

RACING LEGISLATION AMENDMENT BILL 1998

EXPLANATORY NOTES

Short Title

Racing Legislation Amendment Bill 1998

Objectives of the Legislation

The proposed legislation will repeal from the *Racing and Betting Act 1980* those provisions of that Act which relate to the constitution, powers and functions of the TAB, and the regulation of totalisator wagering activities.

Concurrent with the introduction of this Bill will be the Wagering Bill 1998 which will provide a regulatory framework for the operation of a new wagering regime governing the conduct of on and off-course totalisators, and fixed odds wagering, including sports betting, in Queensland. The Wagering Bill 1998 will allow for the licensing of operators and key employees in the conduct of wagering and ensure that all wagering is conducted under high levels of probity and integrity.

The proposed legislation also allows for the corporatisation of the Totalisator Administration Board of Queensland (TAB) (in conjunction with the relevant provisions of the *Government Owned Corporations Act 1993*) by separating the regulatory functions of the TAB from its commercial functions.

Reasons for the Legislation

The TAB is a Government Owned Enterprise which operates off course totalisator wagering under the *Racing and Betting Act 1980*. The TAB was nominated as a candidate Government Owned Corporation (GOC) pursuant to the provisions of the *Government Owned Corporations Act 1993* in

December 1997.

Under the *Racing and Betting Act 1980*, the TAB has the control and general supervision throughout Queensland of investments on its totalisators and has the power to make rules over the operation of its totalisators and to dispose of unclaimed dividends.

The transfer of those regulatory functions from the TAB to the Treasury Department's Queensland Office of Gaming Regulation (QOGR) is consistent with the National Competition Policy Agreements and the State's Corporatisation Policy, as well as being supported by the Queensland Commission of Audit.

Estimated Cost for Government Implementation

The establishment of a regulatory regime for wagering separate from the TAB involves a shift in responsibilities from the TAB itself, the Office of Racing and the Office of State Revenue to QOGR. An additional cost of approximately \$360,000 will be annually incurred by QOGR to cover regulatory and administrative expenses.

It should be noted that the TAB, with a licence issued under this Bill, would have the potential, through a stronger commercial focus, to generate a greater degree of profitability. These profits will be returned to the people of Queensland, thus providing a net financial benefit to the State as a result of the reform process.

Assessment of Bill's Consistency with Fundamental Legislative Principles

The legislation has been prepared taking into consideration fundamental legislative principles.

Consultation

Inter-departmental consultation was carried out with the Queensland Office of Gaming Regulation, Office of State Revenue, Business Environment Unit, Office of Rural Communities and the National Competition Policy Implementation Unit.

Consultation with the TAB and the Queensland racing industry has

occurred during the development of the legislation.

NOTES ON PROVISIONS

PART 1—PRELIMINARY

Clause 1 sets out the Short Title of the Act.

Clause 2 provides for the Act to commence on proclamation.

PART 2—AMENDMENT OF RACING AND BETTING ACT 1980

Clause 3 provides that Part 2 amends the *Racing and Betting Act 1980*.

Clause 4 is a machinery amendment.

Clause 5 removes obsolete definitions from the Act, and amends other definitions.

Clause 6 is a machinery amendment.

Clause 7 is a machinery amendment.

Clause 8 effects minor changes to the functions of the Queensland Principal Club.

Clause 9 confirms the power of the Queensland Principal Club, in conjunction with other control bodies, to establish a corporation to enter into arrangements with a wagering licensee or its related bodies corporate.

Clauses 10 and 11 are machinery amendments.

Clause 12 provides that a race meeting commences by authority of the controlling steward.

Clause 13 is a machinery amendment.

Clauses 14 and 15 removes obsolete provisions of the Section and is

redrafted to reflect the removal of those provisions.

Clause 16 confirms the power of the Harness Racing Board in conjunction with other control bodies, to establish a corporation to enter into arrangements with a wagering licensee or its related bodies corporate.

Clauses 17 and 18 are machinery amendments.

Clause 19 provides that a trotting meeting commences by authority of the controlling steward.

Clause 20 is a machinery amendment.

Clauses 21 and 22 removes obsolete provisions of the Section and is redrafted to reflect the removal of those provisions.

Clause 23 confirms the power of the Greyhound Authority in conjunction with other control bodies, to establish a corporation to enter into arrangements with a wagering licensee or its related bodies corporate.

Clauses 24 and 25 are machinery amendments.

Clause 26 provides that a greyhound meeting commences by authority of the controlling steward.

Clause 27 is a machinery amendment.

Clauses 28 and 29 removes obsolete provisions of the Section and is redrafted to reflect the removal of those provisions.

Clauses 30 and 31 are machinery amendments.

Clause 32 provides that a club will apply receipts and profits to racing purposes.

Clauses 33 to 37 are machinery amendments.

Clause 38 preserves and redrafts the existing Section 207 of the *Racing and Betting Act 1980* regarding the unlawful use of totalisators.

Clauses 39 to 41 are machinery amendments.

Clause 42 refers to or provides for:

- dissolution of the Racing Development Corporation;
- that in law the State will succeed the Racing Development Corporation and are transitional provisions regarding the Racing Development Corporation.

- abolition of the Racing Development Fund;
- how any credit balance in the Racing Development Fund is to be dealt with;
- dissolution of the Racing Industry Coordinating Committee;
- dealing with days and times allocated by the Racing Industry Coordinating Committee prior to its dissolution; and
- that the Divisions relating to Principal Clubs, the Racing Development Corporation, the Racing Development Fund and the Racing Industry Coordinating Committee expire 2 years after the amendments commence.

Clause 43 is a machinery amendment.

PART 3—AMENDMENT OF RACING VENUES DEVELOPMENT ACT 1982

Clauses 44 to 60 are machinery amendments. Part 2 of the legislation dissolves the Racing Development Corporation which is the asset holder under the *Racing Venues Development Act 1982*. Consequently, Part 3 of the legislation amends references in the *Racing Venues Development Act 1982* from the Racing Development Corporation to the State or the Minister on behalf of the State where appropriate. References made to the State or the Minister for Racing are amended in this Act and are machinery amendments only.

