



ALH Group  
ABN 37 067 391 511

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Gambling Policy  
Department of Treasury and Finance  
GPO Box 1045  
ADELAIDE SA 5001

Email: [gamblingpolicy@sa.gov.au](mailto:gamblingpolicy@sa.gov.au)

ALH Group (ALH) welcomes the opportunity to comment on the Gaming Machine Entitlements Approved Trading System

ALH has 286 licensed venues and more than 450 retail liquor outlets across Australia. In South Australia we operate 32 hotels, of which 30 have electronic gaming machines. We also operate venues across Victoria, New South Wales, Queensland, Tasmania and Western Australia.

ALH has been an active participant in both Queensland and New South Wales entitlement trading programs that have some similar parameters to what is being proposed by the South Australian consultation paper. ALH believe that the Periodic Trading System preferred by the South Australian Government is a sensible and fair approach to entitlement trading.

ALH support a Periodic Trading system where the interaction of demand and supply would determine a market equilibrium price where all successful bidders pay an amount consistent with their stated preferences while successful sellers receive an amount consistent with their stated preferences.

ALH would like to make the following three points in regards to the adoption of a Periodic Trading System model:

**1. Trading periods**

- ALH would recommend that initial trading periods occur quarterly. The number of trading periods held per year could then be reduced based on market activity.

**2. Intra-group trading**

- ALH does not believe that intra-group trades "have the potential to introduce some of the undesirable elements of the Bilateral Trading model" as stated in the Gaming Machine Entitlements Approved Trading System – Consultation paper section 5.6.2. Further, the Bilateral trade option conclusion does not identify any risk as a result of inter-group trading.
- Intra-group trades between a commonly owned company properties should not subject to any entitlement surrender.
- ALH would like more detail on rules that address intra-group trades and how they would apply if the Government's preferred Periodic Trading Model is adopted.

T & F - DO NOT REMOVE



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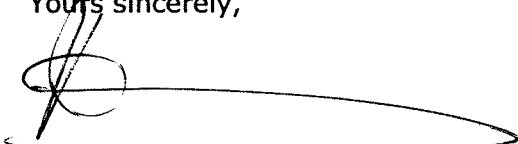
### 3. Non genuine buyers

- ALH is concerned that under the proposed Periodic Trading model that the opportunity still exists for speculators to acquire and accumulate gaming machine entitlements without any intention to deploy them in a venue. The speculator would then try to obtain profit from on-selling the entitlements at a future trading period. ALH suggest that some form of significant financial penalty is established to discourage non genuine purchasers.

ALH would welcome the opportunity to further discuss the Gaming Machine Entitlements Approved Trading System, particularly the areas highlighted in this submission.

I can be contacted directly on [REDACTED]

Yours sincerely,

A handwritten signature in black ink, appearing to be 'David Curry', written over a horizontal line.

**David Curry**  
General Manager  
Government and Corporate Relations

Copy: Hon Tom Koutsantonis, Minister for Gaming