

26 August 2016

The Coordinating Officer
Lotteries and Art Unions Act Review
Liquor & Gaming NSW
GPO Box 7060
SYDNEY NSW 2001

c/- [REDACTED]

To whom it may concern,

RE: REVIEW OF THE LOTTERIES AND ART UNIONS ACT 1901

The Australian Hotels Association (AHA) NSW thank you for the opportunity to contribute to the Review of the *Lotteries and Art Unions Act 1901*. Please find our brief submission attached.

Should you require further information or wish to discuss the issues raised in this submission, please do not hesitate to contact AHA NSW Director of Liquor and Policing John Green on [REDACTED]

Yours faithfully,



JOHN WHELAN
Chief Executive Officer

Australian Hotels Association NSW

Submission to the Review of the *Lotteries and Art Unions Act 1901*

Introduction

1. Community gaming activities and competitions are administered by the *Lotteries and Art Unions Act 1901* (“the Act”).
2. Hotels in New South Wales regularly conduct community gaming activities and competitions ancillary to a broad range of other services such as the provision of food, accommodation, liquor, live music, gaming and wagering.
3. As the peak body for the hotel industry, the Australian Hotels Association (AHA) NSW is pleased to make a brief submission to the Review of the Act (“the Review”).

The Suggested Framework

4. The suggested regulatory framework contained in the Review Discussion Paper represents a significant improvement on the Act as it is currently drafted.
5. The present framework for regulating community gaming activities and competitions is unnecessarily complex and difficult to interpret, and as such represents an obstacle for business. This is particularly the case for smaller businesses, which may not regularly engage in these promotional activities and lack the experience to easily navigate the regulatory framework.
6. Hoteliers operate their businesses under a multitude of different pieces of legislation, regulation, and policy across three levels of Government. The AHA NSW supports any Government effort to improve the ease of doing business in New South Wales, while acknowledging the need to strike the appropriate balance between facilitating community gaming and minimising the risk of community harm.
7. The proposed NSW model in the Review Discussion Paper largely strikes that balance. However, we submit that the requirement for organisations to obtain a permit for conducting Trade Promotion Lotteries where the prize is over \$10,000 in a 12 month period requires further consideration.

8. The AHA NSW notes that the policy context of New South Wales shares many more similarities with Victoria and Queensland than with New Zealand. Prize values, in particular, are commonly much higher in Australia than New Zealand.
9. We submit that the Victorian and Queensland regulatory frameworks do not require permits for Trade Promotions, irrespective of the total value of prizes to be awarded, and that legislative harmony with these Australian jurisdictions should be pursued.
10. However, if a prize value floor for requiring a licence to conduct a Trade Promotion is to be a feature of the NSW regulatory framework, the \$10,000 limit appears to be both arbitrary and unduly limiting.
11. In the interest of further cost and complexity reduction for small and medium sized business and in the absence of its complete removal, we submit that the limit for a Trade Promotion licence be lifted to \$50,000.
12. If the prize value limit is to be retained, it should also be clarified that individual Trade Promotions are to be treated as distinct from one another, i.e. that the limit does not apply collectively to all Trade Promotions run by an operator over a 12 month period.
13. This is of particular importance for business owners who operate across multiple venues who would otherwise be forced to apply for a permit for practically every Trade Promotion they chose to run due to their larger annual promotional budgets.
14. If it is the intention of Government to reduce red tape and barriers to business activity whilst retaining a prize limit, ensuring that these reforms recognise that multiple small Trade Promotions do not, in effect, constitute one large Trade Promotion is of critical importance.

Conclusion

15. In summary, the AHA NSW submits to the Review that:
 - a. Trade Promotion Lottery licences should no longer be required, establishing jurisdictional parity between New South Wales, Queensland, and Victoria; or
 - b. If Trade Promotion Lottery licences are to be retained, the total prize value threshold for requiring a licence should be raised to \$50,000; and

- c. If Trade Promotion Lottery licences are to be retained, each promotion must be treated as distinct for the purposes of the prize value limit to achieve the desired reduction in red tape.

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