

Question_28.7.2011

Lotteries Commission of South Australia

Mr BROCK (Frome) (14:50): My question this time is to the Treasurer. Can the Treasurer advise the house on the progress of creating a sublicence to operate lotteries in South Australia? Since the announcement in the recent budget regarding the proposed new direction of the South Australian Lotteries Commission's operations, there are grave concerns from newsagencies in my electorate, in particular—I have plenty of them—especially those with a lotteries licence, as to their future and security with this proposed move.

The Hon. J.J. SNELLING (Playford—Treasurer, Minister for Employment, Training and Further Education, Minister for Workers Rehabilitation) (14:50): I would like to thank the member for Frome for this question and the passion with which he has sought to defend the interests of his constituents. I am happy to be corrected, but I do not think I have had a single question from the opposition on this issue at all, which just goes to show—

The SPEAKER: Point of order, member for Davenport.

The Hon. I.F. EVANS: Before the Treasurer misleads the house I suggest—

Members interjecting:

The SPEAKER: Order!

The Hon. I.F. EVANS: —he reads the estimate committees process. This question was asked of him there.

The SPEAKER: Thank you. The member for Davenport will sit down.

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! Treasurer.

The Hon. J.J. SNELLING: The fact remains that in either—

Members interjecting:

The SPEAKER: Order, the member for MacKillop!

The Hon. J.J. SNELLING: Between six and nine hours of question time there has been since this decision was announced and I have not had a question—and I am happy to be corrected—

Mr PENGILLY: Point of order: 128, relevance. It has nothing to do with what the opposition may or may not have asked. The question was quite direct.

The SPEAKER: Thank you, member for Finniss. I won't uphold that point of order.

The Hon. J.J. SNELLING: The fact remains that in six to nine hours—

Members interjecting:

The SPEAKER: Order!

The Hon. J.J. SNELLING: This is estimates. In six to nine hours—it just goes to the heart of the Liberal Party's claims that small business is their natural constituency.

Members interjecting:

The SPEAKER: Order!

The Hon. J.J. SNELLING: It goes to the heart of their real concerns for small business but it's good to see that the member for Frome at least is interested in protecting the interests of small business in his electorate.

As members would be aware, as part of the 2011-12 budget I announced the South Australian government's intention to create a sublicence to operate lotteries in South Australia. The government has identified ever-increasing competition from other gambling sectors such as casinos, corporate bookmakers, pokies and the rise of online gambling as among the reasons for its decision. Also, over recent years, other states like Victoria, Queensland and New South Wales have either licensed or sublicensed their lotteries business to the private sector.

It is intended that the sublicence will be available to a private sector operator, giving it the right to promote and conduct lottery games under SA Lotteries corporate and product branding for a period of time. The state will retain ownership of the lottery licence—

Members interjecting:

The SPEAKER: Order! There is far too much background noise.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. J.J. SNELLING: I know you have been embarrassed that the member for Frome had to ask a question which perhaps you should have asked but, nonetheless—

Members interjecting:

The SPEAKER: Order!

The Hon. J.J. SNELLING: How many questions have I had on the state budget? I cannot, in my 14 or 15 years of being here, remember—

Members interjecting:

The SPEAKER: Order!

Mr WILLIAMS: Madam Speaker, can I seek a point of clarification? Can you remind the house if it is, indeed, out of order to ask the same question twice and, if so, is it out of order for ministers to give questions which they have already been asked by the opposition to other members to ask them as Dorothy Dixers?

The SPEAKER: Order! Thank you. I don't think there was a point of order there. You were asking for an opinion. I understand there were some—

Members interjecting:

The SPEAKER: Order! I think the Treasurer is right. There were perhaps some questions asked in estimates, which is not in this chamber here. Treasurer, can you return—

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The Hon. J.J. SNELLING: I find it amazing—

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Point of order, or, as the Deputy Leader of the Opposition would put it, a point of clarification: is it orderly to scream abuse across the chamber?

The SPEAKER: Thank you. I am very happy to call this question time to a close if members continue in this vein and we will get on with the business of the day and finish early. However—

Members interjecting:

The SPEAKER: Order! Can we have a little bit of order in this place? It is the last day before the winter break. We have a group of young people up there watching and wondering what on earth is going on.

Members interjecting:

The SPEAKER: Order! Treasurer, I would ask you to return to the substance of the question.

The Hon. J.J. SNELLING: Of course, ma'am. Groundhog day, the member for Davenport calls out; well, when you get three or four questions all the same, just asked to different ministers, yes it does seem a bit like groundhog day. It is intended that the sublicense will be available to a private sector operator giving it the right to promote and conduct lottery games under SA Lotteries corporate and product branding for a period of time. The state will retain ownership of the lottery licence and intellectual property associated with SA Lotteries brands. Lottery gambling tax (which makes up about three-quarters of what is returned to government from lotteries) will continue to be paid into the hospitals and recreation and sport funds.

The government is committed to maximising the economic benefits to the state and protecting business interests and growth opportunities for lotteries agents. The government has given assurances to protect the business interests of the agents and taken unprecedented steps early to provide business as usual for SA Lotteries agents.

The government has announced that all agents will be protected under this announcement and will have their current agreement with SA Lotteries reset to five years from the date of the transfer of the sublicense to a new operator. Further, an option will exist to further extend agreements for an additional five years if the terms and conditions of that agreement have been met. Thirdly, the commission rates paid currently will be maintained to provide additional protection and security to agents. Fourthly, SA Lotteries corporate branding and product branding will not change. This will help to protect the investment in agency infrastructure.

I am working closely with the presiding member of SA Lotteries, Mr Hans Ohff, and the commission, and Chief Executive of SA Lotteries, Ms June Roache, to seek their advice and to make sure there are few interruptions and the interests of agents are protected. An agent reference group, which has been established since 1996, will continue to meet with SA Lotteries management to maintain this important feedback and consultation mechanism for agents. I have already written to all agents to explain the government's approach to the sublicensing and will continue to keep them informed.

The Australian Newsagents Federation has established a blog to canvass their agents' views and I will be meeting with the federation shortly to hear their concerns. I know lotteries plays a major part in generating income for many agents and small businesses in the state. I can assure the house that a sublicense can only be awarded to a successful operator if, and only if, I am fully satisfied that the interests of agents are protected.