

has also been the means in numerous instances of preventing the payment of incorrect dividends. Improvements in totalizators and new methods in their administration have been continually introduced, so that it has become necessary for every Inspector, in order to carry out his duties efficiently, to obtain a general knowledge of the machines used and to make a full study of their efficient administration. Even a knowledge of the sources of mechanical faults is required. With the introduction of new and more improved totalizators, Inspectors will be required, more than ever, to specialize in this work.

245. This form of control is essential, and we recommend its continuance. We incidentally also recommend that the Department of Internal Affairs be given every facility to obtain the services of and to train officers competent to carry out efficiently the multifarious duties now falling, under the heavy strains of race-day working-conditions, to the lot of its Totalizator Inspectors. Such men must act promptly in making decisions in emergencies arising from mishaps to the intricate and delicate electrical installations which are increasingly coming into use, and a high standard of training and experience is consequently necessary.

SECTION 4.—TOTALIZATOR TAXATION, COMMISSIONS, AND FRACTIONS

246. It was ten years after the first statutory regulation of the totalizator that the State began to exploit the machine as a source of revenue. Prior to 1881 the only deduction from the pool was the commission deducted by the clubs operating the machine. The history of State taxation is shown in the following table :—

Year.	Act.	Nature and Extent of Taxation.	Total Totalizator Deduction for State Taxation.
			Per Cent.
Prior to 1891		Tax free	..
1891	Stamp Amendment Act	1½ per cent. on gross totalizator turnover	1½
1909	Stamp Duties Amendment Act	Increase to 2½ per cent. ..	2½
1915	Finance Act ..	In addition to above, dividend duty 6d. in the pound	4½
1921	Finance Act (No. 2)	Dividend duty increased to 1s. in the pound	7
1930	Finance Act ..	Totalizator duty increased to 5 per cent.	9½
1932	" ..	Totalizator duty decreased to 4 per cent.	8 & 7/20th
1934	Finance Act, 1933 ..	Totalizator duty increased to 4½ per cent.	8 & 17/20th
1935	Finance Act (No. 3), 1934	Totalizator duty decreased to 4 per cent.	8 & 7/20th
1936	Finance Act (No. 2)	Totalizator duty decreased to 4 per cent.	8 & 7/20th
1937	Finance Act (No. 2)	Totalizator duty continued at 4 per cent.	8 & 7/20th
1938	Finance Act (No. 2)	Totalizator duty continued at 4 per cent.	8 & 7/20th
1939	..	Totalizator duty reverted to 5 per cent.	9½