

17A September 2010,

Mr Kym Della-Torre,
Director of Gambling Policy
Department of Treasury and Finance,
GPO Box 1045
Adelaide SA 5001.

Dear Kym,

Re Gaming Machine Entitlements - Approved Trading System Consultation Paper.

Thank you for the opportunity of commenting on the above Consultation Paper.

The AHA|SA has considered the Consultation Paper and can indicate that we support each of the Market Design Objectives (Section 3) and Common Market Features (Section 4). We do not agree that the Government's position to remove any additional gaming entitlement should continue. While we support the removal of the cap and acknowledge that the Periodic Trading Model meets the objective, the removal of further entitlements will not address the real objective of addressing problem gambling, a point that appears to have been acknowledged by the Independent Gambling Authority. We do understand the Government's position and will continue to work constructively to meet the reduction agenda.

We take this opportunity of again pointing out that for this model, or indeed most of the other models to work effectively, consideration should be given to resolving the issue of existing leases that prevent lessees from participating in the sale of entitlements, particularly in those cases where the lessees has purchased entitlements in previous trading rounds.

Secondly we ask that consideration be given to allowing for intra-group trades. We note the comments at paragraph 5.6.2 that "Rules to address this specific circumstance will be included". If the objective is to reduce entitlements numbers, enabling intra-group trades which include forfeiture, may result in a better outcome than artificial rules which may well distort market forces.

We thank you for the opportunity of commenting on the Consultation Paper and look forward to commenting on any draft regulations in due course.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Ian Horne', with a long horizontal flourish extending to the right.

Ian Horne
General Manager