

**CHANNEL ISLANDS LOTTERY: FUTURE FORMAT AND ALLOCATION OF PROFITS**

---

**Lodged au Greffe on 23rd January 2001  
by the Gambling Control Committee**

---



**STATES OF JERSEY**

**STATES GREFFE**

180

2001

P.11

Price code: A

## **PROPOSITION**

### **THE STATES are asked to decide whether they are of opinion -**

- (a) to agree in principle that the Channel Islands Lottery should have a varied format including -
  - (i) a combination of instant prize and numbers draw;
  - (ii) instant prizes only;
  - (iii) a numbers draw only; and

to charge the Gambling Control Committee to bring forward for approval by the States the necessary legislation to give effect to the proposals;
- (b) to agree that the Jersey proportion of the profits of the Channel Islands Lottery during 2001 should be paid to the Association of Jersey Charities for the benefit of the community and the charitable needs of the Island.

### **GAMBLING CONTROL COMMITTEE**

Note: The Finance and Economics Committee's comments are to follow.

## **REPORT**

The Lottery in the Channel Islands has moved from separate Jersey and Guernsey lotteries in the 1960s to the formation of the Channel Islands Lottery in the mid-1970s. During that time, many millions of pounds have been raised collectively for charities, good causes and support for sport and leisure activities.

From humble beginnings and a few thousand pounds in prizes to an all-time top prize of £365,000 at Christmas in 1997, with ticket sales peaking at 5,965,500 in 1993, early indications are that despite considerable time and effort, ticket sales for 2000 are less than half that level across the Channel Islands.

Despite continued changes to the format, the competition from other sources continues to affect ticket sales. However, the Channel Islands Lottery does still have a place in the local community.

This proposition seeks to give some flexibility to the Lottery, in that a traditional numbers draw could still be held to mark a calendar date or particular celebration or event, or be for a specific cause. This would be a step back to how things used to take place, could generate both interest in the community and funds to benefit the cause, and is an option to be kept open for the future.

As things have moved on and the profile of the Lottery has lowered, the actual event and date of the draw does not have the same significance or importance it once had, as people have become more recently accustomed to multi-million pound showbiz-style draws, with the associated glitz and glamour. Also, from a practicable viewpoint, the tickets have a shelf-life, and this, to some extent, hinders late sales, as agents and sub-agents are reluctant to take extra tickets in the final week in case they do not sell them by the draw deadline. An all-instant (or scratch-card) lottery avoids this situation and, as well as giving the tickets a longer shelf-life, it also reduces other fixed costs. The Channel Islands Lottery Draws have been fortunate to receive continued support and sponsorship from the O'Connor family and, more recently, Stanley Racing, for the sponsorship of televising the draws.

This is "scrutinised" by both Jersey and Guernsey representatives; officers from the States of Jersey Treasury witness proceedings, and a private security firm holds part of the computer equipment required to hold a draw. The results need to be published in a variety of forms, including the premium charge service of the Jersey Gazette. There are considerable cost savings to be made by a change in format to an instant prize lottery, which are now commonplace in many parts of Europe for a variety of causes.

The proposition also seeks to have a combination of instant draws so that all eventualities are covered for future use.

### **Use of profits**

It is worth noting that from the first Jersey Lottery Draw in August 1966 until the end of 1992, over £10 million was raised and transferred to the "Fort Regent Fund" to pay off the capital expenditure on the Gloucester Hall, etc.

Since that time, monies have continued to be paid towards assisting many sporting clubs and associations.

Despite the most recent lower sales and volumes, approximately £40,000 will be paid to the Sport, Leisure and Recreation Committee for 2000.

Near the peak of Lottery ticket sales, the Association of Jersey Charities in 1990 received £244,125 from two "bumper draws" - Battle of Flowers and Christmas. In 2000, the estimate is £70,000. This is the main source of income for the Association of Jersey Charities - the Gambling Control Committee is concerned, and is seeking to reverse this downward trend by diverting more of the lottery profit in their direction.

The Association has over 200 member charities and, as such, is best placed to allocate funds where needed and requested from amongst the membership.

States support is sought to enable profits to be paid in 2001, and this situation will be evaluated during that time.

The Guernsey Gambling Control Committee is preparing similar proposals, and the States of Guernsey will be considering these proposals with regard to the format of the draws in the early part of this year.