALIZATOR (OFF-COURSE BETTING) ACT TO EXTEND THE POWERS OF THE TOTALIZATOR AGENCY BOARD TO ENABLE IT TO CONDUCT SWEEPSTAKES BETTING.

I MIGHT MENTION THAT THE LEGAL CONDUCT OF SWEEPSTAKES BY OTHER SECTORS OF THE COMMUNITY WAS MADE POSSIBLE FOLLOWING AMENDMENTS TO THE LOTTERIES AND ART UNIONS ACT DURING THE 1990 BUDGET SESSION.

AT THAT TIME THE PARLIAMENT RECOGNISED THE DEMAND WITHIN THE COMMUNITY TO MAKE LAWFUL THE LONG STANDING PRACTICE OF PARTICIPATING IN TRADITIONAL MELBOURNE CUP SWEEPS.

FOLLOWING THE ENACTMENT OF THOSE CHANGES THE BOARD CONDUCTED A FEASIBILITY STUDY INTO THE POSSIBILITY OF THE TAB ALSO RUNNING A SWEEP ON THE MELBOURNE CUP.







AS A RESULT OF ITS STUDY, THE BOARD IS OF THE OPINION THAT A MELBOURNE CUP SWEEP OFFERING LARGE PRIZEMONEY FOR A SMALL OUTLAY WOULD BE ATTRACTIVE TO MANY PEOPLE INCLUDING THOSE WHO MAY NOT OTHERWISE HAVE THE OPPORTUNITY OF PARTICIPATING IN A SWEEP. IN TERMS OF THE EXISTING LEGISLATION HOWEVER, THE OPERATIONS OF THE TAB ARE RESTRICTED TO THE CONDUCT OF OFF-COURSE TOTALIZATOR BETTING ON RACING EVENTS AND ON OTHER EVENTS AND CONTINGENCIES AS APPROVED BY THE MINISTER. HENCE THE NECESSITY FOR THE BILL BEFORE THE HOUSE.

IT IS PROPOSED THAT TICKETS IN THE SWEEP WILL BE SOLD AT A FIXED PRICE OF \$1.00 EACH WITH TICKETS BEING ON SALE AT THE BOARD'S 1252 SALES OUTLETS THROUGHOUT THE STATE COMMENCING TWO WEEKS BEFORE THE MELBOURNE CUP. THE DRAW WILL BE CONDUCTED ON THE NIGHT PRECEDING THE CUP.

DISTRIBUTION OF PRIZEMONEY WILL BE PRESCRIBED IN RULES PREPARED BY THE BOARD AND APPROVED BY THE MINISTER.







MR. PRESIDENT, THE LEGISLATION WILL PROVIDE THAT OF THE MONEY RECEIVED FROM PERSONS WHO PARTICIPATE IN A SWEEP CONDUCTED BY THE BOARD, 75% WILL BE RETURNED TO INVESTORS AS PRIZEMONEY; 15% WILL BE RETAINED BY THE T.A.B. TO MEET ITS EXPENSES AND MAKE A SMALL PROFIT AND THE REMAINDER WILL BE PAID INTO THE SPORT AND RECREATION FUND FOR THE FURTHER DEVELOPMENT OF SPORT THROUGHOUT THE STATE.

IT IS DIFFICULT TO ESTIMATE THE LIKELY SALES ON A SWEEP SUCH AS THAT PROPOSED. HOWEVER THE BOARD BELIEVES THAT SALES IN THE ORDER OF \$1 MILLION ARE NOT OUT OF THE QUESTION. THE REALISATION OF THESE ESTIMATES WILL THEREFORE RESULT IN AN ADDITIONAL \$100,000 BEING PAID INTO THE SPORT & RECREATION FUND ANNUALLY.

I MIGHT MENTION FOR THE INFORMATION OF HONOURABLE MEMBERS THAT SINCE 1983, APPROXIMATELY \$8.5 MILLION HAS BEEN PAID INTO THE SPORT AND RECREATION FUND FROM INVESTMENTS MADE WITH THE T.A.B. ON EVENTS OTHER THAN RACING. THE MOST NOTABLE OF THESE IS OF COURSE THE SUCCESSFUL FOOTYTAB WHICH IS CONDUCTED ON THE NSW RUGBY LEAGUE COMPETITION.







THIS IS OF COURSE ONLY ONE OF MANY BENEFITS THE COMMUNITY RECEIVES AS A RESULT OF THE OPERATIONS OF THE TAB. FOR INSTANCE DURING THE LAST FINANCIAL YEAR ALONE, INVESTMENTS WITH THE TAB TOTALLED APPROXIMATELY \$3.2 BILLION AND AS A RESULT REVENUE OF \$218.5 MILLION WAS PAID INTO THE CONSOLIDATED FUND TO MAKE FUNDS AVAILABLE FOR MANY IMPORTANT COMMUNITY PROJECTS INCLUDING THOSE IN THE AREAS OF HEALTH, HOUSING AND EDUCATION.

I AM PLEASED TO SAY THAT THE TAB IS RAPIDLY GAINING A WELL EARNED REPUTATION AS A WORLD LEADER IN OFF-COURSE TOTALIZATOR BETTING OPERATIONS AS EVIDENCED BY ITS RECENT ENGAGEMENT BY THE HUNGARIAN GOVERNMENT TO PROVIDE AN OFF-COURSE BETTING SYSTEM IN THAT COUNTRY.

IT IS INTENDED THAT FOR THE PRESENT, THE BOARD WILL ONLY CONDUCT SWEEPS ON THE MELBOURNE CUP. HOWEVER, IN AMENDING THE LEGISLATION, PROVISION HAS BEEN MADE FOR THE BOARD TO CONDUCT SWEEPSTAKES ON OTHER MAJOR RACES SUCH AS THE GOLDEN SLIPPER, SUBJECT TO THE MINISTER'S APPROVAL AND DEPENDING UPON PUBLIC DEMAND.





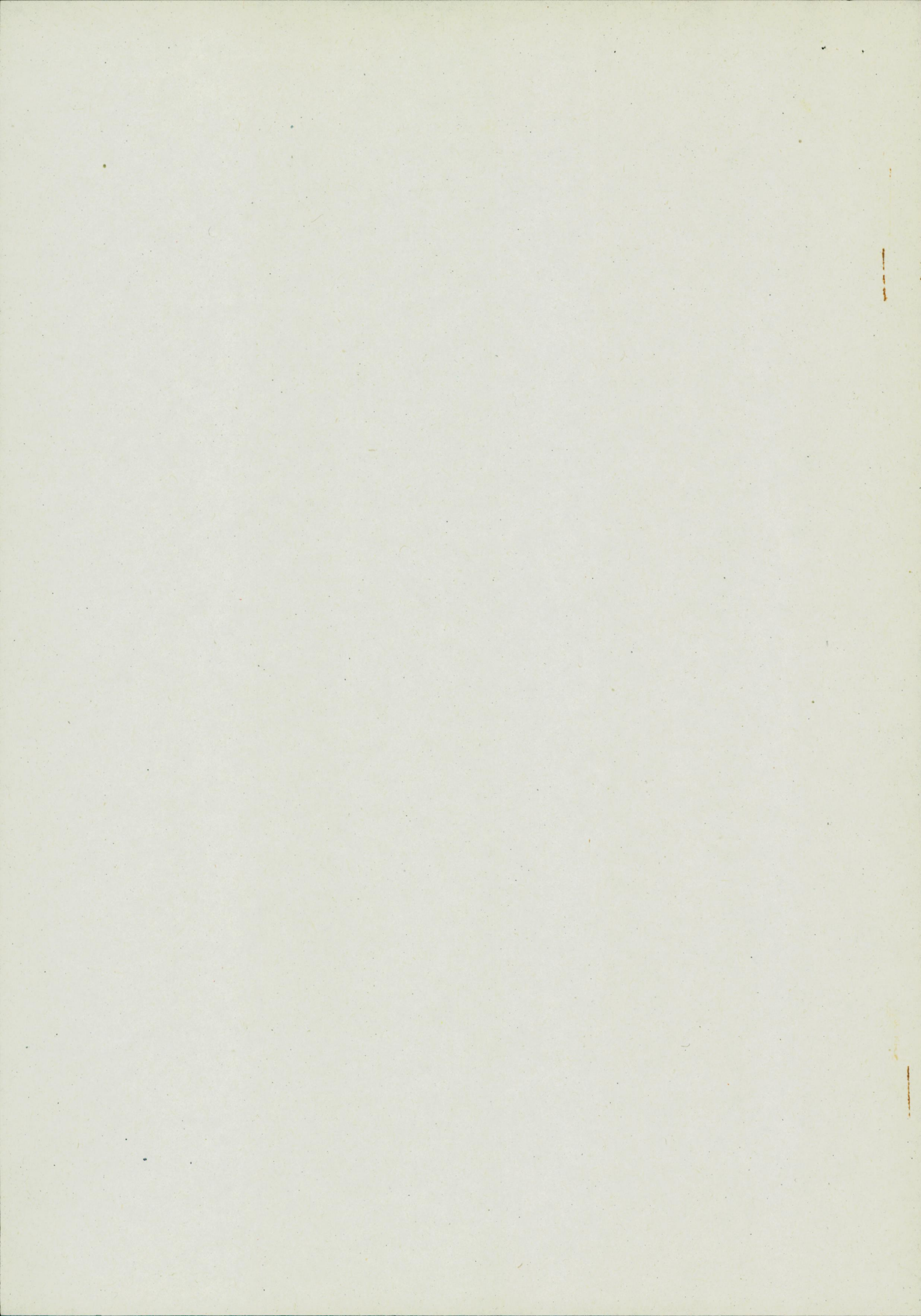


MR. PRESIDENT, IN BRINGING FORWARD THIS LEGISLATION THE OPPORTUNITY HAS ALSO BEEN TAKEN TO EFFECT A MINOR AMENDMENT IN RESPECT OF THE PURPOSES FOR WHICH MONEY DERIVED FROM TOTALIZATOR BETTING ON EVENTS OTHER THAN RACING CAN BE USED. IN FUTURE FUNDS FROM THIS SOURCE WILL BE DIRECTED SOLELY TO THE SPORT & RECREATION FUND.

MINOR CONSEQUENTIAL AMENDMENTS WILL ALSO BE MADE TO THE TOURISM COMMISSION ACT, 1984 TO GIVE AFFECT TO THIS CHANGE.

MR. PRESIDENT, I COMMEND THE BILL TO THE HOUSE.







**TOTALIZATOR (OFF-COURSE BETTING) AMENDMENT  
ACT 1991 No. 33**

NEW SOUTH WALES



**TABLE OF PROVISIONS**

1. Short title
2. Commencement
3. Amendment of Totalizator (Off-course Betting) Act 1964 No. 1
4. Consequential amendment of Tourism Commission Act 1984 No. 46

SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING)  
ACT 1964

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**TOTALIZATOR (OFF-COURSE BETTING) AMENDMENT  
ACT 1991 No. 33**

NEW SOUTH WALES



**TABLE OF PROVISIONS**

1. Short title
2. Commencement
3. Amendment of Totalizator (Off-course Betting) Act 1964 No. 1
4. Consequential amendment of Tourism Commission Act 1984 No. 46

SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING)  
ACT 1964

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*Totalizator (Off-course Betting) Amendment 1991*

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**The Legislature of New South Wales enacts:**

**Short title**

1. This Act may be cited as the Totalizator (Off-course Betting) Amendment Act 1991.

**Commencement**

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

**Amendment of Totalizator (Off-course Betting) Act 1964 No. 1**

3. The Totalizator (Off-course Betting) Act 1964 is amended as set out in Schedule 1.

**Consequential amendment of Tourism Commission Act 1984 No. 46**

4. The Tourism Commission Act 1984 is amended by omitting from section 23 (2) the words "(including money paid into the Fund pursuant to section 13B (3) (b) of the Totalizator (Off-course Betting) Act 1964)".

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**SCHEDULE 1—AMENDMENT OF TOTALIZATOR  
(OFF-COURSE BETTING) ACT 1964**

(Sec. 3)

(1) Long title:

After "totalizator system;", insert "to provide for the conduct of sweepstakes in respect of certain events;".

(2) Section 2 (**Definitions**):

After the definition of "Bank", insert:

"**Bet**" includes the purchase of a chance to win prize money in a sweepstake conducted by the Board under this Act.

(3) Section 12B:

After section 12A, insert:

**Sweepstakes in respect of the Melbourne Cup and other events**

12B. (1) In this section:



*Totalizator (Off-course Betting) Amendment 1991*

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SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING) ACT 1964—*continued*

“authorised event” means:

- (a) the horse race conducted by the Victoria Racing Club on the first Tuesday in November each year and known as the Melbourne Cup; or
- (b) any event, or any event of a class, approved by the Minister for the purposes of this section;

“sweepstake” means a game in which:

- (a) each player pays a sum of money for a chance to win by lot a right in respect of a participant in an authorised event; and
- (b) the prize pool (less any deductions by way of commission permitted under this section) is distributed as prize money in accordance with rules made under this section to the holders of the rights in respect of participants in the event.

(2) The Board may, with the approval of the Minister and subject to this Act, conduct a sweepstake in respect of an authorised event.

(3) The Board must ensure that all sums paid to it for the purchase of rights to participate in a sweepstake conducted under this section are:

- (a) held and accounted for separately from other money coming into the custody or under the control of the Board; and
- (b) placed in a pool to enable the Board to conduct the sweepstake; and
- (c) available for distribution by the Board in accordance with section 13B.

(4) The Board may, with the approval of the Minister, make rules for the conduct of a particular sweepstake or any specified class of sweepstakes.

(5) Section 13 applies to the conduct of a sweepstake in the same way as it applies to the conduct of totalizator betting.

*Totalizator (Off-course Betting) Amendment 1991*

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SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING) ACT 1964—*continued*

(4) Section 13B (**Distribution of investments under sections 12A and 12B**):

(a) After section 13B (1), insert:

(1A) Where any money is placed in a pool established for the purposes of a sweepstake conducted under section 12B, the Board must, when the event to which the sweepstake relates has finished, distribute the pool in accordance with subsection (2).

(b) In section 13B (2), after “subsection (1) (b)”, insert “or the pool referred to in subsection (1A)”.

(c) In section 13B (2) (a), after “dividends”, insert “or prize money”.

(d) Omit section 13B (3) (b).

(e) From section 13B (4), omit “and the Tourism Development Fund”.

(5) Section 14 (**Provisions relating to payments by and to the Board**):

After section 14 (2), insert:

(2A) Sections 8B, 9, 9B and 11 of the Totalizator Act 1916 apply to and in respect of money placed in a pool established for the purposes of a sweepstake conducted by the Board under section 12B in the same way as they apply to and in respect of money paid into a totalizator used by a racing club within the meaning of that Act and so apply as if:

(a) a reference in those sections to a racing club or to the committee or executive body of such a club were a reference to the Board; and

(b) a reference in those sections to a totalizator were a reference to such a sweepstake; and

(c) a reference in those sections to an amount required to be paid to the Minister were a reference to an amount required to be paid to the Minister under section 13B in relation to such a sweepstake; and

(d) a reference in those sections to dividends were a reference to prize money; and



*Totalizator (Off-course Betting) Amendment 1991*

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SCHEDULE 1—AMENDMENT OF TOTALIZATOR (OFF-COURSE BETTING) ACT 1964—*continued*

- (e) a reference in those sections to a race-meeting or an event or contingency were a reference to an authorised event (as defined in section 12B); and
  - (f) a reference in those sections to regulations and rules were a reference to regulations and rules made under this Act.
- (6) Section 17 (**Provisions relating to the betting operations of the Board**):
- (a) From section 17 (2) (a) (ii), omit “by telegram or telephone message”, insert instead “by telephone or other electronically transmitted message”.
  - (b) From section 17 (2) (b), omit “by telegram or telephone message”, insert instead “by telephone or other electronically transmitted message”.
  - (c) From section 17 (2) (b) (ii), omit “by letter or telegram”, insert instead “otherwise than by telephone”.
  - (d) From section 17 (2) (b) (ii), omit “thereof is arranged by telegram”, insert instead “of the bet as arranged”.
  - (e) In section 17 (2) (c), after “dividend”, insert “or prize money”.
  - (f) After section 17 (2) (e), insert:
    - (f) the Board is required to accept an amount of \$1 for the right to participate in a sweepstake conducted by the Board in accordance with section 12B.
  - (g) From section 17 (4) (a), omit “and dividends payable in respect of”, insert instead “, and dividends or prize money payable in respect of,”.
- (7) Section 21 (**Regulations**):
- From section 21 (1) (c), omit “, telegram or telephone”, insert instead “or by telephone or other electronically transmitted message”.

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[Minister's second reading speech made in—  
 Legislative Assembly on 22 August 1991  
 Legislative Council on 25 September 1991]

MEMORANDUM FOR THE ATTORNEY GENERAL

RE: [Illegible]

1. [Illegible]

2. [Illegible]

3. [Illegible]

4. [Illegible]

5. [Illegible]

6. [Illegible]

7. [Illegible]

8. [Illegible]

9. [Illegible]

10. [Illegible]

Very truly yours,  
[Illegible Signature]