

As the footy season approaches, many offices will start running their traditional AFL or NRL tipping competition. Often these are run by staff, independently of their employer, but in some smaller offices the line between an employer-run footy tipping competition and staff-run competition can be blurred.

What many workplaces often don't realise is that this great Australian tradition may get them into trouble with local racing, gaming and liquor regulators. In most states of Australia, a licence is required to run certain games of chance. In many circumstances, an office footy tipping competition can fall within this definition and be captured by state regulations that impose hefty fines for operating an unlicensed lottery.

Often, a small competition run by a few staff members should not fall foul of state regulations. However, the rules are different in every state and will depend on the particular circumstances of the competition. State laws usually provide exceptions for small competitions run between friends or colleagues where all money is returned to players. Likewise, some states provide exceptions for competitions run for charitable purposes while others impose an additional or different level of regulation where a charity is involved.

For example, in New South Wales, a permit is not required if the prize pool comprises the total amount paid as entrance fees (less any costs and expenses properly incurred in connection with the conduct of the tipping competition) or the prizes are less than AU\$20,000. A permit is required if there is no entry fee, the prize pool exceeds the total amount paid as entrance fees, or the prizes are more than AU\$20,000. New South Wales also has a separate piece of legislation (the Charitable Fundraising Act 1991) which imposes a different set of regulations for people running competitions for charitable purposes.

In Western Australia, there is a general allowance for social gambling but the definition of "social gambling" is quite strict. It must be spontaneous, cannot involve private gain for someone not participating in the game, must ensure that no one is cheated, defrauded, or levied, must pay out to the winner any money put in by the players, as well as meet other general requirements of the legislation. If the footy tipping competition doesn't fall within the social gambling definition, it could be caught by WA gambling licencing laws.

In Victoria, a footy tipping competition can be run without a licence if all of the money collected is returned as prizes and the total value of prizes distributed is no more than AU\$5,000. This means that the organiser of the competition cannot take money out of the prize pool as expenses. All of the money collected must be returned as prizes.

These are just some examples and the laws are different again in Tasmania, Queensland, South Australia, the Northern Territory and the ACT. The important point is that employers and participants should remain aware of the laws in their state and ensure that any office footy competitions are compliant with local laws. Some of the basics that employers or staff organising footy competitions should think about are:

- What are the rules in your state and do you need a licence to run any sort of competition?
- Are you taking out money from the prize pool for expenses or profit, or is all money being returned to players?
- How much money is involved and does it fall below the threshold in your state?
- Is the competition being run to raise money for charity and, if so, does your state impose more or less regulation as a result?

### Further Information

For information or advice regarding Australian gaming regulations, contact one of the Squire Sanders lawyers listed below.

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