

company in which the shareholding should be spread as widely as possible amongst persons addicted to betting on horse-racing. For the rest, the scheme, in broad outline, is that there should be a separate totalizator for each of the separate districts into which he proposes that New Zealand should be divided. No attempt was made to define the districts, but it was suggested that preliminary study or experience would indicate precisely what localities should be comprehended in each district. He proposes that a totalizator should be established in that centre in each district which will cater most conveniently and efficiently for all the off-course bettors in the district. In the aggregate, Mr. Winter envisages the establishment of approximately twenty totalizators; each should, he suggests, be reinforced and served by offices established in such other centres in the district as the volume of business offering warrants. In the smaller communities he suggests that agents should be appointed. Each totalizator is to compute its own dividend on its own particular pool. Each would therefore operate independently of every other. Mr. Winter suggests that dividends should be paid out after each race. Tickets are to be purchasable for any race at any time that the totalizator house, its subordinate offices, and agencies are open for the sale of tickets on that race. The payment of a commission of $2\frac{1}{2}$ per cent. to agents on all moneys invested through them is proposed. Otherwise, in general outline, the totalizators are to operate in the same way as racecourse totalizators now operate. It is proposed, however, that the State should receive only 5 per cent. of the pool by way of taxation in addition to the 5 per cent. dividend tax now payable. The race club or trotting club which provides the sport in respect of which bets are made is to receive 1 per cent. net on all investments passing through the company's totalizators on races conducted by that club. Fractions are to be retained by the company just as they are retained by racing clubs to-day. Mr. Winter advocates the establishment of a doubles totalizator by the company.

98. It is obvious from the scheme as propounded by Mr. Winter, as well as from the evidence given by him that he has given the subject of off-course betting and his own scheme with respect to it a great deal of thought, and we are indebted to him for his efforts and for the time and trouble he devoted to the explanation of the scheme. His proposals, however, do not commend themselves to us. They may, in some respects, prove impracticable, whilst in at least one fundamental respect they are undesirable. There cannot but be the gravest objection to granting to any individual or corporation a commercial interest in gambling involving any possibility of private gain. That objection is aggravated where, as here, such an interest is to be given the benefit of a monopoly enforced under the sanction of the criminal law. In this crucial respect, therefore, Mr. Winter's scheme appears to us to be undesirable.