

REGISTERED CLUBS (AMENDMENT) BILL 1988

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The following Bills are cognate with this Bill:

- Liquor (Amusement Devices) Amendment Bill 1988; and
- Gaming and Betting (Poker Machines) Taxation Amendment Bill 1988.

The object of this Bill is to amend the Registered Clubs Act 1976—

- (a) to require certain equipment designed for connection to a poker machine to be approved by the Liquor Administration Board ("the Board") if the poker machine is to be an authorised poker machine; and
- (b) to enable a poker machine (including subsidiary equipment) to be operated on a trial basis before being considered for approval by the Board; and
- (c) to authorise the issue of a work permit pending the decision on an application for a seller's licence, technician's licence or adviser's licence relating to poker machines; and
- (d) to provide for the linking of poker machines kept by different clubs so that all the linked machines contribute to a common pool of prize money; and
- (e) to increase certain penalties; and
- (f) to provide for payment of a duty with respect to poker machines; and
- (g) to make other amendments of a minor, consequential or ancillary nature.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 is a formal provision which gives effect to the Schedules of amendments to the Registered Clubs Act 1976.

Clause 4 is a transitional provision.

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SCHEDULE 1—AMENDMENTS RELATING TO DEFINITIONS

This Schedule inserts definitions of—

- (a) “centralised cash control equipment” which describes a system under which a cash payment at a central point releases a poker machine for operation, to the extent of the payment, without inserting coins;
- (b) “linkage equipment” which describes the device or system by which poker machines in different clubs may be linked to contribute to a common prize;
- (c) “linked system” comprising linked poker machines and the equipment by which they are linked;
- (d) “subsidiary equipment” which includes centralised cash control equipment, linkage equipment and other equipment designed for use in connection with the operation of a poker machine.

The Schedule also modifies the definition of poker machine to include subsidiary equipment.

SCHEDULE 2—AMENDMENTS RELATING TO POKER MACHINES

Schedule 2 (1) enables a poker machine or subsidiary equipment to be operated on a trial basis with the approval of the Board.

Schedule 2 (2) ensures that a reference to a sale of a poker machine includes a reference to a transaction, such as hire-purchase, which is not a sale although it involves a change of possession.

Schedule 2 (3) excludes objections to an application for a poker machine dealer’s licence, seller’s licence, technician’s licence or adviser’s licence if the applicant already holds one of the other licences or an amusement device dealer’s licence, seller’s licence or technician’s licence under the Liquor Act 1982.

Schedule 2 (4) enables an applicant for a poker machine seller’s licence, technician’s licence or adviser’s licence to be issued with a work permit pending a decision on the application.

Schedule 2 (5) enables the authority conferred by a dealer’s licence or seller’s licence held by a corporation to be exercised by a director or secretary of the corporation.

Schedule 2 (6) provides that it is not unlawful—

- (a) for an unlicensed person to sell a poker machine in the exercise of a power or proprietary right conferred by financial arrangements approved by the Board; or
- (b) for an unlicensed person, as a trainee under supervision, to exercise a function reserved for the holder of a poker machine seller’s licence or adviser’s licence.

Schedule 2 (7) provides that possession of a poker machine is not unlawful if, for a reasonable time, the possession is that of a person exercising rights under a mortgage or other financial arrangements approved by the Board.

Schedule 2 (8) includes therapeutic purposes among the purposes for which a poker machine may lawfully be used otherwise than for gaming.

SCHEDULE 3—AMENDMENTS RELATING TO POKER MACHINES LINKED BETWEEN CLUBS

Schedule 3 (1) inserts in the Principal Act proposed sections 106A–106P comprising Division 5A of Part 11 of that Act.

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Proposed section 106A inserts definitions of expressions used in the proposed Division 5A.

Proposed section 106B excludes the application of the proposed Division 5A to a linked system operating entirely within the premises of a single registered club.

Proposed section 106C enables 2 or more registered clubs to prepare and submit to the Board for investigation and report to the Minister a draft scheme for the operation of a linked system for their poker machines.

Proposed section 106D enables the Minister, after considering a report and recommendations by the Board, to authorise a scheme, with or without amendments, or to refuse to do so.

Proposed section 106E—

- (a) brings within the gaming laws a poker machine linked under a scheme that has not been authorised by the Minister; and
- (b) requires a registered club to comply with an authorised scheme in which it participates.

Proposed section 106F constitutes a Registered Clubs Prize Funds Corporation under the control of the Minister.

Proposed section 106G confers powers of delegation on the Minister and the Corporation.

Proposed section 106H deals with the establishment of, and operations on, the prize fund for an authorised scheme.

Proposed section 106I provides for the investment of the prize fund established under an authorised scheme.

Proposed section 106J enables the Minister, by means of directions given to the manager of an authorised scheme, to act to preserve the integrity of the scheme.

Proposed section 106K deals with the control of key employees concerned in the operation of an authorised scheme.

Proposed section 106L enables the Minister to obtain particulars relating to key employees.

Proposed section 106M requires a copy of the contract between the manager of an authorised scheme and the participating clubs to be lodged with the Board.

Proposed section 106N confers extensive powers on the Minister to obtain information relating to a scheme manager or an associate of a scheme manager.

Proposed section 106O enables the Minister to appoint a person to investigate, and report upon, a wide range of matters that affect, or could affect, the operation of an authorised scheme.

Proposed section 106P enables the Minister to require the termination of certain contracts associated with the operation of an authorised scheme if the Minister considers that this is required in the public interest.

Schedule 3 (2) extends to matters arising under the proposed Division 5A the powers otherwise conferred by the Principal Act on an authorised person to enter premises and remove records and poker machines, and to interrogate persons.

SCHEDULE 4—AMENDMENTS RELATING TO DUTY ON POKER MACHINES

Schedule 4 (1) makes a formal amendment.

Schedule 4 (2) enables regulations to be made to provide for payment of duty with respect to poker machines.

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Schedule 4 (3) and (4) make consequential amendments.

SCHEDULE 5—OTHER AMENDMENTS

Schedule 5 (1)–(3) removes the present limitation to two of the number of registered clubs that may amalgamate.

Schedule 5 (4) and (5) increases the present maximum penalties for certain offences committed by minors.

Schedule 5 (6) removes certain difficulties that have arisen in relation to the election for a 3 year term of the members of the governing body of a registered club.
