

dependent upon turnover, nor should any device be countenanced which would make the material interests of individuals in any way dependent upon their introducing or attracting betting. This phase of the administration should be made the subject of clear, comprehensive, and emphatic regulation for ingenuity would, no doubt, readily suggest means of evasion.

125. Then, too, the distribution of profits should be regulated; for that there will be profits, either immediately or in the future, seems reasonably certain. A monopoly of off-course betting protected by law would be regarded generally as a highly profitable venture. No individual or company (for the incorporation of a company may prove necessary) should make any profit out of the undertaking. We suggest, therefore, that annually all profits, less such reasonable sum as it may be necessary to retain as a contingency fund, should be divided amongst racing and trotting clubs in the proportion that the money from off-course betting which has passed through the totalizator maintained by each during the year bears to the aggregate sum handled in off-course betting during that year. If a company is formed, only racing and trotting clubs authorized to operate a totalizator should be eligible as shareholders. The payment of interest on any capital subscribed should not be countenanced, as the shareholder clubs will benefit otherwise from the operations of the company.

126. On the other hand, we recommend that any sums received by clubs from the operations of the scheme should be free of any obligation to disburse such sums or any part thereof in stakes. Such moneys should, we think, be regarded as moneys available for expenditure for general purposes. Thus, the clubs and the public will benefit.

127. It is impossible at this stage to attempt to prescribe the details of any such scheme. We recommend, therefore, that the scheme as a whole should, before its initiation, be approved by the Minister of Internal Affairs. He might well, in this respect, act upon the recommendation of the Racing Advisory Board, the creation of which we recommend. In the public interest power should be reserved to the Minister to require such modifications or extensions of the scheme as may at any time appear to him necessary or desirable.

128. To ensure that the scheme as proposed, subject to such appropriate modifications as may appear desirable, is put in hand with reasonable expedition, the Minister of Internal Affairs might well, after consultation with the advisory body mentioned above, fix a date for its initiation and make the grant of totalizator licences dependent upon a satisfactory initiation by the Conferences. For this no new legislation is necessary. Some such sanction is essential, for inaction on the part of the Conferences might well tend to the continued maintenance of the present illegal system of betting, and that is, beyond all question, contrary to the public good.