

A Totalizator Inspector was present at every meeting held throughout the year. As stated, it is one of the duties of the Totalizator Inspector to see that the correct dividend is paid, but at one meeting a mistake was made, and the dividend was short-paid, and the error was not detected until after the meeting. The matter was brought under the club's notice, and the Minister directed that the total amount of dividend short-paid—namely, £63 7s. 6d.—be handed over to the local Hospital and Charitable Aid Board, and this the racing club willingly and promptly did.

Many of the totalizator-houses are totally inadequate to meet the demands made on them by the public. Owing, however, to the difficulty in securing timber and cement, the contemplated improvements to the totalizator-houses have had to stand over until after the present demand for the erection of residences is met.

As will be seen from the attached return, the sum of £8,792,570 was passed through the totalizator, as compared with £5,732,479 10s. the previous year, an increase of £3,060,090 10s., equal to 53·38 per cent. The investors on the totalizator received back in dividends £7,673,404 5s. The difference (£1,119,165 15s.) was disposed of as follows: The Government received £417,654 10s. 6d., of which £219,814 5s. represented 2½ per cent. on the total investments, and £197,840 5s. 6d. was the dividend-tax of 6d. in the pound. The clubs received the balance of the £1,119,165 15s.—namely, £701,511 4s. 6d.—which is made up of £659,442 15s., being 7½ per cent. of the totalizator turnover, and £42,068 9s. 6d. fractions.

During the year racing clubs gave in stakes £403,385, and trotting clubs £98,840, making a total of £502,225 paid in stakes, as compared with £383,070 for the previous year. The average stake per race paid by racing clubs works out at £229·58, and by trotting clubs £206·77. In addition to the above figures racing clubs gave cups, bracelets, and plate to the value of £2,330, and trotting clubs £576. The 1-per-cent. tax paid to the Government on the stakes given amounted to £5,022 5s.

In addition to the £5,022 5s. tax on the stakes and the £417,654 10s. 6d. totalizator-tax paid to the Government by racing and trotting clubs, those clubs also pay 2½ per cent. tax on entrance fees, sale of privileges, &c., amusement-tax on entrance tickets, as well as land-tax and income-tax.

Last year I drew attention to the large sum the fractions amounted to—namely, £27,457 14s. 6d.—and expressed the opinion that clubs had no just claim to retain such fractions. My remarks evoked much criticism, but not one sound argument was adduced as to why clubs should be allowed to retain them. This year the fractions amounted to £42,068 9s. 6d., an average of £148 2s. 6d. per day of racing. I would suggest that such fractions be handed over to the Sinking Fund Commissioners, to be used by those gentlemen to purchase Government securities whenever they fall below par and cancel same, thus reducing the public debt.

In conclusion, I desire to thank clubs for the many courtesies extended to myself and my deputies when attending their meetings.

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Inspector of Totalizators.

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