

RACING AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Racing Act 1971.

The main changes to the principal Act contained in the Bill are—

- (a) The Racing Authority is to be renamed the New Zealand Racing Industry Board;
- (b) Provisions relating to the membership of, and appointments to, the Industry Board are significantly changed. All members are to be appointed by the Minister. There are to be—
 - (i) Three members (including the presiding member and deputy) appointed by the Minister without nomination;
 - (ii) Three members appointed from nominations received from recognised organisations involved with galloping races;
 - (iii) Three members appointed from nominations received from recognised organisations involved with harness races; and
 - (iv) One member appointed on the nomination of the Greyhound Racing Association.

The present membership of the Racing Authority, all of whom (apart from the Secretary for Internal Affairs) are appointed by the Minister, is —

- (i) The Chairman and Deputy Chairman, who are appointed by the Minister without nomination;
- (ii) Two members nominated by the Racing Conference;
- (iii) Two members nominated by the Harness Racing Conference;
- (iv) One member nominated by the Greyhound Racing Association;
- (v) One member nominated jointly by organisations representing racing owners, trainers, and breeders;
- (vi) One member nominated jointly by organisations representing harness racing owners, trainers, and breeders; and
- (vii) The Secretary for Internal Affairs, who is a member *ex officio*.

There is to be a prohibition, except for the presiding member or deputy presiding member, on cross-membership between the Industry Board, the Totalisator Agency Board, and the Executive Committees of the Conferences.

The present members of the New Zealand Racing Authority relinquish office on the commencement of the new provisions:

- (c) The Industry Board is given a number of functions not presently conferred on the New Zealand Racing Authority. These are—
- (i) The power to approve the offering of additional bet types on the totalisator in relation to on-course, off-course, intertrack, and special betting. This power presently rests with the Minister;
 - (ii) The power to fix the rates of deductions from betting for the Amenities, Stakes Subsidy, and On-course Development Accounts established by the principal Act. The rates of these deductions are currently specified in the Act;
 - (iii) The power to initiate changes to the rules of racing as these relate to the conduct of race meetings. At present the rules are entirely under the control of the Conferences;
 - (iv) The Board is given an explicit role in the marketing and promotion of racing generally, and provision is included for the creation of a separate account for this purpose;
 - (v) The Board is given a more predominant role in the allocation of totalisator and equalisator licences and will assume responsibility for the actual issue of licences (see paragraph (e) below);
- (d) Restrictions on the conduct of racing, and the operation of betting, on Sundays are removed:
- (e) The process for the allocation of totalisator licences (which in effect determines the racing calendar) has been redesigned. The present process involves—
- (i) The fixing of a maximum number of licences by Order in Council;
 - (ii) The allocation of these among codes by the Racing Authority;
 - (iii) The preparation of a proposed allocation of these licences and racing dates to clubs by the Conferences and the Greyhound Racing Association;
 - (iv) The confirmation (with or without amendment) of this proposed allocation by the Racing Authority; and
 - (v) The issue of the necessary licences by the Secretary for Internal Affairs.

The revised process involves—

- (i) The total number of licences being at the Industry Board's discretion;
 - (ii) The Board preparing a draft allocation of licences and racing dates to clubs;
 - (iii) The Board receiving submissions in relation to the draft allocation from the various organisations involved in the racing industry; and
 - (iv) The Board settling upon a final allocation of licences and itself issuing the licences;
- (f) The provisions governing the membership of, and appointments to, the Totalisator Agency Board are amended along similar lines to those relating to the Industry Board. The membership of the Totalisator Agency Board, all of whom (apart from the General Manager) are to be appointed by the Minister, is to be—
- (i) Two members appointed by the Minister, without nomination, as presiding member and deputy presiding member;
 - (ii) One member appointed on the nomination of organisations involved with galloping races;

(iii) One member appointed on the nomination of organisations involved with harness races;

(iv) One member appointed on the nomination of the Greyhound Racing Association; and

(v) The General Manager of the Totalisator Agency Board.

The present members of the Totalisator Agency Board are—

(i) The Chairman and Deputy Chairman of the Racing Authority;

(ii) The 5 members of the Racing Authority who were nominated by the Racing Conference, Harness Racing Conference, and the Greyhound Racing Association;

(iii) A further member nominated by the Racing Conference;

(iv) A further member nominated by the Harness Racing Conference; and

(v) Two further members appointed by the Minister.

As in the case of the Authority, there are limitations on cross-membership, and the present members are required to relinquish office upon the amendments coming into effect:

(g) Provision is made for the Totalisator Agency Board to operate fixed-odds betting, in addition to the operation of the totalisator:

(h) The minimum legal age for the placing of bets is lowered from 18 to 16 years.

Clause 1 relates to the Short Title and date of commencement.

Except for *clause 32* (relating to bookmakers), the Bill is to come into force on 1 June 1992. *Clause 32* is to come into force on a date to be appointed by Order in Council.

Clause 2 amends section 2 of the principal Act. In addition to defining the terms “Industry Board”, “Marketing Account”, and “recognised industry organisation”, and re-defining the term “Minister”, the amendments take into account the change in terminology from trotting to harness racing.

PART I

NEW ZEALAND RACING INDUSTRY BOARD

Clause 3 changes the name of the New Zealand Racing Authority to the New Zealand Racing Industry Board.

Clause 4 substitutes a new section for section 4 of the principal Act. This contains the new provisions relating to the membership of, and appointments to, the Industry Board.

Clause 5 amends section 5 of the principal Act, relating to the terms of office of members. The present standard 3-year term is replaced by provision for a term of up to 4 years.

Clauses 6 and 7 make consequential amendments to sections 6 and 8 of the principal Act, relating to extraordinary vacancies and the conduct of meetings of the Industry Board.

Clause 8 amends section 12 of the principal Act, relating to the functions of the Board. It provides for the matters outlined in paragraph (c) above.

Clause 9 consequentially amends section 13 of the Act, relating to the general powers of the Industry Board.

Clause 10 substitutes a new section for section 14 of the principal Act, relating to consultation by the Board with interested parties. The amended provision will provide for appropriate consultation with a wider range of industry organisations.

Clause 11 inserts a new section 23A into the principal Act providing for the creation of a separate Marketing Account by the Industry Board. This is to be funded by money from the Distribution Account.

Clause 12 amends section 26B of the principal Act, which governs the application of funds from the Industry Board's General Account. Provision is inserted for the Industry Board to make grants for charitable purposes.

PART II

CONFERENCES AND CLUBS

Clause 13 inserts new sections 31A and 31B into the principal Act. The new section 31A gives the Industry Board the power to give notice to the Conferences requiring amendments to be made to the rules of racing so far as they relate to the conduct of race meetings. The new section 31B provides for the Conferences to object against any such notice to the Minister, and for the Minister to determine any such appeal.

PART III

TOTALISATOR AND EQUALISATOR LICENCES

Clause 14 amends section 35 of the principal Act to remove restrictions on Sunday racing.

Clause 15 repeals the present section 37 of the principal Act governing the allocation of totalisator licences, and substitutes new sections 37 to 37D.

The new section 37 provides for the Industry Board to prepare a proposed allocation of licences, and dates, to clubs. The Industry Board is required to give notice of the proposed allocation to the various industry organisations. These organisations then have 40 days in which to make submissions to the Industry Board. The Industry Board is then required to consider the submissions received and to prepare a final allocation of licences. This effectively determines the racing calendar for the year.

The new section 37A contains provisions for the allocation to be altered where circumstances subsequently change.

The new section 37B provides for licences to be issued in accordance with the final allocation determined under section 37, and for the revocation of licences.

The new section 37C specifies standard conditions to which all totalisator licences are to be subject.

The new section 37D contains provisions relating to restricted totalisator licences.

Clauses 16 to 19 amend provisions governing the use of the on-course totalisator and equalisator betting.

Clause 16 amends section 38 of the principal Act, to give the Industry Board the power to approve additional bet types on the on-course totalisator.

Clause 17 amends section 42 of the principal Act. This gives the Industry Board the power to determine the levels of deductions from on-course betting for the Amenities, Stakes Subsidy, and On-course Development Accounts.

Clause 18 amends section 48 of the principal Act to give the Industry Board responsibility for the issue of equalisator licences. This is presently done by the Secretary for Internal Affairs.

Clause 19 updates section 58 of the principal Act, which relates to the appointment of Totalisator Inspectors, in the light of the State Sector Act 1988.

PART IV

INTERTRACK BETTING

Clause 20 amends section 61B of the principal Act to give the Industry Board the power to approve additional bet types for intertrack betting.

Clause 21 amends section 61G of the principal Act to give the Industry Board the power to determine the levels of deductions from intertrack betting for the Amenities, Stakes Subsidy, and On-course Development Accounts.

PART V

OFF-COURSE BETTING SYSTEM

Clause 22 substitutes a new section for section 63 of the principal Act relating to membership of, and appointments to, the Totalisator Agency Board. This makes provision as described in paragraph (f) above.

Clause 23 substitutes a new section for section 64 of the principal Act, relating to the terms of office of members of the Totalisator Agency Board. The present standard 3-year term is replaced with a variable term of up to 4 years.

Clause 24 consequentially amends section 65 of the principal Act relating to extraordinary vacancies in the membership of the Totalisator Agency Board.

Clause 25 repeals special provisions relating to the office of Deputy Chairman of the Totalisator Agency Board.

Clause 26 makes consequential amendments to section 67 of the principal Act relating to meetings of the Totalisator Agency Board.

Clause 27 substitutes a new section for section 81 of the principal Act, relating to the payment of the profits of the Totalisator Agency Board to the Industry Board. The present provision for all profits to be paid to the Industry Board by not later than 31 October in the following racing year is retained. New provision is however added for interim payments to be made during the course of the racing year. The racing year runs from 1 August to 31 July.

PART VI

SPECIAL BETTING AT TOTALISATORS

Clauses 29 and 30 amend the principal Act in relation to the operation of special betting.

Clause 29 amends section 93 of the principal Act to give the Industry Board the power to approve additional bet types for special betting.

Clause 30 amends section 97 of the principal Act to give the Industry Board the power to determine the levels of deductions from special betting for the Stakes Subsidy and On-course Development Accounts.

PART VII

FIXED-ODDS BETTING

Clause 31 inserts a new Part VA into the principal Act authorising the offering by the Totalisator Agency Board of fixed-odds betting.

The new section 99A authorises the offering of fixed odds for win and place bets, and allows fixed-odds betting to be offered on-course and off-course.

The new section 99B authorises the use of all facilities established for the purposes of totalisator betting for the purposes of fixed odds betting.

The new section 99C provides for the application, with necessary modifications, of various provisions of the principal Act, and for the application of gaming duties to this form of betting.

PART VIII

GENERAL PROVISIONS

Clause 32 lowers the legal betting age from 18 years to 16 years.

Clause 33 repeals section 100A of the principal Act, which prohibits tipping.

Clause 34 increases the maximum fines payable upon conviction for the various offences created by the principal Act. The levels of these fines have not previously been updated since 1971.

Clause 35 removes the Racing Industry Board from the scope of the Higher Salaries Commission Act 1988.

Clause 36 consequentially amends the Official Information Act 1982 to recognise the change in the name of the New Zealand Racing Authority to the New Zealand Racing Industry Board.

RACING AMENDMENT

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A BILL INTITULED

An Act to amend the Racing Act 1971

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Racing Amendment Act 1991, and shall be read together with and deemed part of the Racing Act 1971* (hereinafter referred to as the principal Act). 5

(2) Except as provided in subsection (3) of this section, this Act shall come into force on the 1st day of June 1992.

(3) Section 32 of this Act shall come into force on a date to be appointed by the Governor-General by Order in Council. 10

2. Interpretation—(1) Section 2 of the principal Act is hereby amended by repealing the definitions of the terms “Authority”, “Minister”, “Trotting Conference”, and “trotting race”. 15

(2) The said section 2 is hereby amended by inserting, in their appropriate alphabetical order, the following definitions:

“ ‘Harness race’ means a horse race in which each horse competing normally moves at a gait commonly known as pacing or trotting: 20

“ ‘Harness Racing Conference’ means the New Zealand Harness Racing Conference:

“ ‘Industry Board’ means the New Zealand Racing Industry Board established under section 3 of this Act: 25

“ ‘Marketing Account’ means any Marketing Account established by the Industry Board under section 23A of this Act:

“ ‘Minister’ means the Minister of the Crown who, under the authority of any warrant or with the authority of the Prime Minister, is for the time being responsible for the administration of this Act: 30

“ ‘Recognised industry organisation’ means—

(a) In relation to galloping races—

(i) The New Zealand Racing Conference; and 35

(ii) The New Zealand Racing Owners and Trainers Federation (Incorporated); and

(iii) The New Zealand Thoroughbred Breeders Federation (Incorporated); and

(iv) The New Zealand Trainers Association; and 40

*R.S. Vol. 7, p. 731

Amendments: 1983, No. 131; 1986, No. 68; 1988, No. 210; 1989, No. 62; 1989, No. 93

- (v) The New Zealand Jockeys Association:
- (b) In relation to harness races—
 - (i) The New Zealand Harness Racing Conference; and
 - 5 (ii) The New Zealand Standardbred Breeders Association (Incorporated); and
 - (iii) The New Zealand Trotting Owners, Trainers, and Breeders' Association (Incorporated); and
 - 10 (iv) The New Zealand Trotting Horsemen's and Trainers' Association (Incorporated):
- (c) In relation to greyhound racing, the New Zealand Greyhound Racing Association (Incorporated):”.
- 15 (3) The principal Act is hereby amended—
 - (a) By omitting the words “Trotting Conference” wherever they occur, and substituting in each case the words “Harness Racing Conference”:
 - 20 (b) By omitting the words “trotting race” wherever they occur, and substituting in each case the words “harness race”:
 - (c) By omitting the words “trotting races” wherever they occur, and substituting in each case the words “harness races”:
 - 25 (d) By omitting the word “trotting” wherever it occurs, and substituting in each case the words “harness racing”.

PART I

NEW ZEALAND RACING INDUSTRY BOARD

- 30 **3. New Zealand Racing Industry Board**—(1) Section 3 of the principal Act is hereby amended by repealing subsection (1), and substituting the following subsection:
“(1) There is hereby established a Board to be known as the New Zealand Racing Industry Board.”
- 35 (2) Section 3 (2) of the principal Act is hereby amended by omitting the word “Authority”, and substituting the words “Industry Board”.
- 40 (3) The New Zealand Racing Industry Board is hereby declared to be the same body corporate as that which was constituted under the principal Act and immediately before the commencement of this subsection was known as the New Zealand Racing Authority.
- (4) The principal Act is hereby amended by omitting the words “Authority” and “Authority’s” wherever they occur as a

reference to the New Zealand Racing Authority, and substituting in each case, respectively, the words “Industry Board” and “Industry Board’s”.

(5) Every reference to the New Zealand Racing Authority in any enactment, certificate of title, agreement, deed, instrument, or other document shall hereafter be read as a reference to the New Zealand Racing Industry Board. 5

4. Membership of Industry Board—(1) The principal Act is hereby amended by repealing section 4, and substituting the following section: 10

“4. (1) The Industry Board shall consist of 10 members, who shall be appointed by the Minister, comprising—

“(a) Three members, one of whom shall be appointed by the Minister as the presiding member and another of whom as the deputy presiding member, being persons who, in the Minister’s opinion, have a knowledge of the racing industry and are qualified to be members by virtue of their knowledge, experience, or expertise in business, marketing, or economics: 15 20

“(b) Three members on the nomination of one or more recognised industry organisations relating to galloping races:

“(c) Three members on the nomination of one or more recognised industry organisations relating to harness races: 25

“(d) One member on the nomination of the Greyhound Racing Association.

“(2) Every person appointed following nomination under paragraphs (b) and (c) of subsection (1) of this section shall be a person who, in the Minister’s opinion, is qualified to be a member of the Industry Board by virtue of having knowledge, experience, or expertise relevant to the responsibilities of the Industry Board. 30

“(3) Except as provided in subsection (4) of this section, no person who is— 35

“(a) A member of the Totalisator Agency Board; or

“(b) A member of the Executive Committee of the Racing Conference; or

“(c) A member of the Executive Committee of the Harness Racing Conference; or 40

“(d) A member of the Executive Committee of the Greyhound Racing Association—

may be appointed as a member of the Industry Board.

“(4) Notwithstanding **subsection (3)** of this section, one member appointed under **subsection (1) (a)** of this section as the presiding member or the deputy presiding member may also hold office as a member of the Totalisator Agency Board.”

5 (2) Every person who, immediately before the commencement of this section, held office as a member of the New Zealand Racing Authority shall, on the commencement of this section, be deemed to have relinquished his or her office as such a member.

10 (3) No member of the New Zealand Racing Authority shall be entitled to any money or other benefit by way of compensation, or to claim for loss of remuneration or for reimbursement of expected allowances, arising out of his or her relinquishment of office under **subsection (2)** of this section.

15 (4) Section 3 of the Racing Amendment Act 1977 is hereby consequentially repealed.

5. Term of office of members—(1) The principal Act is hereby amended by repealing section 5, and substituting the following section:

20 “5. (1) Every member of the Industry Board shall hold office for such term as the Minister may determine on appointment, but not in any case exceeding 4 years.

25 “(2) Notwithstanding anything to the contrary in this Act, every member of the Industry Board shall, unless he or she sooner vacates office under **section 6** of this Act, continue in office until his or her successor comes into office.”

(2) Section 4 of the Racing Amendment Act 1977 is hereby consequentially repealed.

6. Extraordinary vacancies—(1) Section 6 of the principal
30 Act is hereby amended by repealing subsection (1), and substituting the following subsections:

35 “(1) Any member of the Industry Board may at any time be removed from office by the Minister for inability to perform the duties of office, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Minister, or may at any time resign his or her office by written notice to the Minister.

40 “(1A) If any member of the Industry Board becomes a member of the Totalisator Agency Board or of the Executive Committee of the Racing Conference, Harness Racing Conference, or Greyhound Racing Association and would thus be ineligible for appointment under **subsections (3) and (4) of section 4** of this Act, he or she shall forthwith be deemed to have vacated office as a member of the Industry Board.”

- (2) Section 6 (2) of the principal Act is hereby amended—
- (a) By omitting the word “appointed”:
- (b) By inserting, after the word “removal from office,”, the words “or by virtue of the operation of subsection (1A) of this section,”:
- (c) By repealing the proviso.

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7. Meetings of Industry Board—(1) Section 8 of the principal Act is hereby amended—

- (a) By omitting the word “Chairman” wherever it occurs, and substituting in each case the words “presiding member”:
- (b) By omitting the words “Deputy Chairman” wherever they occur, and substituting in each case the words “deputy presiding member”.

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(2) Section 8 (6) of the principal Act is hereby amended by repealing the proviso, and substituting the following proviso:

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“Provided that a resolution in writing signed, and assented to by letter or telegraphic message, by all members of the Industry Board shall be as valid and effectual as if it had been passed at a meeting of the Industry Board duly called and constituted.”

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(3) The said section 8 is hereby amended by repealing subsection (7).

8. Functions of Industry Board—(1) Section 12 (a) of the principal Act is hereby amended by repealing subparagraph (i), and substituting the following subparagraph:

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“(i) The economic development and the financial welfare of racing, harness racing, and greyhound racing in New Zealand, and the financial security of those New Zealanders, and New Zealand organisations, whose livelihoods are derived from or in connection with racing, harness racing, and greyhound racing, in New Zealand and overseas; and”.

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(2) The said section 12 is hereby amended by adding the following paragraphs:

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“(f) To administer the Marketing Account:

“(g) To initiate such changes to the rules of racing, harness racing, and greyhound racing relating to the conduct of race meetings as it considers desirable:

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“(h) To allocate and issue totalisator licences in accordance with sections 37 to 37b of this Act, and to issue

- equalisator licences in accordance with section 48 of this Act:

“(i) To approve additional bet types in accordance with sections 38, 61B, and 93 of this Act:

5 “(j) To fix the rates of deductions from betting for the purposes of the Amenities Account, the Stakes Subsidy Account, and the On-course Development Account in accordance with sections 42, 61C, and 97 of this Act.”

10 **9. General powers of Industry Board**—(1) Section 13 of the principal Act (as substituted by section 8 (1) of the Racing Amendment Act 1977) is hereby amended by repealing subsections (2) and (3), and substituting the following subsection:

15 “(2) Without limiting the generality of the Industry Board’s powers under subsection (1) of this section, the Industry Board may, at the request of the Minister or on its own initiative, from time to time advise the Minister on matters relating to racing, harness racing, and greyhound racing.”

20 (2) Section 4 of the Racing Amendment Act 1983 is hereby consequentially repealed.

10. Industry Board to consult with parties—The principal Act is hereby amended by repealing section 14, and substituting the following section:

25 “14. In the exercise of its functions and powers under sections 12 and 13 of this Act, the Industry Board may call for submissions from, and consult with, the recognised industry organisations, and any other person or organisation whose livelihood is derived from or in connection with racing, harness racing, or greyhound racing, to the extent the Industry Board considers appropriate.”

11. Marketing Account—The principal Act is hereby amended by inserting, after section 23, the following section:

35 “23A. (1) The Industry Board may establish an account to be known as the Marketing Account.

“(2) The Industry Board may from time to time credit to the Marketing Account, from the Distribution Account, such sums of money as it considers necessary for the purposes of subsection (3) of this section.

40 “(3) Money in the Marketing Account shall be available only for meeting all the costs, charges, and expenses incurred by the Industry Board in the marketing and promotion of racing.”

12. General Purposes Account—(1) Section 26B* of the principal Act (as inserted by section 8 of the Racing Amendment Act 1980) is hereby amended by adding to subsection (3) (as substituted by section 4 of the Racing Amendment Act 1986) the following paragraph: 5

“(d) Make grants for any charitable purpose (as defined in section 71 of the Gaming and Lotteries Act 1977).”

PART II

CONFERENCES AND CLUBS

13. New sections inserted—The principal Act is hereby amended by inserting, after section 31, the following sections: 10

“**31A. Powers of Industry Board in relation to rules**— (1) Notwithstanding anything in section 30 or section 31 of this Act, the Industry Board may from time to time give written notice to the Racing Conference, the Harness Racing Conference, or the Greyhound Racing Association requiring that the rules of racing, harness racing, or greyhound racing, as the case may be, dealing with the conduct of race meetings be amended in the manner specified in that notice. 15

“(2) Where notice is given under **subsection (1)** of this section, the Racing Conference, the Harness Racing Conference, or the Greyhound Racing Association, as the case may be, unless an objection is sooner lodged under **section 31B** of this Act, shall amend the rules accordingly within 3 months after the date of receipt of the notice. 20 25

“**31B. Right of objection to Minister**—(1) Where notice has been given under **section 31A** of this Act, the Racing Conference, the Harness Racing Conference, or the Greyhound Racing Association, as the case may be, may, within the period specified in **subsection (2)** of that section, object to the Minister against the decision made or notice given by the Industry Board. 30

“(2) Where any objection is made under **subsection (1)** of this section, the Minister shall determine whether the proposed change to the rules shall take place.” 35

PART III

TOTALISATOR AND EQUALISATOR LICENCES

14. Removal of restrictions on Sunday racing— (1) Section 35 (1) of the principal Act (as substituted by section 2 (1) of the Racing Amendment Act 1989) is hereby amended by omitting the words “a Sunday,”. 40

(2) Section 35 (3) of the principal Act (as so substituted) is hereby repealed.

(3) The Racing (Restricted Totalisator) Order 1989 (S.R. 1989/342) is hereby revoked.

5 **15. New sections relating to totalisator licences inserted**—(1) The principal Act is hereby amended by repealing section 37, and substituting the following sections:

10 “**37. Allocation of licences**—(1) The Industry Board, not later than the last day of February 1993 and the last day of February in every subsequent year, shall prepare a proposed allocation of licences specifying—

15 “(a) The number of totalisator licences and the number of restricted totalisator licences which it is proposed shall be granted in the next succeeding racing year; and

20 “(b) The number of totalisator licences, and the number of restricted totalisator licences, which it is proposed shall be allocated to galloping clubs, hunt clubs, harness racing clubs, and greyhound racing clubs, respectively; and

25 “(c) Those licences (if any) to which it is proposed conditions are to be attached relating to the type or class of racing programme and to the stake levels of races to be run at the meetings to which it is proposed the licences apply; and

30 “(d) The individual racing clubs to which it is proposed to allocate licences, and the number and type of such licence or licences; and

35 “(e) The date on which it is proposed each licence shall operate; and

40 “(f) The name of the racecourse in respect of which it is proposed each licence will apply; and

 “(g) The conditions (if any) which it proposes to attach to each licence.

 “(2) The Board shall give written notification to the recognised industry organisations of the proposed allocation, and advise them that they may, within 40 days after the date of the notification, make submissions to the Industry Board in relation to the proposed allocation.

 “(3) The Industry Board shall, after considering any submissions received and making such amendments as it considers desirable in the light of those submissions, confirm the allocation of licences.

“(4) As soon as practicable after confirming the allocation of licences, the Industry Board shall give written notice of the confirmed allocation to the recognised industry organisations and the Secretary.

“37A. **Alteration of allocation**—(1) A racing club may at any time apply to the Industry Board for the alteration of any allocation made under **section 37** of this Act on the grounds of changed circumstances. 5

“(2) On receiving such an application the Industry Board may, if it considers the circumstances so require, alter the allocation accordingly. 10

“37B. **Issue and revocation of licences**—(1) The Industry Board shall, on the application of any racing club to which a licence has been allocated, issue to that club the allocated licence. 15

“(2) If any racing club is allocated more than 1 licence in any racing year, the Industry Board may incorporate and issue any 2 or more licences in a single document.

“(3) The Industry Board may in its discretion at any time revoke any totalisator licence or restricted totalisator licence. 20

“(4) The Industry Board shall notify the Secretary of the issue or revocation of any licence.

“37C. **Conditions applying to licences**—(1) Every totalisator licence and every restricted totalisator licence shall be subject to the following conditions: 25

“(a) That the totalisator shall be operated only on the date, and in respect of the race meeting, specified in the licence; and

“(b) That the totalisator shall only be open during the hours specified in the licence; and 30

“(c) That any conditions attached to the licence under **section 37** of this Act are complied with; and

“(d) That the totalisator shall be under the control and management of some competent person, and be under the direct supervision of the stewards, or the committee, of the club; and 35

“(e) That before the commencement of racing on every day of a race meeting, the club or an officer or employee of the club shall give a certificate in writing to an Inspector that the totalisator has been tested within 48 hours immediately before that day and is in proper working order. 40

“(2) In addition to the conditions specified in **subsection (1)** of this section, every licence shall be subject to such additional

conditions as the Industry Board may consider necessary, being conditions relating to licences generally, or to any class or classes of licence, or to any particular licence.

5 “(3) While any totalisator licence or restricted totalisator licence remains in force, and so long as the provisions of this Act, and all conditions to which a licence is subject, are complied with, no person shall be convicted of any offence in respect of the use of the totalisator under either this Act or the Gaming and Lotteries Act 1977.

10 “37D. **Application of provisions to restricted totalisator licences**—The provisions of sections 56, 57, and 84 to 91 of this Act shall not apply in respect of any race meeting held under the authority of a restricted totalisator licence.”

15 (2) The following enactments are hereby consequentially repealed:

(a) Section 9 of the Racing Amendment Act 1983:

(b) Section 6 of the Racing Amendment Act 1986:

(c) Sections 3 and 4 of the Racing Amendment Act 1989.

20 (3) The Racing (Totalisator) Order 1990 (S.R. 1990/39) is hereby revoked.

(4) Notwithstanding the provisions of this section, section 37 of the principal Act and the Racing (Totalisator) Order 1990 shall continue in force and operate in respect of the racing year commencing on the 1st day of August 1992 as if subsections (1) to

25 (3) of this section had not been enacted.

16. Use of totalisator—(1) Section 38 (1) of the principal Act (as substituted by section 17 of the Racing Amendment Act 1977) is hereby amended by repealing paragraph (f), and substituting the following paragraph:

30 “(f) Such other forms of betting as the Industry Board may from time to time authorise.”

(2) Section 38 of the principal Act (as so substituted) is hereby amended by repealing subsection (2), and substituting the following subsection:

35 “(2) Every authorisation given by the Industry Board under subsection (1) (f) of this section shall be subject to such terms and conditions as the Industry Board thinks fit to impose.”

17. Deductions by clubs from betting—(1) Section 42 (1) of the principal Act (as substituted by section 9 (1) of the Racing Amendment Act 1986) is hereby amended by repealing paragraphs (b) to (d), and substituting the following paragraphs:

40

“(b) A levy for the purposes of the Amenities Account at such rate or rates as the Industry Board from time to time determines:

“(c) A levy for the purposes of the Stakes Subsidy Account at such rate or rates as the Industry Board from time to time determines: 5

“(d) A levy for the purposes of the On-course Development Account at such rate or rates as the Industry Board from time to time determines:”.

(2) Section 42 (1) (f) of the principal Act (as so substituted) is hereby amended by omitting the word “Minister”, and substituting the words “Industry Board”. 10

(3) Section 42 (2) of the principal Act (as so substituted) is hereby amended by repealing paragraphs (b) and (c), and substituting the following paragraphs: 15

“(b) A levy for the purposes of the Stakes Subsidy Account at such rate or rates as the Industry Board from time to time determines:

“(c) A levy for the purposes of the On-course Development Account at such rate or rates as the Industry Board from time to time determines:” 20

(4) Section 42 (2) (e) of the principal Act (as so substituted) is hereby amended by omitting the word “Minister”, and substituting the words “Industry Board”.

(5) Section 42 of the principal Act (as so substituted) is hereby amended by adding the following subsections: 25

“(5) The Industry Board may fix the rates of levies specified in paragraphs (b) to (d) of subsection (1), and paragraphs (b) and (c) of subsection (2), of this section at different rates in respect of different types of betting for which the use of the totalisator is authorised by or under section 38 of this Act. 30

“(6) Every determination of the rates of levies by the Industry Board in accordance with this section shall be notified in the *Gazette*, and no such determination shall have effect until it has been so notified.” 35

(6) Until such time as the first determination of the rates of levies by the Industry Board is notified in the *Gazette*, the rates of those levies shall be those which, immediately before the commencement of this subsection, were specified in section 42 of the principal Act. 40

18. Equalisator licences—(1) Section 48 of the principal Act is hereby amended by repealing subsection (1), and substituting the following subsection:

5 “(1) Subject to the provisions of this Act, the Industry Board may in its discretion, on the application of any galloping, harness racing, hunt, or greyhound racing club, grant to the club a licence authorising it to conduct equalisator betting at a race meeting held under the control or management of the club.”

(2) Section 48 (2) of the principal Act is hereby amended by omitting from the proviso (as substituted by section 11 of the Racing Amendment Act 1986) the word “Secretary”, and substituting the words “Industry Board”.

(3) Section 48 of the principal Act is hereby amended by repealing subsection (3), and substituting the following subsection:

15 “(3) The Industry Board may in its discretion at any time revoke any equalisator licence.”

(4) The following enactments are hereby consequentially repealed:

(a) Section 26 (a) and (c) of the Racing Amendment Act 1977:

(b) Section 10 of the Racing Amendment Act 1983.

20 **19. Inspectors of Totalisators**—Section 58 of the principal Act is hereby amended by repealing subsection (3), and substituting the following subsection:

25 “(3) No person shall be deemed to be employed in the service of the Crown for the purposes of the State Sector Act 1988 or the Government Superannuation Fund Act 1956 by reason only of that person’s holding office as an Inspector of Totalisators.”

PART IV

INTERTRACK BETTING

20. Use of totalisator in case of intertrack betting—

30 (1) Section 61B (1) of the principal Act (as inserted by section 16 of the Racing Amendment Act 1986) is hereby amended by repealing paragraph (g), and substituting the following paragraph:

35 “(g) Such other forms of betting as the Industry Board may from time to time authorise.”

(2) Section 61B of the principal Act (as so inserted) is hereby amended by repealing subsection (2), and substituting the following subsection:

40 “(2) Every authorisation given by the Industry Board under subsection (1) (g) of this section shall be subject to such terms and conditions as the Industry Board thinks fit to impose.”

21. Deductions from intertrack betting—(1) Section 61C (1) of the principal Act (as so inserted) is hereby amended by repealing paragraphs (b) to (d), and substituting the following paragraphs:

“(b) A levy for the purposes of the Amenities Account at such rate or rates as the Industry Board from time to time determines: 5

“(c) A levy for the purposes of the Stakes Subsidy Account at such rate or rates as the Industry Board from time to time determines: 10

“(d) A levy for the purposes of the On-course Development Account at such rate or rates as the Industry Board from time to time determines.”.

(2) Section 61C (1) (f) of the principal Act (as so inserted) is hereby amended by omitting the word “Minister”, and substituting the words “Industry Board”. 15

(3) Section 61C of the principal Act (as so inserted) is hereby amended by adding the following subsections:

“(7) The Industry Board may fix the rates of levies specified in paragraphs (b) to (d) of subsection (1) of this section at different rates in respect of different types of betting for which the use of the totalisator is authorised by or under section 61B of this Act. 20

“(8) Every determination of the rates of levies by the Industry Board in accordance with this section shall be notified in the *Gazette*, and no such determination shall have effect until it has been so notified.” 25

(4) Until such time as the first determination of the rates of levies by the Industry Board is notified in the *Gazette*, the rates of those levies shall be those which, immediately before the commencement of this subsection, were specified in section 61C of the principal Act. 30

PART V

OFF-COURSE BETTING SYSTEM

22. Membership of Board—(1) The principal Act is hereby amended by repealing section 63, and substituting the following section: 35

“63. (1) The Board shall consist of 6 members, who shall be appointed by the Minister, comprising—

“(a) Two members, one of whom shall be appointed by the Minister as the presiding member and the other as the deputy presiding member, being persons who, in the Minister’s opinion, are qualified to be members 40

by virtue of their knowledge, experience, or expertise in business and administration:

5 “(b) One member on the nomination of one or more recognised industry organisations relating to galloping races:

“(c) One member on the nomination of one or more recognised industry organisations relating to harness races:

10 “(d) One member on the nomination of the Greyhound Racing Association:

“(e) The General Manager of the Board.

15 “(2) Every person appointed following nomination under paragraphs (b) and (c) of subsection (1) of this section shall be a person who, in the Minister’s opinion, is qualified to be a member of the Board by virtue of having knowledge, experience, or expertise relevant to the responsibilities of the Board.

“(3) Except as provided in subsection (4) of this section, no person who is—

20 “(a) A member of the Industry Board; or

“(b) A member of the Executive Committee of the Racing Conference; or

“(c) A member of the Executive Committee of the Harness Racing Conference; or

25 “(d) A member of the Executive Committee of the Greyhound Racing Association—

may be appointed as a member of the Agency Board.

“(4) Notwithstanding subsection (3) of this section, one person appointed under subsection (1) (a) of this section may also hold office as a member of the Industry Board.”

30 (2) Every person who, immediately before the commencement of this section, held office as a member of the Totalisator Agency Board shall, on the commencement of this section, be deemed to have relinquished his or her office as such a member.

35 (3) No member of the Totalisator Agency Board shall be entitled to any money or other benefit by way of compensation, or to claim for loss of remuneration or for reimbursement of expected allowances, arising out of his or her relinquishment of office under subsection (2) of this section.

40 (4) Section 17 of the Racing Amendment Act 1980 is hereby consequentially repealed.

23. Term of office of members—The principal Act is hereby amended by repealing section 64, and substituting the following section:

“64. (1) Every member of the Board shall hold office for such term as the Minister may determine on appointment, but not in any case exceeding 4 years.

“(2) Notwithstanding anything to the contrary in this Act, every member of the Board shall, unless he or she sooner vacates office under section 65 of this Act, continue in office until his or her successor comes into office.”

24. Extraordinary vacancies—(1) Section 65 of the principal Act is hereby amended by repealing subsection (1), and substituting the following subsections:

“(1) Any member of the Board may at any time be removed from office by the Minister for inability to perform the duties of office, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Minister, or may at any time resign his or her office by written notice to the Minister.

“(1A) If any member of the Board becomes a member of the Industry Board or of the Executive Committee of the Racing Conference, Harness Racing Conference, or Greyhound Racing Association and would thus be ineligible for appointment under subsections (3) and (4) of section 63 of this Act, he or she shall forthwith be deemed to have vacated office as a member of the Board.”

(2) Section 65 (2) of the principal Act is hereby amended—

(a) By omitting the word “appointed”:

(b) By inserting, after the words “removal from office,”, the words “or by virtue of the operation of subsection (1A) of this section,”:

(c) By repealing the proviso.

25. Repealing provision for Deputy Chairman—Section 66 of the principal Act is hereby repealed.

26. Meetings of Board—(1) Section 67 of the principal Act is hereby amended—

(a) By omitting the word “Chairman” wherever it occurs, and substituting in each case the words “presiding member”:

(b) By omitting the words “Deputy Chairman” wherever they occur, and substituting in each case the words “deputy presiding member”.

(2) Section 67 (2) of the principal Act is hereby amended by omitting the expression “5”, and substituting the expression “4”.

(3) Section 67 (5) of the principal Act is hereby amended by repealing the proviso, and substituting the following proviso:

5 “Provided that a resolution in writing signed, and assented to by letter or telegraphic message, by all members of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted.”

27. Payment of profits to Industry Board—The principal Act is hereby amended by repealing section 81, and substituting the following section:

10 “81. (1) The Board shall pay to the Industry Board all profits derived from the operation of off-course betting (including the off-course totalisator) less—

15 “(a) All costs, charges, and expenses incurred by the Board in the exercise and performance of its powers and functions under this Act; and

“ (b) The amount of any deduction made under section 80 of this Act.

20 “(2) Full and final payment of the sums required, by subsection (1) of this section, to be paid to the Industry Board in respect of each financial year shall be made as soon as practicable after the end of that financial year, but in no case later than the 31st day of October next following the end of that financial year.

25 “(3) Notwithstanding subsection (2) of this section, the Board may, during the course of any financial year, make partial payment of the sums payable under this section in such instalments and at such times as may be agreed between the Board and the Industry Board.”

28. Off-course betting—Section 83 (2) of the principal Act is hereby amended by omitting the words “by the Minister”.

30

PART VI

SPECIAL BETTING AT TOTALISATORS

35 **29. Off-course totalisator**—(1) Section 93 (1) of the principal Act (as substituted by section 31 (1) of the Racing Amendment Act 1980) is hereby amended by repealing paragraph (e), and substituting the following paragraph:

“ (e) Such other forms of betting in respect of races to be held in New Zealand or outside New Zealand as may from time to time be authorised by the Industry Board.”

40 (2) Section 93 of the principal Act (as so substituted) is hereby amended by repealing subsections (2) to (5), and substituting the following subsections:

“(2) Every authorisation under subsection (1) (e) of this section shall be subject to such terms and conditions as the Industry Board thinks fit to impose.

“(3) The off-course totalisator shall not be used in accordance with subsection (1) of this section except in respect of such race or races as may from time to time be determined in that behalf by the Board and approved by the Industry Board pursuant to an application by the Board.

“(4) Every approval given by the Industry Board under subsection (3) of this section shall—

“(a) Be subject to such terms and conditions as the Industry Board thinks fit to impose; and

“(b) Continue in force until it is revoked by the Industry Board.

“(5) Any such approval may at any time be revoked by the Industry Board.”

30. Deductions from betting—(1) Section 97 (1) of the principal Act (as substituted by section 19 (1) of the Racing Amendment Act 1986) is hereby amended by repealing paragraphs (b) and (c), and substituting the following paragraphs:

“(b) A levy for the purposes of the Stakes Subsidies Account at such rate or rates as the Industry Board from time to time determines:

“(c) A levy for the purposes of the On-course Development Account at such rate or rates as the Industry Board from time to time determines.”

(2) Section 97 (1) (e) of the principal Act (as so substituted) is hereby amended by omitting the words “by the Minister”.

(3) Section 97 of the principal Act (as so substituted) is hereby amended by adding the following subsections:

“(5) The Industry Board may fix the rates of levies specified in paragraphs (b) and (c) of subsection (1) of this section at different rates in respect of different types of betting for which the use of the totalisator is authorised by or under section 93 of this Act.

“(6) Every determination of the rates of levies by the Industry Board in accordance with this section shall be notified in the *Gazette*, and no such determination shall have effect until it has been so notified.”

(4) Until such time as the first determination of the rates of levies by the Industry Board is notified in the *Gazette*, the rates of those levies shall be those which, immediately before the commencement of this subsection, were specified in section 97 of the principal Act.

PART VII
FIXED-ODDS BETTING

31. New Part VA inserted—The principal Act is hereby amended by inserting, after Part V, the following Part:

5

“PART VA
“FIXED-ODDS BETTING

“99A. **Board may operate system of fixed-odds betting**—(1) Subject to this Act, the Board may establish and operate a system of fixed-odds betting in respect of—

10

“(a) Win betting; and

“(b) Place betting.

“(2) Any system of fixed-odds betting established under this section may be operated—

15

“(a) As part of the system of off-course betting operated under section 83 of this Act:

“(b) On-course, where on-course totalisator facilities are provided by the Board pursuant to a contract or arrangement entered into under section 83A of this Act.

20

“(3) The Board shall have such powers and may perform such functions as are reasonably necessary for establishing such a fixed-odds betting system.

25

“99B. **Use of facilities**—For the purposes of operating a fixed-odds betting system under **section 99A** of this Act, the Board may use any offices or agencies established, or equipment used, for the operation of on-course betting under Part III of this Act or off-course betting under Part IV of this Act.

30

“99C. **Application of certain provisions to fixed-odds betting**—(1) The provisions of sections 42, 83B, 84, 85, 87, and 97 of this Act, with all necessary modifications, shall apply in respect of fixed-odds betting conducted by the Board.

35

“(2) For the purposes of the Gaming Duties Act 1971, the gross amount of all bets accepted by the Board under this Part of this Act on any day of a race meeting shall be deemed to be—

“(a) Gross investments within the meaning of that Act, if the bets were accepted on-course:

40

“(b) Special investments within the meaning of that Act, if the bets were accepted off-course.”

PART VIII

GENERAL PROVISIONS

32. Restrictions on betting—(1) Section 100 of the principal Act (as amended by section 32 of the Racing Amendment Act 1977) is hereby amended by omitting the expression “18 years” wherever it occurs, and substituting in each case the expression “16 years”. 5

(2) Section 32 of the Racing Amendment Act 1977 is hereby consequentially repealed.

33. Repealing provisions prohibiting tipping— 10
(1) Section 100A of the principal Act is hereby repealed.

(2) The Racing Amendment Act 1974 is hereby consequentially repealed.

34. Increasing penalties for offences—The principal Act is hereby amended— 15

- (a) By omitting from section 39 (5) the expression “\$500”, and substituting the expression “\$1,500”;
- (b) By omitting from section 44 (2) the expressions “\$500” and “\$1,000”, and substituting, respectively, the expressions “\$1,500” and “\$3,000”; 20
- (c) By omitting from section 49 (7) the expression “\$500”, and substituting the expression “\$1,500”;
- (d) By omitting from section 53 (2) the expressions “\$500” and “\$1,000”, and substituting, respectively, the expressions “\$1,500” and “\$3,000”; 25
- (e) By omitting from section 100 (3) the expression “\$10”, and substituting the expression “\$30”;
- (f) By omitting from section 100 (5) the expression “\$20”, and substituting the expression “\$60”;
- (g) By omitting from section 100 (7) the expression “\$50”, and substituting the expression “\$150”; 30
- (h) By omitting from section 101 (5) the expression “\$100”, and substituting the expression “\$300”;
- (i) By omitting from section 104 (2) the expressions “\$200” and “\$10”, and substituting, respectively, the expressions “\$600” and “\$30”. 35

35. Amending Higher Salaries Commission Act 1988—
The Higher Salaries Commission Act 1988 is hereby amended by omitting from the First Schedule (as substituted by section 14 of the Higher Salaries Commission Amendment Act 1988) the following item: 40

“The New Zealand Racing Authority.”

- 36. Amending Official Information Act 1982**—The Official Information Act 1982 is hereby amended by omitting from the First Schedule (as substituted by section 23 (1) of the Official Information Amendment Act 1987) the item relating to the New Zealand Racing Authority, and substituting the following item:
- 5
- “New Zealand Racing Industry Board”.