



sales become common at present.

The price of waste paper is VND2,600/kg, so total wastes of the southern lottery companies are figured out as follows:

Low sales rate causes

business aimed at attracting a small amount of money from the public to establish a significant source of finance for social development. At present, VND5,000 is not a small amount of money for people. In

ing only 30%) in lottery business. The rise in ticket nominal value will pressurize lottery companies in their plan fulfillment due to falling sales and increasing risks when the prizes account for 50% (at

producing a VND5,000 ticket is only VND22.1, far lower than that of producing false a VND5,000 banknote. This fact really causes troubles to lottery companies.

### III. CONCLUSION

Lottery activities in Vietnam begin to reveal shortcomings which will be unamendable if the pattern of organization and management remains unchanged as at present. The lottery sector should not have tickets printed prior to rounds of issue even though their face value is VND2,000, 5,000 or 10,000. Selling tickets through telephone will overcome limitations in the current method: saving costs of printing oversupplied tickets, preventing false tickets and civilizing ticket sale. This method should be tested before selling lottery tickets through specialized machines as in other countries. ■

**Table 4: Financial wastes in lottery business for a round of issue**

Weight of waste paper	Unit price	Sales of waste paper	Financial waste
118,385 kg	VND2,600/kg	VND307.801 mil.	VND2,510.459 mil.

not only a large amount of paper waste but also financial waste in printing costs.

many countries, the nominal value of a ticket is about US\$1 in accordance with their

(most) while the income posts only 26.1% (discount of 13% commission for sellers).

Type of ticket	Printing unit cost	Number of ticket printed for a round of issue	Number of tickets unsold	Financial loss for a round of issue
VND5,000	VND11.3	145.8 mil.	102.06 mil.	VND1,153.278 mil.
VND10,000	VND17.0	47 mil.	32.9 mil.	VND559.3 mil.

The pressure that lottery revenue is an important resource for the state budget has led to high, impractical, and unfeasible plans of sales. The falling sales rate is causing great losses of VND4 billion due to paper and printing costs.

Tickets which are sold but not winning are discarded untidily. Therefore, the wastes also include costs of transport, distribution, cleaning and restoring the city view.

### II. EVALUATION OF THE CURRENT SOLUTION

The Ministry of Finance and the southern lottery companies agreed to issue only VND5,000 tickets since July 1, 2007 to reduce costs of paper, printing and transport. Has this solution brought positive results as expected after 6 months of implementation? Lottery

annual per capita income of US\$30,000. If this proportion is applied to Vietnam, the ticket price of VND5,000 must be in accordance with an annual per capita income of US\$10,000. However, Vietnamese per capita income reaches only US\$720. High nominal value is the main reason for falling sales (reach-

The solution also causes another risk to lottery companies. That is false tickets when agents return unsold tickets to them. A huge amount of tickets are traded within 24 hours, they are either winning tickets or waste ones. Even though lottery companies take a lot of measures to prevent false tickets, the cost of



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