



file 402.

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

11 April 1990

Da Coli,

MR. KEN HARGREAVES MP'S TEN MINUTE RULE BILL

The Prime Minister has seen the Home Secretary's letter of 10 April to the Lord President and has noted the proposed handling of Mr. Ken Hargreaves' Bill for a national lottery for the benefit of the arts, sport and the environment.

I am copying this letter to the Private Secretaries to the members of L Committee, Stephen Wall (Foreign and Commonwealth Office), Roger Bright (Department of the Environment), Martin Le Jeune (Office of the Minister for Arts and Libraries) First Parliamentary Counsel, Sonia Phippard (Cabinet Office) and to the Secretaries to Legislation Committee.

*Yes,
P.G.*

PAUL GRAY

Colin Walters, Esq.,
Home Office.

MEM



Paul refused to
have office
11.4.00

CABINET OFFICE

Baker

You agreed to get the
Prime Minister's views on
With the compliments of

Caroline

this overnight.

Do you deal
with this?

BHP

11/4

Joselyn M^{rs} Cook
11/4

Ps. I am not in the office so could
you let the Lord President's office know
whether she is content.

70 Whitehall, London SW1A 2AS

Telephone 01 270



820
Pine Minter

QUEEN ANNE'S GATE LONDON SW1H 9AT

To note the latest position
on school lotteries. 10 April 1990

de Geoff

REC
15/4

mt

MR KEN HARGREAVES MP'S TEN MINUTE RULE BILL
TO MAKE PROVISION FOR A NATIONAL LOTTERY TO BE
HELD FOR THE BENEFIT OF THE ARTS, SPORT AND
THE ENVIRONMENT IN THE UNITED KINGDOM

Ken Hargreaves is to seek leave in the House of Commons on Wednesday, 18 April to bring in a Bill "to make provision for a national lottery to be held for the benefit of the arts, sport and the environment in the United Kingdom".

The policy on major lotteries, on a national scale, which H Committee has agreed, means that we are not in a position to allow Ken Hargreaves to proceed with his proposed Bill. It is doubtful if the Bill would be intended to provide for a state lottery, i.e. a national lottery run by the Government. If it were to provide, that would be contrary to our policies on deregulation and privatisation, as well as involving the state in the promotion of gambling. It is much more likely that Ken Hargreaves' aim is a single, monopoly major lottery, on a national scale, run by the private sector but subject to regulation to prevent fraud, with part of the profits intended to benefit specific causes (in this instance, the arts, sport and the environment).

H Committee has already agreed, in correspondence, that a collective decision on whether or not to amend the law to allow one or more such major lotteries should be deferred until we have seen how a major skill competition, "Skil-Ball", which is due to be launched later this month, fares. The relevant correspondence is my letter of 21 December 1989 to you in your capacity as Chairman of H Committee (a letter headed: 1. Paper on the introduction of a major lottery or lotteries; 2. "Skil-Ball" competition, copied to the Prime Minister, Douglas Hurd and Richard Luce), and your reply of 5 February conveying H Committee's agreement to the proposals in my letter.

My current aim is to circulate in the summer proposals on major lotteries for subsequent discussion in H. As proposed in my letter of 21 December, in the interim our position continues to be that we have no plan to amend the law to allow a major lottery or lotteries, but that we continue to keep the matter under consideration.

The Rt Hon Sir Geoffrey Howe, QC., MP.
Lord President of the Council
Privy Council Office
WHITEHALL, S.W.1.

/over....



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My letter specifically anticipated that proponents of a national lottery for the arts, sport and the environment, including Ken Hargreaves and Lord Birkett, might attempt to further their cause by initiating a Parliamentary debate or by introducing a Private Member's Bill. H Committee agreed that, in such an eventuality, we should deploy arguments which seem to tell against major lotteries, although as factors which need to be taken into account rather than reasons firmly to conclude against any change in the law. Among these factors are that a major lottery or lotteries could:

- (a) contrary to overall policy, stimulate gambling both directly and by leading to pressure for compensatory deregulation from the established gambling industry;
- (b) prejudice Government revenue from established gambling, unless the lotteries were themselves subject to a specific, compensatory duty;
- (c) even were they run exclusively for charitable purposes, possibly prejudice both current, small-scale charitable lotteries and personal charitable giving more widely; and
- (d) embroil us in invidious decisions about which causes should benefit, and which should not.

Robin Ferrers deployed these considerations in responding, on 28 February, to a debate in the House of Lords on a national lottery for the arts, sport and the environment, which Lord Birkett had initiated. I would similarly deploy them in a letter to Ken Hargreaves, after the introduction of his Bill but before the date scheduled for its Second Reading, explaining why we cannot support it.

In the light of the policy position agreed by H Committee, I imagine that you and colleagues on L Committee will agree that Ken Hargreaves' Bill cannot be allowed to proceed. I do not think that the motion need be opposed and I suggest that, if there is a division, Ministers should abstain. But any Bill should be blocked at Second Reading.

I am copying this letter to the Prime Minister, other members of L Committee, the Foreign and Commonwealth Secretary, the Secretary of State for the Environment, the Minister for Arts and Libraries, Sir Robin Butler, First Parliamentary Counsel and the Secretaries to Legislation Committee.