

SOUTH AUSTRALIA
INDEPENDENT GAMBLING AUTHORITY

Guidelines for approval of betting contingencies
(as at 11 June 2009)

1. Purpose

For the benefit of betting operators, these guidelines set out the principles and process adopted by the Independent Gambling Authority in considering requests to approve, vary or revoke the approval of contingencies under the *Authorised Betting Operations Act 2000*.

2. Context

Under the Authorised Betting Operations Act, betting operators who are licensed or authorised to operate in South Australia may only accept bets on contingencies that have been approved. The approving body is the Independent Gambling Authority and the relevant provision is section 4 of the Authorised Betting Operations Act.

Acceptance of bets that are not approved contingencies is an offence and may lead to statutory default action, including a fine or loss of licence or authorisation.

The betting operators to which this applies are licensed bookmakers, licensed racing clubs, the holder of the major betting operations licence (SA TAB Pty Ltd) and authorised interstate betting operators.

Recent changes to the law have increased the numbers of betting operators likely to request approval of new contingencies. To facilitate orderliness in process, the Authority has published these guidelines.

3. Relevant legislation

- (1) Section 4 of the Authorised Betting Operations Act gives the Authority a discretion to approve, vary or revoke betting contingencies. The section provides that the Minister for Gambling may give binding directions restricting or prohibiting the approval of particular contingencies. The Authority cannot be directed to approve a contingency.
- (2) Before deciding to approve or vary a contingency, the Authority is required (by section 4(3) of the Authorised Betting Operations Act) to have regard to—
 - the standards of probity applying in relation to the contingencies;
 - available evidence of the past conduct of events to which the contingencies relate;

- the likely nature and scale of betting operations in relation to the contingencies;
 - whether betting operations in relation to the contingencies are lawful elsewhere in Australia; and
 - the appropriateness in other respects of the contingencies.
- (3) Contingency approvals must be published in the South Australian Government Gazette within 14 days after being made.

4. Principles for approval of contingencies

Standards of probity and integrity

- (1) The Authority will not approve contingencies which, in its opinion, are readily susceptible to fraud or manipulation.
- (2) The following will be taken into account in forming an opinion about susceptibility to fraud or manipulation:
- (a) the nature of the contingency and the degree to which it may be subject to the influence of a single person or a small group of persons operating in concert;
 - (b) the degree to which the body controlling the event to which the contingency relates has management practices addressed towards preventing fraud or manipulation of the event;
 - (c) the degree to which betting operators proposing or likely to take bets on the contingency have management practices directed towards identifying and addressing instances of fraud or manipulation of betting on that contingency;
 - (d) the degree of cooperation between the body controlling the event to which the contingency relates and betting operators proposing or likely to take bets on the contingency, for example by an integrity agreement.
 - (e) the past conduct of events to which the contingency relates;
 - (f) the past conduct of the body controlling the event to which the contingency relates;
 - (g) the past conduct of betting operators proposing or likely to take bets on the contingency; and
 - (h) the past experience (if any) of betting on the event to which the contingency relates.

Nature and scale of betting operations

- (3) The Authority will have regard to—
- (a) the nature and scale of the betting operations relating to the proposed contingency; and
 - (b) the potential market for the contingency.

Interstate comparison

- (4) The Authority will have regard to whether betting operations in relation to the proposed contingency are lawful elsewhere in Australia. The fact that a proposed contingency is lawful elsewhere in Australia does not mean it will be automatically approved by the Authority.

Appropriateness

- (5) The Authority will not approve a contingency that, in its opinion, is not appropriate having regard to—
 - (a) community standards as observed by the Authority;
 - (b) relevant laws; and
 - (c) the advice of other government agencies if sought by the Authority.
- (6) Community standards as observed by the Authority would not generally allow the approval of—
 - (a) a contingency involving competition between minors;
 - (b) a contingency involving unlawful activity or which encourages unlawful activity;
 - (c) a contingency relating to an event where the body controlling the event has a genuine objection of principle to the proposed betting;
 - (d) a contingency relating to economic statistics (such as the rate of unemployment);
 - (e) a contingency relating to matters before a court or tribunal; or
 - (f) a contingency that is offensive or distasteful.

Competitive neutrality

- (7) Unless there good reasons not to approve contingencies for a particular type of betting operator or a particular betting operator, the Authority will approve contingencies for availability to all betting operators licensed or authorised to accept bets in South Australia.

5. Process

- (1) Betting operators may make requests for approval or variation of contingencies by the Authority. Approval of a contingency is not automatic and betting operators must not accept bets on any contingency before it is approved.
- (2) Requests must be made in writing and include—
 - a detailed description of the proposed contingency;

- a statement addressing the principles for approval of contingencies outlined above, with sufficient information to enable the Authority to make an informed decision including information about—
 - standards of probity and integrity;
 - past conduct and experience;
 - the nature and scale of the betting operations; and
 - interstate approval status.
 - a draft wording of the proposed contingency for inclusion in the notice of approval; and
 - contact details for more information.
- (3) Generally, requests for approval of contingencies will be considered by the board of Authority. Any requests will also be transmitted to the Minister for Gambling. It may take several weeks for a decision in relation to a request to be made.

6. Further information

Further information about contingencies is available from the Authority's website www.iga.sa.gov.au or by contacting the Authority on (08) 8226 7233.