

Race and Sports Bookmaking (Operation of Sports Bookmaking Venues) Direction 2005 (No 3)

Disallowable instrument DI2005-259

made under the

Race and Sports Bookmaking Act 2001, s 22 (Directions for operation of sports bookmaking venues)

EXPLANATORY STATEMENT

The *Race and Sports Bookmaking Act 2001* (the Act) regulates the activities of sports bookmakers in the Australian Capital Territory.

Part 3 of the Act provides for the conduct and control of sports bookmaking. In particular, section 22 of the Act provides that the Gambling and Racing Commission may make directions for operation of sports bookmaking venues.

This Instrument provides for the operational aspects for sport bookmaking venues and revokes DI2005-48 dated 5 April 2005 and notified under the Legislation Register on 14 April 2005.

A review of DI2005-48 has occurred and this instrument has been reformatted to ensure clarity and consistency with other determinations made under the Act.

New clause 1 provides for the hours of operations of a sports bookmaking venue. This provision was previously contained in DI2005-48 Schedule A, clause 1.1. Previous clause 1.2 has not been included as it is not appropriate for third parties to regulate the activities of licensees.

DI2005-48 Schedule A, clause 2 has been subsumed into new clause 2. This provision provides for the requirements that a sports bookmaker or agent must be in attendance during the hours of

operation if sports bookmakers offer betting transactions by the telephone or 'face to face'. This provision now reflects a change in policy direction which required that licensed sports bookmakers must be present at all times when sports bookmaking was being conducted. With the new initiatives for risk management and advancements in technology, the automated processing of betting transaction through electronic mediums removes the justification for a licensed sports bookmaker to be present at all times. The requirement for a licensed sports bookmaker to be present when accepting telephone and 'face to face' betting transactions is retained due to the personal interaction with clients and the possibility of human error. For further consistency with the Act this provision has been amended to reflect the terminology of a 'corporate entity' in place of 'company'.

New clause 3 provides for the concept of restrictions on the operations conducted at a sports bookmaking venue. The intent of the provision is to provide for the policy position for the expansion of the places that may be determined as sports bookmaking venues made pursuant to section 21(1) of the Act. This revised policy position was determined following extensive consultation with the industry and the community. Previously all sports bookmakers were required to be located at the Canberra Racing Club, Thoroughbred Park, Lyneham, ACT. As a consequence sports bookmakers who do not offer Australian racing products will be permitted to utilise alternative accommodation. In accordance with the Commission's harm minimisation objectives new clause 3.1 provides that sports bookmakers who are not located at the Canberra Racing Club will not be able to offer 'face to face' services to the public. This provision will effectively restrict 'shop front' services to the public which is currently only permitted to be conducted by the sports bookmaking licensee known as ACTTAB, (clause 3.2 refers).

New clause 3.3 provides for the requirement for sports bookmakers to have telecommunications equipment, as prescribed by a determination made pursuant to section 23 of the Act, located at the sports bookmaking premises. The provisions for telecommunications equipment was previously located under DI2005-48, Schedule A, clause 4.1. This clause has been subsumed into a new instrument made under section 23. The redrafting of the telecommunications equipment provisions will ensure that all matters related to this topic are appropriately located within the one instrument.

New clause 3.4 provides that sports bookmakers who offer Australian racing products are required to inform clients that the

sports bookmaker is prohibited from offering odds based upon totalisator dividends. This provision was previously located at DI2005-48, Schedule C, clause 8.4. The requirement to place a warning notice on internet web pages has been subsumed into a new instrument made under section 23 specifically relating to the requirements for the use of telecommunications equipment.

Previous provisions for Schedule A, clause 5, 6 and 7 have been deleted from this instrument. Clause 5.1 and 5.2 have been relocated to instruments for the determination of rules for sports bookmaking made pursuant to section 23 of the Act as these matters are more appropriately related to betting transactions. The previous provisions for ticketing, clause 5.3 and 5.4, have not been retained as the provisions do not currently reflect current best practice standards. The provisions for lost tickets, previously contained under clause 6, are adequately provided for under the dispute resolution provisions under the Act. Previous clause 7 has also not been retained as it is not appropriate for the Commission to prescribe risk management principles for reducing a sports bookmaker's liability when 'laying off' bets (bet back).

DI2005-48, Schedule A, clause 8 and 9 provided for the audit, financial arrangements and calculation of exchange rates for sports bookmakers. It is more appropriate that these provisions are located in the determination for rules of sports bookmaking made pursuant to section 23 of the Act. As a consequence these provisions have been subsumed into the instrument – 'Rules for Sports Bookmaking for record keeping and audit requirements'.

Previous clause 10 and 11 of Schedule A, DI2005-48 have not been retained as the setting of commercial financial arrangements between sport bookmakers and a third party for security guarantees and accommodation is not consistent with the Commission's regulatory role and is therefore inappropriate to be included in this instrument. The Commission has direct control of security guarantees under the Act and it is not appropriate for the Commission to delegate its responsibilities for this function.

Previous clause 12 has been subsumed into new clause 3.5 and 3.6. Clause 3.5, previously clause 12.2, has been redrafted to ensure that the provision correctly reflects that determined sports bookmaking events are such events as prescribed by section 20 of the Act. Clause 3.6 also now reflects that approval for race bookmakers to operate at a designated sports bookmaking venue is approved by virtue of section 49 of the Act. Previous clause 12.1

has not been retained as new clause 3.6 appropriately deals with race bookmakers taking bets at a sports bookmaking venue.

Previous Schedule B, C and D of DI2005-48 provided for operational directions for sports bookmaking venues located at Manuka Oval, Canberra Stadium and a place approved as a 'back-up' facility, respectively. These provisions have not been retained as sports bookmaking has not been conducted at either Manuka Oval or Canberra Stadium for a number of years. The 'back-up' facility is no longer utilised and accordingly the provision has not been retained. The removal of these provisions will ensure that the Commission will be able to adequately assess the appropriateness of these venues and any associated directions for operations that may be required on an individual basis if such future need arises.