

Legislative Council

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South Australia

Statutes Amendment (Betting Operations) Bill 2008

A BILL FOR

An Act to amend the *Authorised Betting Operations Act 2000* and the *Lottery and Gaming Act 1936*.

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The Parliament of South Australia enacts as follows:

Part 1—Preliminary

1—Short title

This Act may be cited as the *Statutes Amendment (Betting Operations) Act 2008*.

2—Commencement

This Act will come into operation on a day to be fixed by proclamation.

3—Amendment provisions

In this Act, a provision under a heading referring to the amendment of a specified Act amends the Act so specified.

Part 2—Amendment of *Authorised Betting Operations Act 2000*

4—Amendment of long title

Long title—delete "licensing and"

5—Amendment of section 3—Interpretation

- (1) Section 3(1)—before the definition of *agent's licence* insert:

advertising code of practice—see section 6A;

- (2) Section 3(1)—after the definition of *approved licensing agreement* insert:

authorised interstate betting operator—see section 40A(3);

- (3) Section 3(1)—after the definition of *Authority* insert:

betting exchange means a facility, electronic or otherwise, designed to provide a mechanism through which—

- (a) offers to make bets are regularly made and accepted; or
- (b) offers or invitations to make bets are regularly made that are intended to result, or may reasonably be expected to result, directly or indirectly, in the acceptance of the offers or invitations,

but does not include a facility involved in the activities of a bookmaker or the conduct of totalisator betting;

- (4) Section 3(1)—after the definition of *compliance notice* insert:

conduct betting operations—a person conducts betting operations if the person conducts totalisator betting, acts as a bookmaker or conducts a betting exchange;

contribution agreement—see section 62E;

- (5) Section 3(1)—after the definition of *horse race* or *horse racing* insert:

integrity agreement—see section 62E;

interstate betting operator means—

- (a) a person who holds a prescribed interstate licence (including a licence that is suspended); or
- (b) a statutory body established under the law of another State or a Territory of the Commonwealth for the purpose of conducting betting operations in that State or Territory;

- (6) Section 3(1)—after the definition of *on-course totalisator betting licence* insert:

prescribed interstate licence means a licence or other authority issued under the law of another State or a Territory of the Commonwealth authorising the holder to conduct betting operations in that State or Territory, but does not include a licence of a class excluded by regulation from the ambit of this definition;

- (7) Section 3(1)—after the definition of *racing distribution agreement* insert:
responsible gambling code of practice—see section 6A;
- (8) Section 3(1)—after the definition of *substantial holding* insert:
telephone, Internet or other electronic means—see subsection (3);
- (9) Section 3—after subsection (2) insert:
- (3) In this Act, a reference to *telephone, Internet or other electronic means* is a reference to a means of communicating at a distance by the use of electronic devices.

6—Amendment of section 4—Approved contingencies

- (1) Section 4(1)—delete ", by notice in the Gazette, approve, for" and substitute:
approve, for all or
- (2) Section 4(2), (2a) and (3)—delete subsections (2), (2a) and (3) and substitute:
- (2) The Authority may vary or revoke an approval.
- (3) Before approving contingencies or varying an approval, the Authority must—
- (a) have regard to—
- (i) the standards of probity applying in relation to the contingencies; and
- (ii) available evidence of the past conduct of events to which the contingencies relate (if any); and
- (iii) the likely nature and scale of betting operations in relation to the contingencies; and
- (iv) whether betting operations in relation to the contingencies are lawful in another State or a Territory of the Commonwealth; and
- (v) the appropriateness in other respects of the contingencies for the conduct of betting operations generally or the particular betting operations concerned; and
- (b) give prior written notice of the proposal to the Minister.
- (3a) The Authority must, within 14 days after approving contingencies or varying or revoking an approval, publish a notice in the Gazette setting out the terms of the approval, variation or revocation.

7—Insertion of section 6A

After section 6 insert:

6A—Codes of practice etc

- (1) For the purposes of this Act, the Authority may, by notice in the Gazette, prescribe—
- (a) advertising codes of practice; and

- (b) responsible gambling codes of practice; and
 - (c) requirements for systems and procedures designed to prevent bets from being made by children in the course of betting operations conducted by telephone, Internet or other electronic means.
- (2) A code of practice may apply generally to all betting operations or to betting operations of a particular class.
- (3) Without limiting the generality of subsection (1)(b), a responsible gambling code of practice may—
 - (a) require information relating to responsible gambling and the availability of services to address problems associated with gambling to be displayed, announced or made available to persons proposing to make bets; and
 - (b) deal with training of staff involved in betting operations with respect to responsible gambling practices and the services available to address problems associated with gambling; and
 - (c) —
 - (i) require accounts to be kept for persons who make bets by telephone, Internet or other electronic means; and
 - (ii) require the accounts to be managed in a way that allows the amount available for betting at any given time to be limited; and
 - (iii) require account statements to be provided at regular intervals; and
 - (d) include other matters designed to reduce the incidence of problem gambling.
- (4) The Authority may, by subsequent notice in the Gazette, vary or revoke a notice under this section.
- (5) A notice published in the Gazette under this section may come into operation on the day on which it is published or on a later day or days specified in the notice.
- (6) Sections 10 and 10A of the *Subordinate Legislation Act 1978* apply to a notice published in the Gazette under this section as if it were a regulation within the meaning of that Act.
- (7) The Authority must review the codes of practice prescribed under this section at least every 5 years.
- (8) In preparing and reviewing codes of practice, the Authority must seek and consider written submissions from licensees and authorised interstate betting operators to whom the codes apply and from interested members of the public.

8—Amendment of section 12—Approved licensing agreement

Section 12(13)—before the definition of *giving effect* insert:

entering into an agreement means entering into or negotiating an agreement, including acting collectively or in combination with others in or with respect to the negotiation of an agreement;

9—Amendment of section 13—Racing distribution agreement

Section 13(9)—before the definition of *giving effect* insert:

entering into an agreement means entering into or negotiating an agreement, including acting collectively or in combination with others in or with respect to the negotiation of an agreement;

10—Substitution of heading to Part 3

Heading to Part 3—delete the heading and substitute:

Part 3—Bookmaker's and other licences

11—Insertion of Part 3A

After Part 3 insert:

Part 3A—Authorisation of interstate betting operators

40A—Authorisation of interstate betting operators

- (1) An interstate betting operator may give notice to the Authority of—
 - (a) the operator's intention to conduct betting operations in this State as from a specified date; or
 - (b) the cessation of the conduct of those betting operations in this State as from a specified date.
- (2) The notice must be in the form required by the Authority.
- (3) For the purposes of this Act, an interstate betting operator is an *authorised interstate betting operator* on and from the date specified in a notice of intention to conduct betting operations until the date specified in a notice of the cessation of the conduct of the betting operations.
- (4) An authorised interstate betting operator is authorised to conduct betting operations in this State provided that:
 - (a) the betting is conducted only by telephone, Internet or other electronic means; and
 - (b) the betting is not in any way assisted by facilities established in this State for the purpose of encouraging such betting; and
 - (c) the betting relates only to races held by licensed racing clubs and approved contingencies; and

- (d) the operator is authorised to conduct the operations under a prescribed interstate licence or in the operator's capacity as a statutory body; and
 - (e) a prescribed interstate licence held by the operator authorising the operations is not suspended; and
 - (f) the operator is not prohibited from conducting the operations under this Act.
- (5) The Authority must keep a list of authorised interstate betting operators (including details of notices given under this section and any disciplinary action taken against operators) available for inspection free of charge on a website and at its principal place of business during normal office hours.
- (6) For the purposes of this section—
- (a) if a person in this State may make a bet with an interstate betting operator, the operator conducts betting operations in this State; and
 - (b) if a person in this State may make a bet by means of a betting exchange, the person who conducts the betting exchange conducts betting operations in this State.

40B—Annual fees and returns

- (1) An authorised interstate betting operator must, within 1 month after giving notice of intention to conduct betting operations in this State under this Part, pay to the Authority the annual fee fixed by the Minister, adjusted on a pro rata basis by applying the proportion that the number of months from the giving of the notice until the next 30 June bears to 12 (with part of a month being counted as a whole month).
- (2) An authorised interstate betting operator must, on or before 30 September in each year—
- (a) lodge with the Authority an annual return for the previous financial year containing the information required by the Authority by written notice; and
 - (b) pay to the Authority the annual fee fixed by the Minister.
- (3) The annual fee is the fee fixed, from time to time, by the Minister in respect of that operator as an amount that the Minister considers to be a reasonable contribution towards administrative costs.
- (4) If an authorised interstate betting operator fails to lodge an annual return or pay an annual fee in accordance with this section, the Authority may, by written notice, require the operator to make good the default and, in addition, to pay to the Authority the amount prescribed as a penalty for default.

- (5) If the authorised interstate betting operator fails to comply with the notice within 28 days after service of the notice, the operator is prohibited from conducting betting operations in this State until the failure is rectified.
- (6) The Authority must notify the authorised interstate betting operator in writing of the prohibition.
- (7) A notice of cessation of the conduct of betting operations in this State given to the Authority by an interstate betting operator under this Part must be accompanied by a return containing the information that would have been required to be included in the next annual return of the operator had its operations continued (and the notice will not be taken to have been given until such a return is provided).

12—Substitution of heading to Part 4 Division 1

Heading to Part 4 Division 1—delete the heading to Division 1 and substitute:

Division 1—Major betting operations and on-course totalisator betting operations

13—Amendment of section 43—Prevention of betting by children

After its present contents (now to be designated as subsection (1)) insert:

- (2) In approving systems and procedures under this section, the Commissioner must have regard to any relevant requirements prescribed by the Authority under section 6A for systems and procedures designed to prevent bets from being made by children in the course of betting operations conducted by telephone, Internet or other electronic means.

14—Substitution of sections 48 and 49

Sections 48 and 49—delete the sections and substitute:

48—Advertising code of practice

It is a condition of the major betting operations licence or an on-course totalisator betting licence that the licensee must ensure that advertising by the licensee conforms with the applicable advertising codes of practice.

49—Responsible gambling code of practice

It is a condition of the major betting operations licence or an on-course totalisator betting licence that the licensee must ensure that operations under the licence conform with the applicable responsible gambling codes of practice.

15—Amendment of section 50—Major betting operations licensee may bar excessive gamblers

Section 50(1)(c)—after "telephone" insert:

, Internet

16—Amendment of section 51—Alteration of approved rules, systems, procedures or equipment

- (1) Section 51(aa1) and (a1)—delete subsections (aa1) and (a1)
- (2) Section 51—delete "relevant authority" wherever occurring and substitute in each case:

Commissioner
- (3) Section 51(1)—delete "equipment or code of practice provisions" and substitute:

or equipment
- (4) Section 51(4)—delete subsection (4)

17—Repeal of section 51A

Section 51A—delete the section

18—Insertion of section 53A

After section 53 insert:

53A—Bets by telephone, Internet or other electronic means

- (1) It is a condition of a bookmaker's licence that the licensee must not accept bets made by telephone, Internet or other electronic means unless the licence is endorsed with an authorisation to do so.
- (2) An endorsement may be expressed generally so as to authorise the acceptance of bets by all forms of electronic communication or may be limited to particular forms of electronic communication.
- (3) The Minister may give the Commissioner binding directions about the granting of licences endorsed with an authorisation to accept bets made by telephone, Internet or other electronic means.

19—Repeal of section 56

Section 56—delete the section

20—Amendment of section 60—Prevention of betting with children by bookmaker or agent

Section 60—after subsection (1) insert:

- (1a) In approving systems and procedures under this section, the Commissioner must have regard to any relevant requirements prescribed by the Authority under section 6A for systems and procedures designed to prevent bets from being made by children in the course of betting operations conducted by telephone, Internet or other electronic means.

21—Insertion of sections 60A and 60B

After section 60 insert:

60A—Advertising code of practice

It is a condition of a bookmaker's licence that the licensee must ensure that advertising by the licensee conforms with the applicable advertising codes of practice.

60B—Responsible gambling code of practice

It is a condition of a bookmaker's licence that the licensee must ensure that operations under the licence conform with the applicable responsible gambling codes of practice.

22—Amendment of section 62—Rules relating to bookmakers' operations

Section 62(1)(d)—delete "prohibiting or restricting" and substitute:
regulating

23—Insertion of Part 4 Divisions 3 and 4

After Part 4 Division 2 insert:

Division 3—Interstate betting operations

62A—Prevention of betting by children

An authorised interstate betting operator—

- (a) must not accept or offer to accept a bet from a child in this State; and
- (b) must have systems and procedures that are designed to prevent bets from being made by children in this State in the course of betting operations conducted by telephone, Internet or other electronic means and that conform with the requirements prescribed by the Authority under section 6A for systems and procedures designed for that purpose.

62B—Advertising code of practice

An authorised interstate betting operator must ensure that advertising in this State by the operator conforms with the applicable advertising codes of practice.

62C—Responsible gambling code of practice

An authorised interstate betting operator must ensure that the operator's betting operations in this State conform with the applicable responsible gambling codes of practice.

62D—Notification

If criminal or disciplinary proceedings are commenced against an authorised interstate betting operator, or a close associate of the operator, in relation to the operator's betting operations, the authorised interstate betting operator must give written notice to the Authority setting out details of the proceedings within 14 days after the commencement of the proceedings.

Division 4—Betting operations relating to racing

62E—Integrity agreements and contribution agreements

- (1) A person (the *operator*) must not conduct betting operations in relation to a race held in this State by a racing club (*SA race betting operations*) unless the operator has entered into an integrity agreement and a contribution agreement with the relevant racing controlling authority conforming with the requirements of this section and both agreements are in force.

Maximum penalty: \$25 000 or imprisonment for 1 year.

- (2) Subsection (1)—
 - (a) applies whether the SA race betting operations are conducted wholly within or outside the State or partly in the State and partly outside the State; and
 - (b) does not apply in relation to betting operations conducted by a licensed racing club under an on-course totalisator betting licence in relation to a race held by the club.
- (3) Without limiting the matters that may be included in an integrity agreement, the agreement must include—
 - (a) provisions requiring the operator to provide to the racing controlling authority on request information about the operator's SA race betting operations (which may include information relating to trade secrets or business processes, financial information and information identifying or relating to persons making bets), verified, if the controlling authority so requires, by statutory declaration; and
 - (b) provisions requiring the operator to implement specified measures to identify potential issues of probity in relation to the operator's SA race betting operations and report identified issues to the racing controlling authority; and
 - (c) provisions requiring the operator to inform the racing controlling authority of any criminal or disciplinary proceedings commenced against the operator, or a close associate of the operator, in connection with any betting operations; and

- (d) provisions requiring the operator to facilitate investigations or inquiries into the conduct of the operator's SA race betting operations; and
 - (e) provisions establishing a dispute resolution procedure; and
 - (f) other provisions prescribed by regulation.
- (4) Without limiting the matters that may be included in a contribution agreement, the agreement must include—
 - (a) provisions requiring the operator to make contributions to the relevant racing controlling authority in respect of the operator's SA race betting operations and setting out how those contributions are to be calculated and the terms for payment; and
 - (b) provisions requiring the operator to provide to the relevant racing controlling authority such information as is reasonably required for the purposes of calculating the contributions due to the controlling authority, verified, if the controlling authority so requires, by statutory declaration; and
 - (c) provisions requiring the operator to provide to the relevant racing controlling authority an annual report verifying that contributions have been made as required by the agreement prepared by the auditor of accounts that the operator is required to keep under the *Corporations Act 2001* of the Commonwealth, as in force from time to time, or some other registered company auditor; and
 - (d) provisions establishing a dispute resolution procedure; and
 - (e) other provisions prescribed by regulation.
- (5) If a person seeks to negotiate an agreement with a racing controlling authority under this section, the controlling authority must negotiate with the person in good faith subject to and in accordance with legal requirements (including, without limitation, the requirements relating to authority to conduct betting operations in this State under the *Lottery and Gaming Act 1936* and this Act and the requirements of section 92 of the Constitution of the Commonwealth).
- (6) An integrity agreement or contribution agreement may be varied by a later agreement between the parties.
- (7) Contributions payable under a contribution agreement are recoverable as a debt due to the racing controlling authority.
- (8) If the operator holds a licence under this Act, it is a condition of the licence that the operator must perform its obligations under an integrity agreement and contribution agreement.

- (9) For the purposes of subsection (1), the racing distribution agreement will be taken to be a contribution agreement entered into by the holder of the major betting operations licence with each of the racing controlling authorities.
- (10) Entering into, giving effect to, or enforcing an integrity agreement or contribution agreement by a racing controlling authority is, subject to conditions and limitations prescribed by regulation, authorised for the purposes of section 51 of the *Trade Practices Act 1974* of the Commonwealth, as in force from time to time, and the *Competition Code of South Australia*.
- (11) Subsection (10) applies only in relation to provisions required by this section to be included in an integrity agreement or contribution agreement.
- (12) If an operator conducts SA race betting operations when a contribution agreement is not in force, the relevant racing controlling authority may—
- (a) recover as a debt due to the controlling authority by the operator contributions in respect of the betting operations calculated in accordance with the regulations; and
 - (b) by written notice to the operator, require the operator to provide to the controlling authority such information as is reasonably required for the purposes of calculating the contributions, verified, if the controlling authority so requires, by statutory declaration.
- (13) In this section—
- entering into*** an agreement means entering into or negotiating an agreement, including acting collectively or in combination with others in or with respect to the negotiation of an agreement;
- giving effect*** to an agreement includes complying with an obligation or exercising a right or power under the agreement;
- relevant racing controlling authority***, in relation to a race, means—
- (a) in the case of a horse race—the racing controlling authority for horse racing;
 - (b) in the case of a harness race—the racing controlling authority for harness racing;
 - (c) in the case of a greyhound race—the racing controlling authority for greyhound racing.

62F—Supreme Court review

- (1) On an application by a person who is a party to an agreement under section 62E or is seeking to negotiate such an agreement, the Supreme Court may, if satisfied that the racing controlling authority's conduct or proposed conduct constitutes or would constitute a contravention of section 62E, make 1 or more of the following orders:
 - (a) if an agreement has been entered into—an order setting aside the agreement (with effect from a specified date which may be a date earlier than the date of the application);
 - (b) an order requiring the controlling authority to refrain from specified action or to take specified action or to remedy any adverse consequence of the controlling authority's conduct;
 - (c) any other order the Court thinks fit.
- (2) In this section—

conduct includes a failure to act.

62G—Contributions for betting operations on races held on or after 1 September 2008 and before commencement of section 62E

- (1) If a person who conducted betting operations in relation to a designated race (the *operator*) enters into a contribution agreement on or within 3 months after the commencement of section 62E, the agreement will, subject to any express provision in the agreement to the contrary, be taken to include the following terms:
 - (a) the operator must pay to the relevant racing controlling authority within 1 month after the agreement is entered into the following contributions:
 - (i) in the case of totalisator betting on designated races—1.5% of the gross turnover of the betting operations; and
 - (ii) in the case of other forms of betting on designated races—20% of the gross proceeds of the betting operations;
 - (b) the operator must, at the written request of the racing controlling authority, provide to the controlling authority such information as is reasonably required for the purposes of calculating the contributions, verified, if the controlling authority so requires, by statutory declaration.

- (2) If a person who conducted betting operations in relation to a designated race (the *operator*) has not entered into a contribution agreement within 3 months after the commencement of section 62E, the relevant racing controlling authority may—
- (a) recover as a debt due to the controlling authority by the operator the following contributions:
 - (i) in the case of totalisator betting on designated races—1.5% of the gross turnover of the betting operations; and
 - (ii) in the case of other forms of betting on designated races—20% of the gross proceeds of the betting operations; and
 - (b) by written request, require the operator to provide to the controlling authority such information as is reasonably required for the purposes of calculating the contributions, verified, if the controlling authority so requires, by statutory declaration.
- (3) This section does not apply in relation to betting operations conducted by—
- (a) the holder of the major betting operations licence; or
 - (b) a licensed racing club under an on-course totalisator betting licence in relation to a race held by the club.
- (4) The Governor may, by regulation, declare that an amount of a particular class is or is not to be included in the calculation of gross turnover or gross proceeds of betting operations for the purposes of this section.
- (5) In this section—

designated race means a race held in this State by a racing club on or after 1 September 2008 and before the commencement of section 62E;

relevant racing controlling authority has the same meaning as in section 62E.

62H—Disclosure of information and confidentiality

- (1) If a person defaults in providing information to a racing controlling authority as required by an integrity agreement or contribution agreement or by this Division, the controlling authority may apply to the Supreme Court for an order requiring the disclosure of the information.
- (2) On an application, the Supreme Court may make such orders as it thinks fit to remedy the default and to prevent recurrence of similar defaults.

- (3) A racing controlling authority may provide information obtained under this Division—
- (a) to an agency or instrumentality of this State, the Commonwealth or another State or a Territory of the Commonwealth for the purposes of the performance of its functions; and
 - (b) to any of the following for purposes connected with an investigation or inquiry into, or other functions relating to, the conduct of a race or betting on a race:
 - (i) other racing controlling authorities;
 - (ii) licensed racing clubs;
 - (iii) race stewards;
 - (iv) racing appeals tribunals;
 - (v) other persons with responsibilities for regulating the conduct of a race or betting on a race;
 - (vi) any person or body in another State or a Territory of the Commonwealth corresponding to a person or body referred to in a preceding subparagraph.
- (4) A racing controlling authority must not divulge information relating to trade secrets or business processes, financial information or information tending to identify a person obtained under this Division except—
- (a) as authorised by or under this Act or any other law; or
 - (b) with the consent of the person from whom the information was obtained or to whom the information relates; or
 - (c) for a purpose connected with the payment of contributions under a contribution agreement or this Act; or
 - (d) for the purpose of legal proceedings arising under this Act or in relation to an agreement under this Act.

Maximum penalty: \$10 000.

- (5) Information that has been disclosed under this section for a particular purpose must not be used for any other purpose by—
- (a) the person to whom the information was disclosed; or
 - (b) any other person who gains access to the information (whether properly or improperly and whether directly or indirectly) as a result of that disclosure.

Maximum penalty: \$10 000.

62I—Prosecution requires Authority's consent

- (1) A prosecution for an offence against this Division may only be commenced with the consent of the Authority.

- (2) In legal proceedings, an apparently genuine certificate certifying that the Authority consented to the commencement of a prosecution for an offence against this Division will, in the absence of proof to the contrary, be accepted as proof of that consent.

24—Amendment of section 64—Power to obtain information

Section 64—after its present contents (now to be designated as subsection (1)) insert:

- (2) An authorised interstate betting operator must, on the written request of the Authority or the Commissioner, provide information that the Authority or the Commissioner requires for the administration or enforcement of this Act.

25—Amendment of section 67—Statutory default

Section 67(1)—after paragraph (d) insert:

- (e) an authorised interstate betting operator contravenes or fails to comply with a provision of this Act or fails to discharge an obligation under an integrity agreement or contribution agreement.

26—Amendment of section 68—Effect of criminal proceedings

Section 68(2)(a)—after "licensee" insert:

or operator

27—Amendment of section 69—Compliance notice

- (1) Section 69(1)—delete "If a statutory default occurs" and substitute:
If the Authority is satisfied that a statutory default has occurred
- (2) Section 69—after "licensee" wherever occurring insert:
or operator
- (3) Section 69(2), penalty provision—after "licence" insert:
or an authorised interstate betting operator

28—Amendment of section 70—Expiation notice

- (1) Section 70(1)—delete "If a statutory default occurs" and substitute:
If the Authority believes on reasonable grounds that a statutory default has occurred
- (2) Section 70(1)—after "licensee" wherever occurring insert:
or operator
- (3) Section 70(1)(a)—after "licence" insert:
or an authorised interstate betting operator

29—Amendment of section 71—Injunctive remedies

Section 71(1)—delete "If a statutory default occurs or there are reasonable grounds to believe that a statutory default" and substitute:

If there are reasonable grounds to believe that a statutory default has occurred
or

30—Amendment of section 72—Disciplinary action

(1) Section 72(1)—delete "If a statutory default occurs" and substitute:

If the Authority believes on reasonable grounds that a statutory default has occurred

(2) Section 72—after "licensee" wherever occurring insert:

or operator

(3) Section 72(3)(b)(i)—after "licence" insert:

or an authorised interstate betting operator

(4) Section 72(3)(c) to (f) (inclusive)—delete paragraphs (c) to (f) and substitute:

(c) in the case of a licensee, the Authority may—

(i) vary the conditions of the licence (irrespective, in the case of the major betting operations licence, of any provision of the approved licensing agreement excluding or limiting the power of variation of the conditions of the licence);

(ii) give written directions to the licensee as to the winding up of betting operations under the licence;

(iii) suspend the licence for a specified or unlimited period;

(iv) cancel the licence;

(d) in the case of an authorised interstate betting operator, the Authority may—

(i) give written directions to the operator as to the winding up of betting operations in this State;

(ii) prohibit the operator from conducting betting operations in this State for a specified or unlimited period.

(5) Section 72(5)—delete "the licence" and substitute:

a licence or imposes a prohibition

(6) Section 72(5)—after "suspension" insert:

or prohibition

(7) Section 72(7), penalty provision—after "licence" insert:

or an authorised interstate betting operator

31—Amendment of section 78—Finality of Authority's decisions

Section 78(1)(a)—after "licensee" insert:
or authorised interstate betting operator

32—Amendment of section 81—Further trade practices authorisations

Section 81(2)—before the definition of *giving effect* insert:
entering into an agreement means entering into or negotiating an agreement, including acting collectively or in combination with others in or with respect to the negotiation of an agreement;

33—Amendment of section 89—Evidence

Section 89(1)(a)—after "approval" insert:
or an authorised interstate betting operator

Part 3—Amendment of *Lottery and Gaming Act 1936*

34—Amendment of section 60—Public betting and advertising

- (1) Section 60(c)—delete "in any public newspaper or by circular," and substitute:
in printed or electronic form
- (2) Section 60(c)—delete "or take part in any bet or sweepstakes" and substitute:
any sweepstakes or to make a bet or otherwise advertising the business or services of a person who conducts totalisator betting, acts as a bookmaker or conducts a betting exchange (within the meaning of section 65).

35—Insertion of section 65

After section 64 insert:

65—Unauthorised betting exchange prohibited

- (1) A person must not establish or conduct a betting exchange.
Maximum penalty: \$20 000 or imprisonment for 1 year.
- (2) For the purposes of subsection (1), and without limiting the effect of that subsection, a person will be taken to conduct a betting exchange in South Australia if the person allows a person in South Australia to make a bet by means of the betting exchange.
- (3) A person must not make a bet, or take action for the purpose of making a bet, through the use of a betting exchange.
Maximum penalty: \$5 000 or imprisonment for 6 months.
- (4) In this section—
betting exchange means a facility, electronic or otherwise, designed to provide a mechanism through which—
 - (a) offers to make bets are regularly made and accepted; or

- (b) offers or invitations to make bets are regularly made that are intended to result, or may reasonably be expected to result, directly or indirectly, in the acceptance of the offers or invitations,

but does not include a facility involved in the activities of a bookmaker or the conduct of totalisator betting.

Schedule 1—Transitional provisions

1—Authorised Betting Operations Act—codes of practice

- (1) Section 6A(6) and (8) of the *Authorised Betting Operations Act 2000* as inserted by this Act does not apply to the first notices published in the Gazette under that section prescribing—
 - (a) an advertising code of practice applicable to operations under the major betting operations licence or an on-course totalisator betting licence; and
 - (b) a responsible gambling code of practice applicable to operations under the major betting operations licence or an on-course totalisator betting licence,(and, consequently, consultation is not required and the notices need not be laid before both Houses of Parliament and are not subject to disallowance).
- (2) The Authority must ensure that—
 - (a) the advertising code of practice first prescribed by the Authority applicable to operations under the major betting operations licence or an on-course totalisator betting licence is substantially in the form of the codes of practice approved by the Authority under section 48 of the *Authorised Betting Operations Act 2000* immediately before the commencement of this paragraph; and
 - (b) the responsible gambling code of practice first prescribed by the Authority applicable to operations under the major betting operations licence or an on-course totalisator betting licence is substantially in the form of the codes of practice approved by the Authority under section 49 of the *Authorised Betting Operations Act 2000* immediately before the commencement of this paragraph.
- (3) Failure to comply with subclause (2) does not affect the validity of a code of practice.