

contrast to the condition pertaining in England, where, in many instances, much the greater part of stakes is contributed by the contesting owners. The income derived from the totalizator has also enabled clubs to provide their patrons with more and better amenities and more comfortable accommodation at lower charges than has proved possible on most other courses elsewhere.

241. The enjoyment by clubs in New Zealand of this advantage involves upon their part, however, a greater obligation to have regard to the comfort and interests of their patrons, for it is those patrons who, in effect, provide the income which makes possible in New Zealand all the advantages which racing and those associated with it enjoy in this country. A different position may well pertain where owners provide substantially the whole of the stakes for which they contend and where clubs are constrained to rely upon membership and entrance fees and the hiring of accommodation to patrons for the greater part of their income.

242. The advantageous position which racing enjoys in New Zealand is, no doubt, also largely contributed to by the complete absence of any proprietary interest in the sport. From the absence of any financial interest of a private character in racing many benefits have accrued, and perhaps none has proved of greater value in operation than the conception now generally accepted without question by all racing authorities that the clubs of both types are trustees for the public. Another contributing factor has been the imposition of an obligation upon clubs, both racing and trotting, to disburse in stakes a high percentage of the income derived from the totalizator. This obligation requires, as we think, some modification when, as now, money is circulating freely and turnovers are consequently high, but in the main its imposition has proved beneficial, and the founders of both Conferences are entitled to gratitude for their foresight and wisdom.

SECTION 3.—GOVERNMENT INSPECTION

243. Totalizator inspection is one of the forms of control exercised by the Government. This was first instituted in 1918, and since that year a Government Inspector has been present at all race meetings at which the totalizator is in operation. Statutory provision for such inspection was made by section 7 of the Gaming Amendment Act, 1924. The broad principle covering this inspection is to insure—

- (1) That totalizators are operated in accordance with the law ; and
- (2) That the public is dealt with justly.

244. The presence of a Government Inspector is an assurance to the public that correct figures are displayed and that correct dividends are declared. This inspection has resulted in obviating numerous complaints and inquiries, and has generally inspired confidence. It