part of the present illegal system. The second is the continuance of the present illegal system of betting, not at stated odds, but at odds determined by the amount of the dividend ultimately paid on the totalizator.

72. To both of these concomitants there are serious objections. It is a purely historical accident that credit betting should be the only legal system of betting with bookmakers in England. It just so happened that the particular evils against which the English Betting Act of 1853 was directed were the evils created by and associated with ready-money betting-shops which had come into existence. For the purpose of suppressing that particular evil the Act made betting for ready money illegal and, to enforce its prohibition, made the physical association of bookmaker and client an offence. In this state of the law recourse was had to credit betting in premises to which bettors had no access. This was done purely as an expedient and to preserve the business of the bookmakers without breaking the law.

73. So far as we have been able to ascertain, the merits and demerits of credit betting as opposed to cash betting have never been conclusively considered by the English Legislature. Doubtless some consideration was given to the topic when the Select Committee of 1902 recommended that the provisions of the Betting Act, 1853, should be extended to cover offices for credit betting by correspondence. In New Zealand, on the contrary, the weight of responsible opinion had been decisively in favour of ready-money betting as against credit betting. This is implicit in the legislative adoption of the totalizator and insistence upon its operating only upon a ready-money basis. The reason is obvious, for gamblers who, as a class, are inspired by a profound spirit of optimism, have a tendency to gamble on the prospect of success and so to gamble more heavily than they would dare or care to do if they were constrained to pay the amount of their bets in cash. It is therefore generally and credibly believed that credit betting results in excessive betting, in undue poverty, and in peculation. Individuals may steal to bet, but the number who do so is small as compared with the number who feel themselves impelled to steal when under heavy pressure for the payment of bets already made and lost. To individuals who have access to funds, threats of disclosure are a powerful factor inducing dishonesty.

74. A somewhat similar philosophic basis lies at the root of the prohibition now and for many years past in force against betting based on dividends to be paid by the totalizator. This prohibition first came into force with the Gaming and Lotteries Amendment Act, 1894, and, despite many opportunities for its repeal, it has been continued in force ever since. The reason for it is that if people are to receive or pay, not according to declared odds, but according to the odds subsequently disclosed by the totalizator, then there is an incentive to do what is necessary to produce a desirable result upon the totalizator. This