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MEDIA RELEASE

Monday, 19 December 2005

BRACKS SHOULD NOT GAMBLE WITH SMALL BUSINESS

Steve Bracks should guarantee he will not allow supermarket chains, Coles and Woolworths to sell lottery tickets in Victoria because this will disadvantage small businesses who will also seek new lottery licences when the current agreements expire in June 2007.

The Bracks Government has invited a shortlist of registrants for lottery licences to formally tender for either one exclusive licence or for one or two licences covering specified segments of the lottery market in Victoria.

The impact of any move by Woolworths or Coles to sell lottery tickets would be significant on small businesses and lottery agents throughout Victoria who provide a responsible, efficient and accessible distribution network for lottery ticket products.

The main licence holder Tattersall's is big enough to compete and argue the merits of its business case for a lottery licence to the Bracks Government, but thousands of small businesses would become casualties of Labor's attempt to increase its tax grab on lottery tickets in an auction to the highest bidder.

At the very least, any move to allow the chain supermarkets to expand into the sale of lottery tickets would need to be examined in terms of the public benefit and responsible gambling objectives.

The new lottery licence or licences will apply from July 2007 with the existing agreement with Tattersall's due to expire at the end of June 2007.

The Bracks Government has not disclosed which companies or consortiums have been shortlisted for the formal tender process.

While recognising the benefits of competition in business, I would be concerned if the Bracks Government was to issue a licence to any party that would distribute lottery tickets from supermarkets.

Woolworths already owns a lottery ticket agency and has recently become one of the biggest players in the gaming industry through the acquisition of hotels and gaming venues throughout Australia.

The Bracks Government must consider the needs of small businesses, which it has already burdened with copious amounts of red tape and massive land tax bills, and refuse granting lottery licences to Coles and Woolworths supermarkets in favour of small business operators and lottery agents who risk losing their businesses.

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