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17th March, 2004

Mr. James Paice, M.P.
(South East Cambridgeshire)
House of Commons,
LONDON,
SW1A 0AA.

Dear Mr. Paice,

PROPOSED GAMBLING BILL— The Henley Report predicts more losers than winners

I am sure you are aware that the proposed Gambling Bill was recently published by DCMS and the All Party Scrutiny Committee are due to deliver their recommendations to the Government by 7th April, 2004.

A recent report, produced by the Henley Centre (in association with consumer trend experts BrandDriver), analyses the "Economic and Social Impacts of the proposed new Gambling Bill" and raises a number of serious questions.

The Henley Centre Report indicates that the Bill as currently proposed fails to achieve the balance of necessary safeguards both socially and economically. It benefits two new market sectors (Vegas style casinos and new media) but hugely disadvantages much of the existing traditional UK market, will damage communities, limit customer choice and do nothing to regenerate areas most in need.

The Henley Report Highlights:

The Nation will gamble an extra £1 billion per year by 2010

The Government will gain at least an extra £400 million in tax

New style 'Vegas' type casinos will form a significant part of the UK market.

Internet, interactive and mobile phone gambling will grow

BUT

Thousands of traditional family owned businesses will disappear

Social clubs, pubs, bingo halls, seaside and inland arcades will all suffer

Significant redundancies in community based established businesses will offset employment gains in new sectors

The number of problem gamblers will grow to over 700,000 by 2010.

We operate as suppliers of amusement and gambling machines in the East Anglian area and employ eight people. As my local MP I have decided to write to you to express both some general and specific concerns that I have with the proposed Bill in its current format and that have been highlighted by the Report. The concern is that opportunities and controls should be equally applied between the market sectors and not, as is currently being proposed, only favour the new emerging sectors (large casinos and remote gambling). Many of the existing traditional machine market sectors (seaside arcades, inland arcades, pubs, bingo etc) are facing restrictions relating to machine numbers, stakes and prizes; whilst new sectors (casinos and remote) will be able to offer a multiplicity of gaming products with virtually unlimited stakes and prizes.

It should be remembered that whatever the new entrants may generate in terms of economic benefits and jobs, the existing marketplace employs in excess of 22,000 people directly and generates circa £400M per annum in tax revenue. Businesses range from large multi-national subsidiaries to third or fourth generation family businesses who provide pleasure and entertainment to millions and form an important part of the UK's social infrastructure.

I hope that you will be able to make representation to the Rt Hon Tessa Jowell MP, Cabinet Minister ultimately responsible, Lord McIntosh of Haringey, the Minister with responsibility for the Bill, and John Greenway MP. Chairman of the Scutiny Committee.

I do hope that you are able to help us by contacting the Minister and members of the Scutiny Committee and I look forward to hearing from you in due course.

Yours sincerely,
pp. Mac Automatics Ltd.

Director.

