



Queensland

Wagering Amendment Regulation (No. 1) 2012

Explanatory Notes for SL 2012 No. 7

made under the

Wagering Act 1998

General outline

Short title

Wagering Amendment Regulation (No. 1) 2012.

Authorising law

Section 163 of the *Wagering Act 1998* provides that a Regulation may prescribe rates of commission.

Policy objectives and the reasons for them

To amend provisions in the *Wagering Regulation 1999* relating to the amount an authority operator may deduct or cause to be deducted as commission out of the total amount invested in each totalisator conducted by the authority operator on one or more events or contingencies.

The amendments are necessary to change the commission rates applicable to totalisator wagering. In particular, amendments are required to—

- introduce individual caps for each totalisator conducted; and
- remove the yearly commission restriction of 16 per cent.

Amending the wagering totalisator commission rates will provide the flexibility required to better manage the commission the wagering operator is able to deduct so the dividends received by customers can remain competitive with those offered by wagering operators in other Australian jurisdictions.

Achievement of policy objectives

The amendments will remove the previous commission rates for totalisators and apply new fixed commission rates to totalisator classes.

Consistency with policy objectives of authorising law

The object of the *Wagering Act 1998* is to ensure that, on balance, the State and the community as a whole benefit from wagering. The amended commission rates for totalisator classes will enable the licensed wagering operator in Queensland to be competitive with inter-state operators by receiving remuneration comparable to that available to New South Wales and Victorian wagering operators, and is likely to result in an increase in racing industry funding.

Benefits and Costs of implementation

There are no major costs of implementation.

The proposed amendments seek to cap individual totalisator commissions. Amending the wagering totalisator commission rates will provide the flexibility required to better manage the commission the wagering operator is able to deduct so the dividends received by customers can remain competitive with those offered by wagering operators in other Australian jurisdictions.

The Office of Liquor and Gaming Regulation has determined the proposed commission rates having regard to emerging local and international trends and arrangements available to Queensland customers through interstate and overseas betting agencies. The proposed totalisator caps are comparable to those currently operating in Victoria and New South Wales.

Consequently, the amended commission rates for totalisator classes will enable the licensed wagering operator in Queensland to be competitive with inter-state operators by receiving remuneration comparable to that

available to New South Wales and Victorian wagering operators, and is likely to result in an increase in racing industry funding.

Consistency with fundamental legislative principles

The Amendment Regulation is consistent with fundamental legislative principles as it does not affect the rights and liberties of individuals and does not erode the institution of Parliament.

The Amendment Regulation amends existing provisions in the Wagering Regulation, and there is clear authorisation provided for each amendment in the Wagering Act. It is therefore appropriate to be placed in subordinate legislation.

Notes on Provisions

Clause 1 sets out the short title by which the Regulation will be known.

Clause 2 states that the Regulation to be amended is the *Wagering Regulation 1999*.

Clause 3 amends section 3 of the Regulation to provide definitions for the class of totalisator identified in column 1 of Schedule 1A inserted by this amendment Regulation. This clause also inserts definitions for “2 dividend race” and “3 dividend race” as they apply to the definition of “place” (which is a class of totalisator identified in Schedule 1A).

Clause 4 amends section 5 of the Regulation. Section 5(1)(b) prescribes that for section 163(1) of the Act, the commission amount for an authority operator is calculated, for a class of totalisator mentioned in column 1 of schedule 1A, by applying the percentage mentioned in column 2 of schedule 1A to the total amount invested in the totalisator. The clause also omits the formula in section 5(2)(b) to calculate the maximum amount that an authority operator can deduct for a financial year out of the total amount invested in totalisators under section 163(2).

Clause 5 inserts a new Schedule 1A into the Regulation. Schedule 1A details the totalisator commission rates referenced in section 5 of the Regulation. Column 1 lists the class of totalisator to which individual commission caps will apply. Column 2 prescribes the percentage to be applied to the total amount invested in a particular totalisator.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Justice and Attorney-General.

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