TAB QUEENSLAND LIMITED PRIVATISATION BILL 1999

EXPLANATORY NOTES

Short Title

TAB Queensland Limited Privatisation Bill 1999.

Objectives of the Legislation

The proposed legislation facilitates the sale by the State of TAB Queensland Limited (TABQ) which, at present, is a company Government Owned Corporation.

Following a strategic review of TABQ in 1997, TABQ was assessed as facing a number of critical problems arising from:

- its commercial structure;
- its relationship with the Queensland Racing Industry (QRI); and
- the structure and level of wagering taxation and the existing regulatory regime.

Without comprehensive structural reform of TABQ and its relationship with the QRI, both TABQ and the QRI face an uncertain future.

Privatisation is a critical element of structural reform that assists in improving TABQ's competitive position *vis a vis* the other privatised TABs in New South Wales and Victoria. Furthermore, privatisation was supported by the QRI as a necessary precondition to the long term viability of the industry.

The proposed legislation provides for amendments to the *Racing and Betting Act 1980*. The amendments clarify functions and powers of the Control Bodies of the Queensland Racing Industry in relation to arrangements entered into by a corporation established by the Control Bodies to contract with TABQ for the delivery of racing product and program. These amendments are necessary to provide certainty to QRI.

The proposed legislation also provides for amendments to the *Wagering Act 1998.* These amendments enable TABQ to appoint Golden Casket Lottery Corporation Limited to conduct a sports lottery game under TABQ's sports wagering licence. Other minor amendments bring the service fee charged by Queensland Office of Gaming Regulation within the ambit of the Act and reduce the period during which a winning bet may be claimed from five years to one year.

The proposed legislation also makes minor amendments to the *Gaming Machine Act 1991* and the *Gaming Machine and Other Legislation Amendment Act 1999*. The amendments are necessary in order that the Chief Executive may have a discretion regarding the taking of fingerprints of an applicant for a licence, with the agreement of the applicant, under Part 4 of the *Gaming Machine Act 1991*.

A further minor amendment has been made to the *Wagering Act 1998* to clarify the interaction between it and the *Interactive Gambling (Player Protection) Act 1998* in respect of TABQ's race wagering and sports wagering operations.

Reasons for the Legislation

To establish a statutory mechanism to facilitate the sale of TAB Queensland Limited by the State.

Estimated Cost to Government of Implementation

The costs of privatisation will be met from sale proceeds and includes the payment of advisers and consultants employed for the purposes of the sale.

Fundamental Legislative Principles

It is proposed that in order to facilitate the sale of TABQ, the responsible Ministers will need to take action which may be considered to be an inappropriate delegation of Parliamentary responsibility. However, in view of the nature of the sale process, such flexibility is required and appropriate accountability mechanisms are proposed.

Any inconsistency with FLPs is justified in the context of the Bill because in each case:

- there is reference to the purpose for which the FLP has been impinged;
- it is generally only for a short, specified period of time, tied to the concept of the completion of the sale process;
- it is predicated on commercial necessity; and
- the relevant clauses are based on the precedent set by the *State Financial Institutions and Metway Merger Facilitation Act 1996* which established the necessary flexibility to successfully structure the privatisation of a public asset.

In addition to specific concepts taken directly from the *State Financial Institutions and Metway Merger Facilitation Act 1996*, the general approach adopted in this Bill is also consistent with the overall strategy adopted in the *State Financial Institutions and Metway Merger Facilitation Act 1996*.

The following clauses of the Bill specifically raise FLP issues:

- Part 2, Division 3, clause 14 may be inconsistent with the FLP expressed in section 4(3)(a) of the *Legislative Standards Act 1992* ("LSA"), in that the power of the Ministers to do anything necessary or convenient for the sale process is not defined by reference to fixed criteria. However, the power relates only to the sale of TABQ and is of no application after the sale is complete. The clause does not authorise the breaking of any law and a broadly based power of this nature is necessary to ensure successful privatisation of TABQ.
- Part 2, Division 3, clause 16 of the Bill may be inconsistent with the FLP expressed in section 4(3)(a) of the LSA, in that the power of the Ministers to direct the TABQ Board to do anything necessary or convenient for the sale process is not sufficiently defined. However, this power of direction may be exercised only by reference to the sale process and is of no application after the sale is complete. The power does not authorise the breaking of any law and it is necessary to ensure the successful privatisation of TABQ.
- Part 3, Division 2, clauses 30(6) and 31 of the Bill may be inconsistent with the FLP expressed in section 4(3)(i) of the LSA, in that they relate to the forfeiture of shares held in excess of defined shareholder restrictions. As such, they effect a

compulsory acquisition of property, circumstances in which it is arguable that adequate compensation must be paid. Giving the Minister the power to forfeit shares held in excess of the maximum shareholding limit is justified as the power merely ensures adherence to the shareholding restrictions set out in the Act. In addition, the Bill provides that, after forfeiture, shares must be sold and the proceeds (net of costs) realised paid to the prohibited shareholder.

- Part 6, clause 51 of the Bill may be inconsistent with the FLP expressed in section 4(3)(c) of the LSA, that is, that the power of waiver is an inappropriate delegation of power to the Treasurer. However, the power to waive the amount of Commonwealth tax equivalent that will become payable to the State by TABQ is justified because it provides flexibility for the capital restructuring of TABQ prior to sale, and as such, has the potential to have a positive impact on sale proceeds to the State. In addition, this power arguably falls within the ministerial responsibility of the Treasurer's portfolio.

- Part 6, clause 59(2)(a) of the Bill may be inconsistent with the FLP expressed in section 4(3)(a) of the LSA in that the regulation making power is not sufficiently defined. However, the power relates only to matters necessary to allow or facilitate the purposes of the Act. The purpose of the Act is to authorise and facilitate the sale by the State of TABQ and in this context the power is relatively narrow. Further, twelve months after commencement of the Act, the regulation making power reverts to a standard general power and any FLP issue falls away. It is thus of short duration and specific purpose. The clause does not authorise the breaking of any law and is necessary to facilitate the privatisation of TABQ.

- Part 7, Division 5, Clause 85 of the Bill amends the *Wagering Act 1998* providing for the reduction of the unclaimed wagering dividend period from 5 years to 1 year. This clause may be inconsistent with the FLP expressed in section 4(3)(g) of the LSA as it may be argued that such action may adversely affect rights and liberties. However, data is available which shows that most winnings are collected on race day and almost all claims are made within 6 months. After 12 months, the winnings claimed are

negligible. Reducing the unclaimed dividends period is in line with TABQ's privatised competitors, is an administrative issue only and any move to reduce the unclaimed dividend period will be widely publicised to wagering clients prior to introduction.

Consultation

Representatives of the QRI, trade unions representing employees in TABQ and the broader racing industry, and TABQ have been consulted on the impending sale.

The Department of the Premier and Cabinet, National Competition Policy Implementation Unit (Queensland Treasury), Commercial Counsel (Queensland Treasury), Office of the Queensland Parliamentary Counsel, Queensland Office of Gaming Regulation, Racing Division (Department of Tourism, Sport and Racing), Office of the Director-General (Department of Tourism, Sport and Racing) and Department of Justice were also consulted.

Independent legal, accounting and financial advice was also sought regarding the drafting of this Bill.

NOTES ON PROVISIONS

PART 1—PRELIMINARY

Division 1—Introduction

Clause 1 sets out the short title of the Act.

Clause 2 provides for a dictionary in the schedule to define words used in the Act.

Division 2—TABQ no longer a company GOC

Clause 3 provides that TABQ is no longer a company GOC and, with some limited exceptions, the GOC Act stops applying to it.

Division 3—Objects and basic concepts

Clause 4 provides that the object of the Act is to authorise and facilitate the sale by the State of TABQ.

Clause 5 defines "sale process" by reference to anything connected with the disposal of all issued shares in TABQ to persons other than Ministers holding the shares on behalf of the State.

Clause 6 defines "listing day" as the day and time at which shares in TABQ are listed on the stock market of Australian Stock Exchange Limited.

Clause 7 provides that if a thing is required to be, or may be, done by the Act Ministers, the thing must be done by them jointly. The Act Ministers are the Treasurer and the Minister for Tourism, Sport and Racing.

PART 2—MANAGEMENT OF SALE PROCESS

Division 1—Application of Part 2

Clause 8 provides that part 2 applies until the listing day.

Division 2—Management of TABQ until listing day

Clause 9 enables the Act Ministers to hold a general meeting of TABQ by each signing a document containing the relevant resolutions. The Act Ministers do not need to physically meet to hold the meeting. This procedure may be applied to any resolution that is authorised or required by the Corporations Law or TABQ's constitution to be passed at a general meeting.

Clause 10 provides that the Act Ministers may amend TABQ's constitution.

Clause 11 provides that the Act Ministers may direct TABQ's Board of Directors to amend the constitution of a TABQ subsidiary. The Board must, as far as practicable, ensure the direction is complied with.

Clause 12 provides that TABQ's Board of Directors is to continue to consist of the number of Directors appointed by the Governor-in-Council. In appointing a person as a Director, the Governor-in-Council must have regard to the person's ability to make a contribution to TABQ's commercial performance.

Clause 13 provides that division 2 has effect despite anything in the Corporations Law.

Division 3—Sale Process

Clause 14 provides that the Act Ministers may do anything necessary or convenient for the sale process. It also provides that the Act Ministers may bind the State and other Ministers who hold shares in TABQ on behalf of the State.

Clause 15 provides that for the sale process, the Minister may execute on behalf of the State any document transferring shares in TABQ to a person, even if the shares are held on the State's behalf by another Minister.

Clause 16 provides that the Act Ministers may direct the Board of TABQ to do anything the Ministers consider necessary or convenient for the sale process. It also provides that the Ministers must publish a copy of any such direction in the State Government Gazette within 21 days after the direction is given.

Clause 17 provides that an Act Minister must not be treated as a Director of TABQ or as a person who participates in the management of TABQ.

PART 3—RESTRICTIONS RELATING TO SHAREHOLDING

Division 1—Preliminary

Clause 18 defines words and phrases used in part 3.

Clause 19 provides that the Minister may declare a person to be an associate of another person for the purposes of part 3. A declaration may be made if the Minister considers on reasonable grounds that those persons are likely to act in concert for the purpose of taking control of, or exercising a significant influence over, TABQ against the public interest. The clause also provides that a person is an associate of another by reference to certain Corporations Law provisions, modified to suit the context of TABQ's situation.

Clause 20 defines when a person has a relevant interest in a share for the purposes of part 3 by reference to Corporations Law concepts.

Clause 21 defines when a person is entitled to voting shares in TABQ for the purposes of part 3 by reference to Corporations Law concepts.

Clause 22 provides that Corporations Law provisions adopted in part 3 apply as if references in that law to a body corporate, corporation or company included references to certain other forms of entity recognised under any law, including laws of another jurisdiction.

Clause 23 provides that the shareholding restrictions apply to any portion of the share capital of TABQ that may consist of stock.

Clause 24 provides that a regulation may prescribe a person to be the cornerstone investor for part 3. There must be only one cornerstone investor at any time. A regulation may only be made under this clause if the person has agreed in writing to be the cornerstone investor.

Clause 25 provides that part 3 applies whenever TABQ or a TABQ subsidiary holds a licence under the *Wagering Act 1998*. It also provides for extraterritorial operation of part 3 within the legislative competence of Parliament.

Division 2—Maximum Shareholding Restrictions

Clause 26 provides that person must not have a prohibited shareholding interest in TABQ. A person has a prohibited shareholding interest if the person is entitled to more than 10% of the total number of voting shares in TABQ. The exception is a cornerstone investor, which has a prohibited shareholding interest if it has a greater entitlement to voting shares than the percentage prescribed by the regulation naming it as the cornerstone

investor. Clause 26 also provides that the shareholding restrictions do not apply to the State, a trustee of a trust established by the State for the sale process, TABQ or a TABQ subsidiary.

Clause 27 provides that the Minister or TABQ may give a notice to a person requiring that information be provided. The notice may be given where the person is, or is suspected on reasonable grounds of being, entitled to shares in TABQ. The purpose of the notice is to help decide whether the person, or another person has or is taking action to acquire a prohibited shareholding interest in TABQ.

Clause 28 provides that if a person does not comply with a notice given under clause 27, or provides information that the Minister considers on reasonable grounds to be false or misleading in a material particular, the Minister may make declarations that certain persons are associates, or that certain persons are entitled to shares in TABQ, or that certain persons have a prohibited shareholding interest in TABQ.

Clause 29 provides that a person must comply with a requirement of a notice given under clause 27 and must not, in purported compliance with a such notice, give information that is false or misleading in a material particular.

Clause 30 provides that if the Minister declares that a person (the "prohibited holder") has a prohibited shareholding interest in TABQ, the Minister may require the prohibited holder to dispose of the number of shares that would cause the prohibited holder to cease to have a prohibited shareholding interest in TABQ. The Minister may also require any other person who holds shares to which the prohibited shareholder is entitled to dispose of sufficient shares to reduce the prohibited shareholder's entitlement to the permitted level. If any person fails to comply with a notice requiring disposal of shares within the time allowed, the shares to which the notice relates are forfeited to the State.

Clause 31 provides that if a transaction causes a person to have a prohibited shareholding interest in TABQ, or increases a person's prohibited shareholding interest in TABQ, the Minister may declare that the voting shares in TABQ that are the subject of the transaction are forfeited to the State.

Clause 32 provides that the Minister must give written notice to TABQ of a declaration requiring a person to dispose of voting shares in TABQ or a declaration that shares in TABQ are forfeited to the State.

Clause 33 provides that a declaration of the Minister other than a declaration relating to disposal or forfeiture of shares is effective when written notice of the declaration is given to TABQ. These declarations take effect irrespective of when or whether notice is given to any other person.

Clause 34 provides that where written notice of a declaration by the Minister is given to a person, the notice must state the reasons for the declaration, that the person may appeal to the Supreme Court against the declaration, the time in which the person may appeal and how the person may appeal.

Clause 35 provides that TABQ or another person to whom notice of a declaration is given or to whom notice is required to be given may appeal to the Supreme Court against the declaration and sets out the procedure for making such an appeal. It also provides that the Court may make various orders on an appeal.

Clause 36 provides that an appeal against a declaration of the Minister does not act to stay the operation of the declaration pending the decision of the appeal, except where the appeal is against a declaration relating to the disposal or forfeiture of shares in TABQ.

Clause 37 provides that the Minister must sell any shares forfeited to the State under Division 2 of Part 3 of the Act. It also provides that for the sale, the Minister is not bound by any restriction on the sale of shares contained in TABQ's constitution. Any money realised from the sale must, after deduction of reasonable cost of forfeiture of sale, be applied to the payment of any transferor of the shares who has not received consideration for them or, in any other case, to the person from whom the shares were forfeited.

Division 3—Restrictions on dealing with shares to which cornerstone investor entitled

Clause 38 provides that division 3 applies for 2 years from when a person first becomes entitled to voting shares in TABQ in the capacity of a cornerstone investor. A cornerstone investor must advise the Minister of the day on which it first becomes entitled to shares in TABQ and the Minister must notify the day by notice in the State Government Gazette. The clause also provides that division 3 does not apply to compulsory disposal or forfeiture of shares to which the cornerstone investor is entitled.

Clause 39 provides that a person must not dispose of voting shares in TABQ to which a cornerstone investor is entitled without the Minister's approval. Any purported transfer made without approval is of no effect. In giving approval to a disposal of shares by a cornerstone investor, the Minister must have regard to the commercial and other interests of the cornerstone investor and TABQ.

Division 4—Expiry of Part

Clause 40 provides that part 3 expires 5 years after it commences.

PART 4—PROVISIONS ABOUT TABQ's STAFF

Clause 41 provides that the process of privatising TABQ does not affect the status quo as regards TABQ and its employees. Nothing done under the Bill is intended to alter the existing employment arrangements of TABQ's employees. The clause provides that TABQ ceasing to be a Company GOC or all issued shares in TABQ ceasing to be held by Ministers on behalf of the State does not have any affect upon the entitlements of employees of TABQ. Clause 41 also provides that persons who were employees of TABQ prior to commencement of this clause are not entitled to a payment or other benefit merely because they are no longer employed by a government owned corporation.

Clause 42 provides that if a person was employed by TABQ immediately before it ceased to be a government owned corporation and, at that time, provisions of the GOC Act relating to superannuation or leave entitlements applied to the person, then the relevant provision continues to apply to the person as if TABQ had not ceased to be a government owned corporation.

PART 5—MANDATORY REQUIREMENTS REGARDING TABQ GROUP COMPANIES' CONSTITUTIONS

Clause 43 provides that part 5 applies from the day declared by the Minister by notice in the State Government Gazette, which day must be a day before a share in TABQ is transferred to a person other than a Minister who holds that share on behalf of the State.

Clause 44 provides that each TABQ group company must at all times have a constitution within the meaning of the Corporations Law. It also provides that the constitution of each TABQ group company must at all times contain provisions requiring the head office of the company, the residence of a majority of the directors of the company, the principal operational offices of certain company personnel, the principal operational offices of certain company services and the usual location for the holding of company board meetings to be located in Queensland.

Clause 45 provides that a resolution of a TABQ group company that would have the effect of the company ceasing to have a constitution or altering the company's constitution so that it would not comply with any of the mandatory constitutional requirements set out in clause 44 has no effect. It also provides that a resolution of the company has no effect if the resolution would result in a contravention of those requirements or would ratify an act or omission contravening those requirements.

Clause 46 provides for the application by the Minister to the Supreme Court for an injunction in relation to certain conduct which may contravene a mandatory constitutional requirement.

Clause 47 provides that if the Supreme Court has power to grant an injunction against a person under clause 46, it may make any other order against the person that it considers appropriate.

Clause 48 provides that the Supreme Court has exclusive jurisdiction for matters arising under part 5, other than the jurisdiction of the High Court under the Commonwealth Constitution, section 75.

Clause 49 provides that the Minister may delegate the Minister's powers to apply to the Supreme Court for an injunction to the chief executive of the Department.

Clause 50 provides that part 5 has effect despite the Corporations Law. If there is any conflict or inconsistency between part 5 and a TABQ group company's constitution under the Corporations Law, part 5 prevails.

PART 6—MISCELLANEOUS

Clause 51 provides that State tax is not payable in relation to anything done for the sale process. It also provides that, so far as the legislative power of Parliament permits, the reference to State tax includes a reference to tax imposed under an Act in another State.

Clause 52 provides that TABQ remains or becomes liable to pay Commonwealth tax equivalents as agreed by the Statement of Policy Intent on the Taxation Treatment of Government Trading Enterprises until the sale process is completed. It also provides that the Treasurer may, by a State Government Gazette notice, waive payment of the amount.

Clause 53 provides that the Minister may issue a certificate stating that State tax is not payable under clause 51 in relation to something or that payment of an amount has been waived under clause 52.

Clause 54 provides that this Act has effect despite anything in any instrument and that nothing done under the Act affects existing legal relationships of TABQ or its subsidiaries.

Clause 55 provides that the Act provides facilitative mechanisms and does not prevent anything being done otherwise than under the Act.

Clause 56 provides that a director of TABQ does not incur any civil liability for anything done or omitted to be done in good faith for complying with a direction of the Act Ministers given under clause 11 or 16. Clause 56 also provides that a liability that would apart from this clause attach to a director of TABQ attaches instead to the State.

Clause 57 provides that a Minister (whether in the capacity of an Act Minister or the Minister) does not incur civil liability for an act or omission done or omitted to be done honestly and without negligence under this Act. It also provides that a liability that would apart from this clause attach to a Minister attaches instead to the State

Clause 58 provides that certain provisions of the GOC Act relating to corporate plans, statements of corporate intent, quarterly reports and employment and industrial relations plans are taken never to have applied to TABQ.

Clause 59 enables the Governor-in-Council to make regulations under the Act. A regulation may make provision to allow or facilitate the doing of anything to achieve the purposes of the Act and for which the Act does not make provision or sufficient provision.

PART 7—AMENDMENT OF ACTS

Division 1—Amendment of Gaming Machine Act 1991

Clause 60 provides that division 1 amends the *Gaming Machine Act 1991*.

Clause 61 amends section 77(2) of the *Gaming Machine Act 1991* to exclude the taking of palm prints.

Clause 62 amends section 79 of the *Gaming Machine Act 1991* to provide that the chief executive may cause an applicant's fingerprints to be taken with the applicant's agreement. The amendment also provides that the chief executive is not to recommend that a licence be granted if the applicant's fingerprints have not been taken because of the applicant's failure to agree to this action being taken. The amendment also provides for the destruction of fingerprints or palm prints where the application is refused or a person ceases to be the holder of a licence.

Division 2—Amendment of Gaming Machine and Other Legislation Amendment Act 1999

Clause 63 provides that division 2 amends the *Gaming Machine and Other Legislation Amendment Act 1999*.

Clause 64 omits section 61 of the *Gaming Machine and Other Legislation Amendment Act 1999*.

Division 3—Amendment of Interactive Gambling (Player Protection) Act 1998

Clause 65 provides that Division 3 amends the *Interactive Gambling (Player Protection) Act 1998.*

Clause 66 amends section 6 of the *Interactive Gambling (Player Protection) Act 1998* to clarify the interaction of that Act with the *Wagering Act 1998.*

Division 4—Amendment of Racing and Betting Act 1980

Clause 67 provides that division 4 amends the *Racing and Betting Act 1980*.

Clause 68 amends section 11A of the *Racing and Betting Act 1980* to provide that a function of the Queensland Principal Club ("QPC") is to cooperate with the other control bodies of the Queensland Racing Industry in arrangements involving the industry relating to wagering on animal racing. Clause 68 also provides that QPC may exercise a power in connection with this function even though to do so may be inconsistent with another of QPC's functions.

Clause 69 amends section 11B(2)(r) of the *Racing and Betting Act 1980* to provide that QPC may give directions to race clubs about certain arrangements. It also amends section 11B(2)(x) of the *Racing and Betting Act 1980* to provide that the powers of QPC extend to giving effect to QPC's obligations under arrangements entered into by a corporation established by the Queensland Control Bodies. Clause 69 also amends section 11B(3) to provide that a direction given by QPC to a race club may be about doing a thing to give effect to such an arrangement. For the purposes of such an arrangement, QPC may exercise any of its powers under the *Racing and Betting Act 1980*.

Clause 70 amends section 52 of the *Racing and Betting Act 1980* to provide that a function of the Harness Racing Board (HRB) is to cooperate with the other control bodies of the Queensland Racing Industry in arrangements involving the industry relating to wagering on animal racing. HRB may exercise a power in connection with this function even though to

do so may be inconsistent with another of HRB's functions. Clause 70 also amends section 52 to provide that HRB may give directions to trotting clubs about certain arrangements and that the powers of HRB extend to giving effect to HRB's obligations arising as a result of an arrangement entered into by a corporation established by the control bodies. The clause also amends section 52 to provide that a direction given by HRB to a race club may be about doing a thing to give effect to such an arrangement. For the purposes of such an arrangement, HRB may exercise any of its powers under the *Racing and Betting Act 1980.*

Clause 71 amends section 93 of the *Racing and Betting Act 1980* to provide that a function of the Greyhound Authority ("GA") is to cooperate with the other control bodies of the Queensland Racing Industry in arrangements involving the industry relating to wagering on animal racing. GA may exercise a power in connection with this function even though to do so may be inconsistent with another of GA's functions. Clause 71 also amends section 93 to provide that GA may give directions to greyhound clubs about certain arrangements and that the powers of GA extend to giving effect to GA's obligations arising as a result of an arrangement entered into by a corporation established by the control bodies. The clause also amends section 93 to provide that a direction given by GA to a race club may be about doing a thing to give effect to such an arrangement. For the purposes of such an arrangement, GA may exercise any of its powers under the *Racing and Betting Act 1980*.

Division 5—Amendment of Wagering Act 1998

Clause 72 provides that division 5 amends the *Wagering Act 1998.*

Clause 73 amends section 65 of the *Wagering Act 1998* by allowing for the appointment of a person to manage part only of the operations conducted under a wagering licence. Clause 73 further amends section 65 by providing that a wagering manager must be a corporation, rather than a related body corporate of the licensee.

Clause 74 makes minor amendments to section 71 of the *Wagering Act 1998* to accommodate a wagering management agreement relating to part only of the operations conducted under a wagering licence.

Clause 75 amends section 81 of the *Wagering Act 1998* so that it is no longer a ground for directing the termination of a wagering management agreement if the wagering manager stops being a related body corporate of the wagering licensee.

Clause 76 amends section 95 of the *Wagering Act 1998* to provide that the key employee provisions extend to employees of an authority operator which conducts any operations under a wagering licence.

Clause 77 amends section 163 of the *Wagering Act 1998* to provide that a regulation made under section 163 may apply differently for different events or contingencies.

Clause 78 inserts a new section 168A into the *Wagering Act 1998* to provide that the conditions of a wagering authority may provide for the payment of a wagering authority administration fee. This fee is to cover in whole or part the cost to the State of administering the *Wagering Act 1998* in relation to the authority. The clause also provides that the wagering authority administration fee is to be calculated and paid or satisfied under the conditions of the wagering authority.

Clause 79 amends section 169 of the *Wagering Act 1998* to provide that the chief executive must pay the amount of any wagering authority administration fee received into the consolidated fund.

Clause 80 amends section 170 of the *Wagering Act 1998* to include in that section a penalty for late payment of a wagering authority administration fee.

Clause 81 amends section 171 of the *Wagering Act 1998* to provide that the wagering authority administration fee is a debt payable to the State and may be recovered by action in a court of competent jurisdiction.

Clause 82 amends section 172 of the *Wagering Act 1998* to include the wagering authority administration fee in the revenue offences provisions of the Act.

Clause 83 makes a minor technical amendment to section 195 of the *Wagering Act 1998*.

Clause 84 amends section 206 of the *Wagering Act 1998* to provide that a licence operator and not a general operator may accept wagers by phone or other forms of communication.

Clause 85 amends section 213 of the *Wagering Act 1998* to provide that a claim for payment of a winning bet must be made within one year after the holding of the event or the happening of the contingency to which the bet relates. An amount not claimed within a one year period may be retained by the authority operator who conducted the wagering.

Clause 86 makes a minor technical amendment to section 302 of the *Wagering Act 1998.*

Clause 87 corrects an omission in section 306 of the *Wagering Act 1998.*

Clause 88 makes a minor technical amendment to section 318 of the *Wagering Act 1998.*

Clause 89 makes a minor technical amendment to section 319 of the *Wagering Act 1998.*

Clause 90 amends the dictionary contained in schedule 2 of the *Wagering Act 1998* to accommodate certain amendments referred to above.

Schedule

Dictionary

The dictionary defines words and phrases used throughout the Act.