

MINISTER'S OFFICE  
Rec'd ..... 11 / 8 / 14 .....  
Reg No: ..... MFIN 14D 00 308 .....  
File No: ..... MFIN 14 / 00 30 .....  
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8 August 2014



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The Hon. Tom Koutsantonis MP  
Minister for Finance  
Level 8, 200 Victoria Square  
ADELAIDE SA 5000

Dear Minister

I advise that the Commission at its meeting on 7 August 2014 considered the letter from the Premier to the Presiding Member that every Government board and committee would be abolished by 30 October 2014 unless it could be demonstrated that its essential purpose could not be fulfilled in another way.

The Commission commends the Government on this initiative and is most supportive of the intent.

In response to the specific requirement to consider whether the Lotteries Commission of South Australia (the Commission or SA Lotteries) should be exempt, abolished or merged, I advise the following:

- the Lotteries Commission of South Australia is a statutory authority empowered under the *State Lotteries Act (1966)* (the Act);
- Commission membership is currently the legislative minimum of three, however, can comprise up to five members. Two of the current members do not receive a fee as they are both employed within the public sector.

In accordance with the Act, the Commission is a body corporate with powers and functions including the promotion and conduct of lotteries in South Australia. These lotteries include the major products, eg Saturday, Monday and Wednesday X Lotto, Oz Lotto, Powerball, Keno and instant money games.

Prior to 11 December 2012 SA Lotteries was both an operator and a regulator (with the Minister's approval) of these major lotteries in South Australia and was funded by the operations of the business.

From 11 December 2012 Tatts Group was appointed as Master Agent of the Commission to sell lotteries games on its behalf. From that date SA Lotteries has been funded by a subsidy from government.

The Commission is of the view that the *State Lotteries Act (1966)*, and the *Lottery and Gaming Act (1936)* that provides for licensing of lotteries other than SA Lotteries' products, should be abolished and replaced with one statute to centralise, authorise and regulate lottery operations in South Australia. This would follow the precedent that already exists for State betting and wagering operations and enable one gambling regulator ie the Independent Gambling Authority, for all segments of the gambling industry.

If the above strategy was pursued, there would not be a requirement for a Commission to oversee the regulation and operation of lotteries in South Australia.

In the event that there is no legislative change, a Commission will still be required and we recommend that its members be appointed from within the public sector.

Yours sincerely



**W.R. JACKSON**  
**PRESIDING MEMBER**