

Racing (Financial Provisions) Bill 1979

NOTES ON CLAUSES

The purpose of this Bill is, firstly, to increase the commission deducted from trifecta totalizators, to alter the distribution formula to be applied to such commissions and to enable the Totalizator Agency Board to conduct its own trifecta totalizators on interstate and overseas events and, secondly, to enable the Treasurer to guarantee the repayment of loans raised by the Totalizator Agency Board.

Clause 1 contains the usual provisions relating to short title and citation of the *Racing Act 1958*. It also provides that the Act will come into operation immediately it receives the Royal Assent.

Clause 2 amends section 102 by substituting new sub-sections for the existing sub-sections (1) and (2). The amended form of sub-section (1) provides for the deduction of 17 per cent commission from all on-course trifecta totalizators whilst 15 per cent commission is retained for other on-course totalizators. The amended form of sub-section (2) substantially re-enacts that sub-section with distribution formula contained in the existing sub-paragraphs (i) and (ii) of paragraphs (a) and (b) altered to include a separate sub-paragraph ((iii) in both cases) to deal with the disposition of parts of the commissions deducted from trifecta totalizators. The following table compares the present distribution with that proposed:

	Present distribution		Proposed distribution	
	Metropolitan	Country	Metropolitan	Country
	%	%	%	%
Consolidated Fund	6.75	4.75	7.75	5.75
Racecourses Development Fund or Greyhound Racing Grounds Development Fund	—	—	0.25	0.25
Club	8.25	10.25	9.00	11.00
	<u>15.00</u>	<u>15.00</u>	<u>17.00</u>	<u>17.00</u>

Clause 3 amends section 1160 as follows:

- (1) Paragraph (a) substitutes new paragraphs (a) and (b) for the existing paragraphs (a) to (d) of sub-section (2). The proposed paragraph (a) provides separate provisions governing the disposition of parts of the commissions deducted from trifecta totalizators where

such commissions are derived from bets made through the T.A.B.
The proposed distribution is:

	%
Consolidated Fund	5.25
Racecourses Development Fund or Greyhound Racing Grounds Development Fund	1.25
Department of Youth, Sport and Recreation	2.00
T.A.B.	8.25
T.A.B. Development Reserve	0.25
	17.00

This is the same formula that now applies to T.A.B. daily double and feature double commissions (see section 116 AN (1) (a)). The proposed paragraph (b) re-enacts the existing provisions governing the disposition of parts of the commissions deducted from totalizators where such commissions are derived from bets made through the T.A.B. which were formerly contained in paragraphs (a) to (d) of sub-section (2). Such provisions will continue to operate in respect of on-course totalizators other than trifecta totalizators.

- (2) Paragraph (b) amends paragraph (bc) of sub-section (3) to provide that 25 per cent of bets made on on-course totalizators through the T.A.B. continues to be paid into the Board's Development Reserve. Amendment is necessary to accommodate the changed rate of commission deducted from trifecta totalizators pursuant to section 102 (1).

Clause 4 amends section 116BA so as to allow the T.A.B. to conduct its own trifecta totalizator pools on events outside Victoria where there is no on-course totalizator operating on those events.

Clause 5 amends section 116BJ to provide for the deduction of commissions at the rate of 17 per cent from trifecta totalizators conducted on events outside Victoria.

Clause 6 amends section 116BM in a manner similar to the amendments to section 1160 contained in clause 3. The amendment ensures that distribution formulas under the two sections are similar.

Clause 7 adds sub-sections (2) to (5) to section 116IA. Proposed sub-section (2) provides that the Treasurer may guarantee the repayment of loans raised by the T.A.B.

Proposed sub-section (3) appropriates the Consolidation Fund to the extent necessary to fulfill any such guarantee and provides for any money recovered from the Board in respect of a guaranteed loan to be paid into the Consolidated Fund.

Proposed sub-section (4) details the provisions relating to guarantees. Paragraph (d) requires the lender to exhaust all other avenues for recovery of the money owing before enforcing the guarantee. Paragraph (e) provides that any guarantee executed by the Treasurer may not be assigned without the Treasurer's consent.

Proposed sub-section (5) empowers the T.A.B. to give such security for its borrowings as the Treasurer approves.