



Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

I hereby give notice that the
Community, Culture and Regulatory Committee Meeting
Hearings for Submissions on Waitaki District Council's Class 4
Gambling and TAB Policies

will be held on:

Date: Tuesday, 22 March 2022

Time: 10.45am

Location: Council Chamber, Third Floor
Office of the Waitaki District Council
20 Thames Street, Oamaru

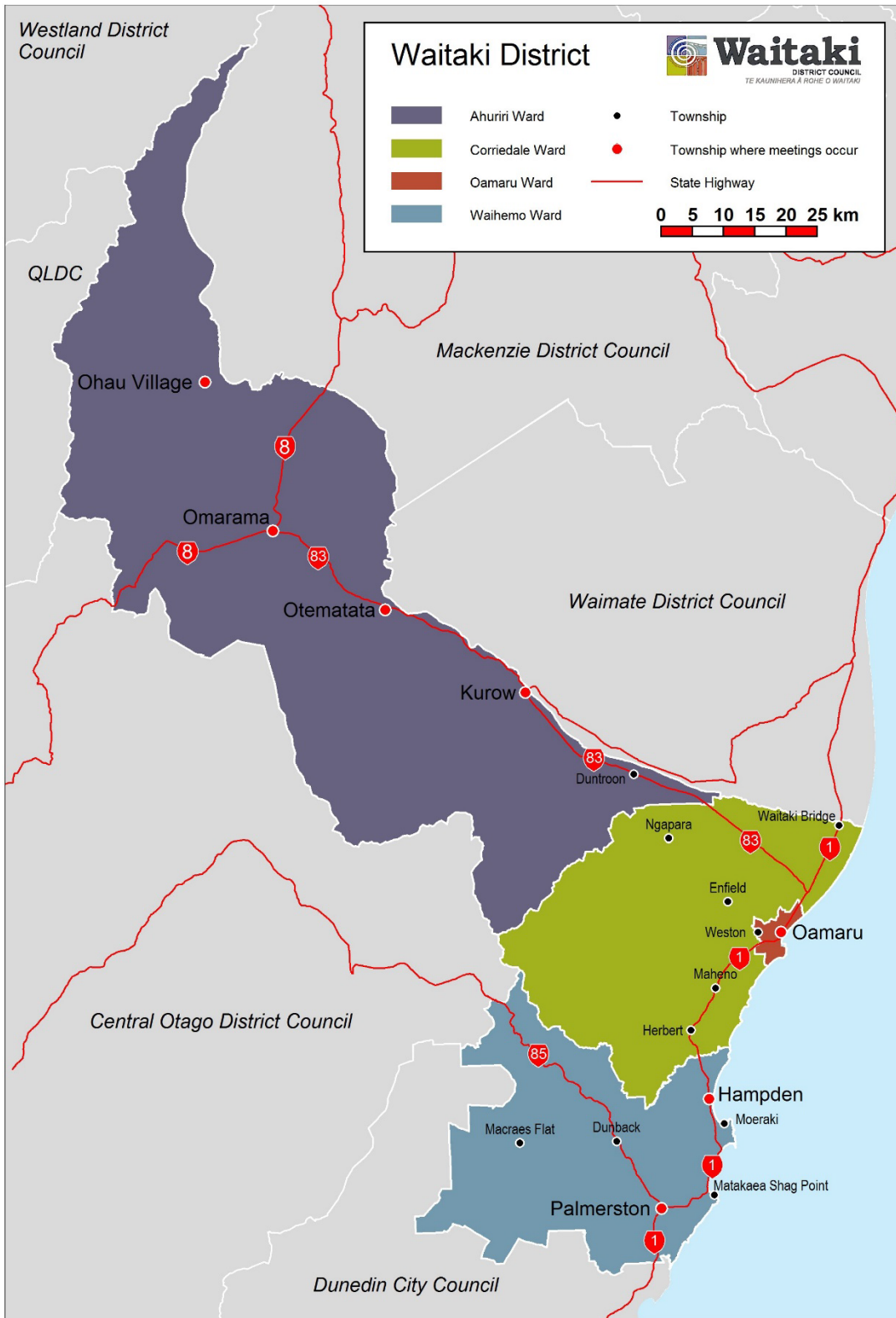
Agenda

Community, Culture and Regulatory Committee Meeting 22 March 2022

Community, Culture and Regulatory Committee

Deputy Mayor Melanie Tavendale	Chair
Cr Jim Hopkins	Associate Chair (District Plan Review)
Cr Hana Halalele	Associate Chair (Community Development)
Cr Jim Thomson	Member
Cr Kelli Williams	Member
Mayor Gary Kircher	Member

Alex Parmley
Chief Executive



STRATEGIC FRAMEWORK

Waitaki

THE BEST PLACE TO BE!

Waitaki - Whenua taurikura

EMPOWERING OUR PEOPLE AND PLACE TO THRIVE

Whakapuāwai takata, Whakapuāwai whenua

COMMUNITY OUTCOMES

economic

PROSPEROUS DISTRICT

- Attractive to new opportunities
- Support local businesses
- Foster a diverse and resilient economy

social and cultural

STRONG COMMUNITIES

- Enable safe and healthy communities
- Connected, inclusive communities
- Promoting a greater voice for Waitaki
- Celebration of our community identity

environment

VALUED ENVIRONMENT

- Protecting our diverse landscapes and water bodies
- Meeting environmental and climate change challenges

STRATEGIC PRIORITIES

Providing high-quality core infrastructure and services

Determining the best way to deliver 3-waters for the community

Working with the community to respond to COVID-19 challenges

Creating a District Plan that is fit for Waitaki's future

Striving towards better Council performance

Driving best value for rates

Ensuring we get core business done while delivering on our strategic priorities and achieving our community outcomes



Agenda Items

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- 1 APOLOGIES**
- 2 DECLARATIONS OF INTEREST**

3 MEMORANDUM REPORTS

3.1 CLASS 4 GAMBLING VENUE POLICY AND TAB VENUE POLICY CONSULTATION CONSIDERATION OF SUBMISSIONS

Author: Andrew Bardsley, Regulatory Manager

Authoriser: Roger Cook, Acting Heritage, Environment and Regulatory Group
Manager

Attachments:

1. Attachment 1 - Hearings Timetable
2. Attachment 2 - Verbal Submissions
3. Attachment 3 - Written Submissions

RECOMMENDATIONS

That the Community, Culture and Regulatory Committee:

1. Receives the information for consideration as required under section 83 of the Local Government Act 2002; and
2. After consideration of submissions, provides officers with direction on whether Council wishes to make any amendments to the Waitaki District Council Class 4 Gambling venues policy and TAB venues policy.

PURPOSE

To present for consideration the verbal and non-verbal submissions received in response to the review of the Waitaki District Council Class 4 Gambling Venues policy and TAB Venues policy.

BACKGROUND

Waitaki District Council adopted the Class 4 Gambling Venues and TAB Venues policies in 2004. Section 102(5) of the Gambling Act 2003 requires a local authority to review Class 4 Gambling Venue policies every three years. Section 65E(5) of the Racing Act 2003 requires a local authority to review TAB Venues policies every three years also. This consultation process was undertaken to fulfil these obligations, under the Local Government Act 2002.

SUBMISSION RESPONSE AND REVIEW OF SUBMISSIONS

Nineteen (19) individual submissions were received on the Waitaki District Council Class 4 Gambling Venues and TAB Venues policies review, for consideration at these Hearings.

The **Hearing Timetable** is included as **Attachment 1**; **Verbal Submissions** are included as **Attachment 2** (in the order that they will be heard); and **Written Submissions** are included as **Attachment 3** to this report.

A breakdown of responses to the three options provided follows:

Status Quo (Option 1) – No Change	58%	11
Sinking Lid (Option 2 and 3)	42%	08
Total		19

Of the submitters who wished to see a sinking lid policy adopted, seven (7) asked for both Option 2 and 3, with one (1) submitter asking for Option 3 only.

Three (3) submitters asked that no relocation or merger of Class 4 Gambling Venues be allowed and included in the policy.

Two (2) submitters asked that no new licences for TAB venues be adopted into the TAB Venues policy.

A summary of key themes raised through the submission process includes the following:

1. The harm that gambling does to the community outweighs any benefits of proceeds going back into communities.
2. Removal of gambling machines will only see an increase in online gambling. This results in all profits going offshore and communities seeing no benefit at all.
3. Gambling takes much needed resources away from low-income families.
4. Schools and sports teams benefit greatly from the gambling proceeds that are distributed back into communities. Without these proceeds, families would be asked to contribute more to sport and education programmes, not just in monetary terms but also in time.
5. Gambling places pressure on the community support groups who provide counselling and support to problem gamblers and their families.

VERBAL SUBMISSIONS

Six (6) submitters have confirmed that they wish to be heard in support of their submission. Each of these submitters has a maximum of ten minutes to present their verbal submission to Council. Included in this allocated timeslot are any questions from elected members in response to submission points.

NEXT STEPS

The steps to be completed are:

- 22 March 2022: Hearing of verbal and consideration of non-verbal submissions, to be followed by deliberations on the same day.
- 26 April 2022: CCR Committee Meeting to make recommendations to Council on the Class 4 Gambling Venues and TAB Venues policies.
- 10 May 2022: Council Meeting to decide on the recommendations from the CCR Committee Meeting on 26 April 2022

Attachment 1 – List of all Submitters

Waitaki District Council Class 4 Gambling Venue and TAB Venue Policy

Timetable: Tuesday 22 March 2022, 9:00am – 10:30am

TIME	NAME	ORGANISATION	VERBAL/WRITTEN SUBMISSION	UNIQUE SUBMISSION NUMBER
9.00am – 9.20am: Hearing of Verbal Submissions (2)				
09:00 – 09:10	Jarrod True	Gaming Association of NZ	Verbal	19
09:10 – 09:20	Bronwyn Powel-Grubb	Salvation Army Otepoti	Verbal	14
9.20am – 9.25am: Consideration of Written Submissions (5)				
09:20 – 09:25	Mathew Harris	Individual Submitter	Written	01
09:20 – 09:25	Alan Kirkwood	Individual Submitter	Written	02
09:20 – 09:25	Norma McLeod	Individual Submitter	Written	03
09:20 – 09:25	Steve Dally	Individual Submitter	Written	04
09:20 – 09:25	Wendy Noordermeer	Individual Submitter	Written	05
9.25am – 9.45am: Hearing of Verbal Submissions (2)				
09:25 – 09:35	Ivan Yeo	Asian Family Services	Verbal	15
09:35 – 09:45	Samantha Alexander	The Lion Foundation	Verbal	17

Attachment 1 – List of all Submitters (continued)

Waitaki District Council Class 4 Gambling Venue and TAB Venue Policy
Timetable: Tuesday 22 March 2022, 9:00am – 10:30am

TIME	NAME	ORGANISATION	VERBAL/WRITTEN SUBMISSION	UNIQUE SUBMISSION NUMBER
9.45am – 9.55am: Consideration of Written Submissions (6)				
09:45 – 09:55	Robert Halcrow	Individual Submitter	Written	06
09:45 – 09:55	Gillian Thorn	Individual Submitter	Written	07
09:45 – 09:55	Jason Williamson	Trust Aoraki	Written	08
09:45 – 09:55	Don Martin	NZ Community Trust	Written	09
09:45 – 09:55	Don Martin	NZ Community Trust	Written	10
09:45 – 09:55	Nikita Hawtin	Individual Submitter	Written	11
9.55am – 10.15am: Hearing of Verbal Submissions (2)				
09:55 – 10:05	Kirsty Kang	Problem Gambling Foundation	Verbal	20
10:05 – 10:15	Cathy Maaka	Oamaru Licencing Trust	Verbal	18
10.15am – 10.20am: Consideration of Written Submissions (3)				
10:15 – 10:20	Melanie Lewis	Waitaki Boys High	Written	12
10:15 – 10:20	Colin Jackson	North Otago Rugby Union	Written	13
10:15 – 10:20	Mary O'Brien	CCS Disability Action	Written	16
10.20am – 10.30am: Deliberations and feedback to officers				

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The Gaming Machine Association of New Zealand's Submission on Waitaki District Council's Gambling Venue Policy

Introduction

1. The Gaming Machine Association of New Zealand ("the Association") represents the vast majority of the gaming machine societies that operate in New Zealand. The Association wishes to provide council with pertinent information regarding gaming machine gambling to help council to make a balanced, evidence-based decision.

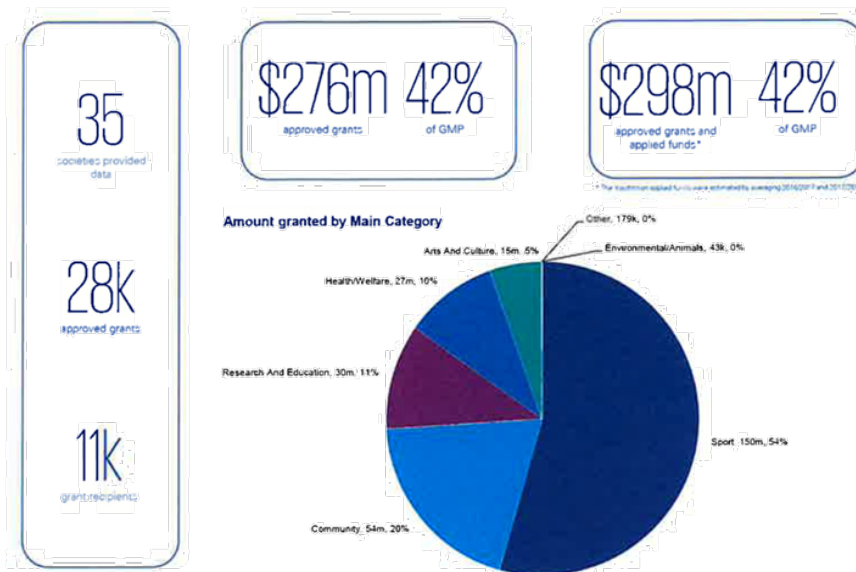
Summary

2. The Association asks council to retain the status quo policy – a cap of 140 machines and 22 gaming venues (option 1).

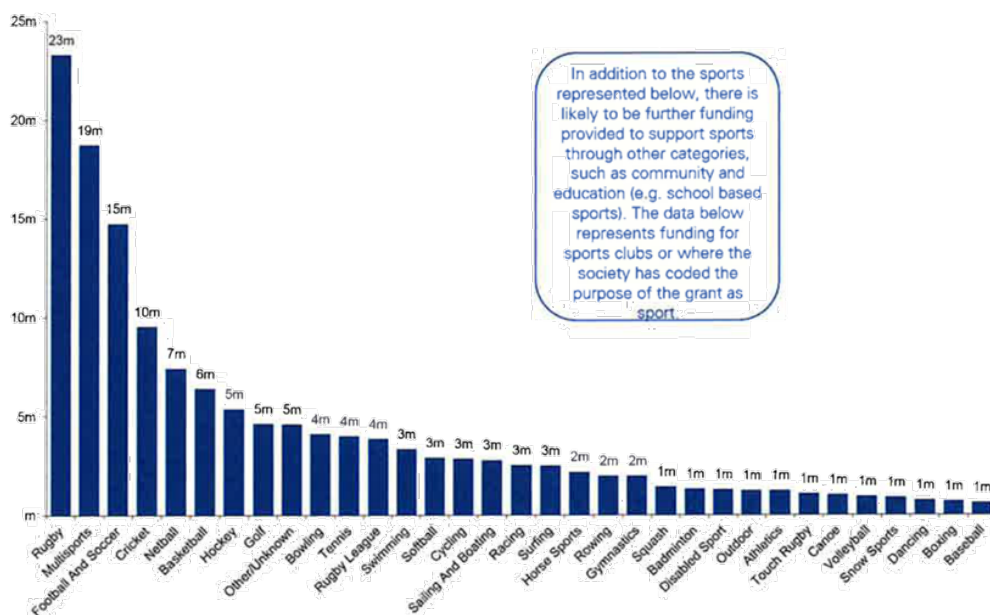
Gaming Machine Funding

3. The Gambling Act 2003 seeks to balance the potential harm from gambling against the benefits of using gaming machines as a mechanism for community fundraising.
4. In 2019, approximately \$294m of grant funding was approved across 26,337 grants to 9,688 different organisations.¹ In addition, over \$75m was applied (generated by community organisations and used by those organisations to support their own community or sporting causes). This includes \$50m by various RSAs and Workingmen's Clubs, \$17m by TAB New Zealand, and \$8m by Youthtown. Of the grants distributed in 2019, 52% were sports-related. The second most popular category was community (19.7%). This funding is crucial.

¹ http://www.gamblinglaw.co.nz/download/Gaming_Machine_Grant_Data_2019.pdf



Amount granted by Sport



5. The local benefit from the gaming machine funding includes the following three categories:

- External grants made to local community groups;
- External grants made to national and regional organisations that provide services and support locally; and

- Gaming profits used by local club venues to fund the upkeep of their clubrooms and to provide sporting and recreational facilities to their members.

Gambling is an Enjoyable Activity

6. Gambling is a popular form of entertainment that most New Zealanders participate in. The 2018 Health and Lifestyles Survey² found that 67.2% of adult New Zealanders had participated in some form of gambling in the previous 12 months (estimated to be 2,650,000 adults).



7 in 10 New Zealand adults take part in some form of gambling at least once a year – 1 in 500 New Zealand adults has a gambling problem.

7. The majority of people who gamble do so because they find it an enjoyable activity. This is observed by Suits (1979, p. 155)³, who states:

Gambling is a recreational activity or a kind of participation sport from which the principal satisfaction derives from the activity itself and from the ebb and flow of wins and losses rather than from ultimate outcome - the net amount won or lost. For most gamblers, the purpose of gambling is not to get rich, but to "have fun," to experience "excitement," or to have "something to look forward to," and they view payment for this recreation in the same light as others look on outlays for theatre tickets, vacation trips, or a night on the town.

8. Gambling for the non-addicted gambler may also be an avenue for socialising, stress relief and a way of having fun. Contrary to how it may appear from a non-gambler's perspective, gamblers do not necessarily anticipate they will make money from gambling. Parke (2015)⁴ states:

Players mostly realise that they are paying for a leisure experience. They are not expecting to be paid, except for a small minority, who are going to earn an income as a professional gambler.

2 <https://www.hpa.org.nz/research-library/research-publications/2018-health-and-lifestyles-survey-methodology-report>

3 Suits, D. (1979). The Elasticity of Demand for Gambling. The Quarterly Journal of Economics, 93(1), 155–162. <https://doi.org/10.2307/1882605>

4 Parke, J. (2015). Gambling, leisure and pleasure: Exploring psychosocial need satisfaction in gambling. Presentation at the KPMG eGaming summit. <https://assets.kpmg/content/dam/kpmg/pdf/2016/07/im-esummit-report-2015.pdf>.

Positive Wellbeing Impact from Gambling in New Zealand

9. The 2021 TDB Advisory report, *Gambling in New Zealand: A National Wellbeing Analysis*⁵, found that gambling in New Zealand had a net positive wellbeing benefit totalling around \$1.74b to \$2.16b per annum.



Revenue Breakdown

10. The return to players on a non-casino gaming machine is required to be set between 78% and 92%, with most being set at 91.5%. On average, for every \$1.00 gambled, 91.5 cents is returned to the player in winnings. The money retained is typically allocated as follows:

Typical Distribution of Gaming Machine Profits

	GST Inclusive	GST Exclusive
Government Duty	20%	23%
GST	13.04%	0
Problem Gambling Levy	0.78%	0.90%
DIA Costs	2.9%	3.33%
Gaming Machine Depreciation	6.95%	8%
Repairs & Maintenance	2.84%	3.27%
Venue Costs	13.9%	16%
Society Costs	1.74%	2%
Donations	37.83%	43.5%

Gaming Machines – Key Facts

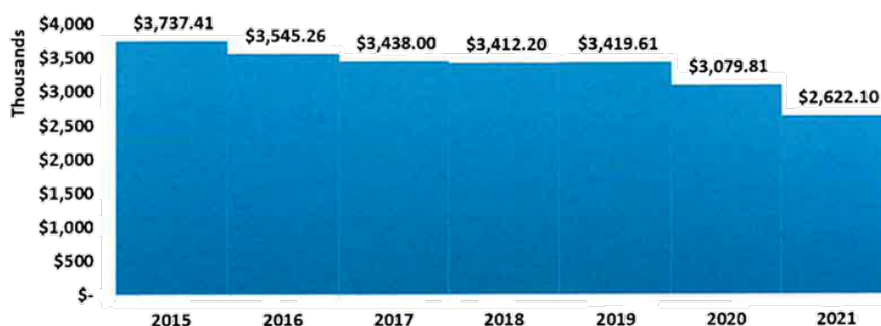
11. Gaming machines have been present in New Zealand communities since the early 1980s. Initially the machines were operated without a gaming licence. The first gaming licence

⁵ https://www.gamblinglaw.co.nz/download/Gambling_in_New_Zealand.pdf

was issued to Pub Charity on 25 March 1988, almost 34 years ago.

12. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In September 2021, New Zealand had 14,704 gaming machines.
13. The proceeds from non-casino gaming machines increased 3.1% from \$895 million in 2018 to \$924 million in 2019. However, after adjusting for both inflation and changes in the adult population, expenditure on non-casino gaming machines is declining (\$242 per person in both 2015/16 and 2016/17 years to \$238 in the 2017/18 year). This coincides with declining numbers of venues and machines.
14. In the Waitaki District, gaming revenue has been in decline since 2015:

GMP per year



* The 2021 revenue is to September 2021

15. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)⁶ found the problem gambling rate was 0.2% of people aged 18 years and over (approximately 8,000 people nationally). The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
16. The Ministry of Health keeps a record of the number of people in each territorial authority that seek help via phone, text, email or the face-to-face counselling services that are available. Only two persons from the Waitaki District sought help for problem gambling in the 2020/21 year. The presentation data⁷ are as follows:

2018/19	new clients 0	total clients seen 1
2019/20	new clients 1	total clients seen 1
2020/21	new clients 2	total clients seen 2

⁶ <https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-6-aug18.pdf>

⁷ <https://www.health.govt.nz/our-work/mental-health-and-addiction/addiction/gambling/service-user-data/intervention-client-data#territorial>

17. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$20 million per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.
18. An excellent, well-funded problem gambling treatment service exists. The problem gambling helpline is available 24 hours a day, 365 days per year. Free, confidential help is available in 40 different languages. Free face-to-face counselling is also available and specialist counselling is available for Māori, Pasifika and Asian clients. An anonymous, free text service (8006) is available. Support via email is also available (help@pgfnz.org.nz).

Existing Gaming Machine Safeguards

19. A sinking lid is not necessary given the significant measures that are already in place to minimise the harm from gaming machines.
20. Limits exist on the type of venues that can host gaming machines. The primary activity of all gaming venues must be focused on persons over 18 years of age. For example, it is prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.
21. There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
22. There are very restrictive limits on the amount of money that can be staked and the amount of prize money that can be won. The maximum stake is \$2.50. The maximum prize for a non-jackpot machine is \$500.00. The maximum prize for a jackpot-linked machine is \$1,000.00.
23. All gaming machines in New Zealand have a feature that interrupts play and displays a pop-up message. The pop-up message informs the player of the duration of the player's session, the amount spent and the amount won or lost. A message is then displayed asking the player whether they wish to continue with their session or collect their credits.
24. Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.
25. ATMs are excluded from all gaming rooms.
26. All gaming venues have a harm minimisation policy.
27. All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
28. All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling.
29. All gaming venue staff are required to have undertaken comprehensive problem gambling

- awareness and intervention training.
30. Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
 31. It is not permissible for a player to play two gaming machines at once.
 32. All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
 33. The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).
 34. It is not permissible to use the word “jackpot” or any similar word in advertising that is visible from outside a venue.

Burden of Harm Report

35. In May 2017, a report titled *Measuring the Burden of Gambling Harm* was produced for the Ministry of Health. In the report, “low risk” gambling, such as buying a Lotto ticket, was claimed to be as bad for a gambler’s health as the untreated amputation of a leg, while “problem gambling” was claimed to be as bad as suffering from a severe stroke or terminal cancer.
36. A review of the study’s methodology produced by TDB Advisory⁸ concludes that these outlandish comparisons were made possible by a long line of deliberate selection biases and errors. The errors revealed by the TDB Advisory review include either deliberately or by mistake: using a biased population sample (participants were not randomly selected); attributing all harms to gambling and none to associated behaviours (such as smoking); and treating all harm as stemming 100% from gambling rather than allowing for the use of gambling as a coping mechanism or as a symptom of harms rather than the cause.
37. The Association has called for the report to be officially withdrawn, or to be subject to an official warning against its use.

A Concern with How Gamblers Spend their Disposable Income

38. The Salvation Army and Problem Gambling Foundation recently released a report commissioned from the New Zealand Institute of Economic Research suggesting that there would be significant economic benefit to the retail sector in both income and job creation if spending on gambling was halted. The report claims that this extra retail spending would generate an additional 1,127 full-time equivalent jobs for 1,724 workers,

⁸ http://www.gamblinglaw.co.nz/download/TDB_Advisory_Report.pdf

along with an additional \$58m of GST revenue and additional income tax of \$7m from the retail spend.

39. The report, however, fails to take into consideration the economic value currently generated by the gambling sector. The report specifically acknowledges that this was outside its scope. It is therefore a misrepresentation of the net value of such a move, given that it takes no account of the value that would be lost. What the Salvation Army and Problem Gambling Foundation appear to be saying is: let's take money – and jobs – away from the charity and not-for-profit sectors – health and rescue, education, community and social support services, environment, and arts and heritage – and give it to the commercial sector.
40. A suggestion is also made that the increased retail spending would then result in the retail sector channelling its increased profits into things like sports sponsorship. It is, however, more likely that any increased profits from the retail spending would be retained by the business owners, many of whom are large corporates, based offshore.
41. The report fails to address the freedom of adult New Zealanders to do what they want with their discretionary spending. Ministry of Health data indicate that over 1.8 million adult New Zealanders enjoy spending their money on gaming machines, Lotto, Instant Kiwi, sports and track betting and other forms of gambling. That spending provides them with entertainment, relaxation and social interaction. Those benefits would be lost if people were not able to spend their money on gambling.

The “Costs of the System”

42. The Problem Gambling Foundation has also recently suggested that 60% of the revenue from gaming machines goes towards the costs of running the system (with the remaining 40% being the returns to the community). In fact, the community benefit is much more like 80%, with the approximately 40% share that makes up the various taxes, duties and GST in effect also being a community contribution, going into the public purse to contribute to public good. The actual ‘running of the system’ is only about 20%. This 20% represents money to businesses – local hospitality businesses, trusts, equipment providers and technicians – and a significant number of jobs in our cities, towns and communities.

The Current Cap is Reasonable

43. Retaining the current cap is reasonable. There is no direct correlation between gaming machine numbers and problem gambling rates. Over the last ten years, the problem gambling rate has remained the same, despite gaming machine numbers declining rapidly (4,618 gaming machines have been removed from the market).
44. The 2012 National Gambling Survey⁹ concluded that the prevalence of problematic gambling reduced significantly during the 1990s and has since stayed about the same. The report stated on pages 17 and 18:

⁹ <https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-2.docx>

Problem gambling and related harms probably reduced significantly during the 1990s but have since remained at about the same level despite reductions in non-casino EGM numbers and the expansion of regulatory, public health and treatment measures. Given that gambling availability expanded markedly since 1987 and official expenditure continued to increase until 2004, these findings are consistent with the adaptation hypothesis. This hypothesis proposes that while gambling problems increase when high risk forms of gambling are first introduced and made widely available, over time individual and environmental adaptations occur that lead to problem reduction.

45. The New Zealand National Gambling Study: Wave 3 (2014)¹⁰ noted that the problem gambling rate had remained the same over the last 10-15 years despite gaming machine numbers decreasing. The report stated on page 19:

In contrast to the 1990s, there is no evidence that problem gambling prevalence decreased with decreasing participation rates during the 2000s. When methodological differences between studies are taken into account, it appears that problem gambling prevalence has remained much the same during the past 10 to 15 years.

...gambling participation has decreased substantially in New Zealand during the past 20 years, and problem gambling and related harm has probably plateaued...

46. Professor Max Abbott is New Zealand's leading expert on problem gambling. In 2006, Professor Abbott published a paper titled *Do EGMs and Problem Gambling Go Together Like a Horse and Carriage?* The paper noted that gaming machine reductions and the introduction of caps generally appear to have little impact on problem gambling rates. Professor Abbott noted:

EGM reductions and the introduction of caps generally appear to have little impact (page 1).

Over time, years rather than decades, adaptation ('host' immunity and protective environmental changes) typically occurs and problem levels reduce, even in the face of increasing exposure (page 6).

Contrary to expectation, as indicated previously, although EGM numbers and expenditure increased substantially in New Zealand from 1991 to 1999, the percentage of adults who gambled weekly dropped from 48% to 40%. This is of particular interest because it suggests that greater availability and expenditure do not necessarily increase high-risk exposure (page 14).

47. Adopting a sinking lid is unlikely to reduce problem gambling, but will, over time, reduce the amount of funding available to community groups based in the Waitaki District. Reducing gaming machine venues reduces casual and recreational play, and therefore reduces machine turnover and the amount of money generated for grant distribution. However, problem gamblers are people who are addicted to gambling. If a new bar is established and the policy prevents that bar from hosting gaming machines, a person who is addicted to gambling will simply travel the short distance to the next bar that has

¹⁰ <https://www.health.govt.nz/publication/new-zealand-national-gambling-study-wave-3-2014>

gaming machines, or worse, may move to another form of gambling such as offshore-based internet and mobile phone gambling.

Unintended Consequences – Increase in Internet and Mobile Phone Gambling

48. Any reduction in the local gaming machine offering may have unintended consequences, as this may simply lead to a migration of the gambling spend to offshore internet- and mobile-based offerings. While it is illegal to advertise overseas gambling in New Zealand, it is not illegal to participate in gambling on an overseas-based website or mobile phone application.



49. It now takes only a simple search and a few minutes to download to your computer, tablet or mobile phone any type of casino game you desire, including an exact replica of the gaming machine programs currently available in New Zealand venues.
50. There is no question that New Zealanders love gambling online. The Lotteries Commission reported in its 2017/18 Annual Report that online sales accounted for 16 per cent of its total sales (\$201.1m), compared with 13 per cent the previous year.
51. TAB New Zealand noted in its latest six-monthly report that online channels made up 59.2 per cent of its betting turnover, up 2.2 percentage points on last year. It also said that its online platforms were the fastest-growing channels.
52. SkyCity has a very popular offshore-based online casino with a large selection of gaming machine games.



53. A September 2018 Cabinet paper¹¹ on online gambling cites research suggesting that New Zealanders gambled approximately \$300 million with offshore providers in 2017, with the market growing annually at between 12 and 20 per cent. The Cabinet paper notes that health professionals and gambling harm treatment providers have expressed concern that online gambling may be more harmful than some existing forms of gambling. The paper continues by stating “It [online gambling] has the potential to drive changes in behaviour to a greater, and more harmful, extent than some land-based gambling.”
54. TAB New Zealand estimates that the total online spend with offshore gambling websites by New Zealanders for the 12 months to August 2020 was \$570-\$580m.
55. The migration from physical Lotto stores and SkyCity was apparent during the Covid-19 lockdowns. When the physical venues were closed, the number of online registered players, and the amount of online revenue, skyrocketed.

NZ Lotteries Commission 'MyLotto'			
	FY20	FY19	FY18
Registered Players	1,230,000	845,000	746,000
Increase on previous Year	45.6%	13.3%	17.1%
MyLotto Sales	\$430.6m	\$227.6m	\$201.1m

¹¹ http://www.gamblinglaw.co.nz/download/Online_gambling_Cabinet_paper.pdf

Increase on previous Year	89.2%	13.2%	25.8%
% of Total Lotto Sales	31%	19%	16%

(Information sourced from annual reports)

Sky City Casino NZ Online Casino			
KPIs	FY21	FY20	Movement
Customer Registrations	48,958	25,661	90.8%
First Time Depositors (new actives)	28,114	15,855	77.3%
Deposit Conversion	57%	62%	n/a
Total Bets	\$792.5m	\$253.5m	212.5%
Gaming Revenue	\$27.9m	\$10.2m	173.5%
Operating Costs & Taxes	\$14.8m	\$5.6m	n/a
Profit	\$13.1m	\$4.5m	190.6%

(Information sourced from annual reports)

56. Offshore-based online gambling poses considerable risks because it:
- Is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
 - Has no restrictions on bet sizes;
 - Has no capacity for venue staff to observe and assist people in trouble;
 - Reaches new groups of people who may be vulnerable to the medium;
 - Provides no guaranteed return to players;
 - Is more easily abused by minors;
 - Has reduced protections to prevent fraud, money laundering or unfair gambling practices; and
 - Is unregulated, so on-line gamblers are often encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.
57. Offshore-based online gambling does not generate any community funding for New Zealanders, does not generate any tax revenue for the New Zealand Government, and does not make any contribution to the New Zealand health and treatment services as no contribution is made to the problem gambling levy.

Council Conflicts of Interest

58. It is important that the committee of councillors that determines the gambling venue policy reflects the full views of the community. It has, however, become common for councillors who are involved in community and sporting groups to withdraw from the gambling venue policy deliberation as they consider the receipt of funding by a group that they are associated with constitutes a conflict. It has also been common for councillors with very strong, pre-determined anti-gambling views to refuse to withdraw from the policy deliberation, despite their strongly held views.
59. The Association has sought independent legal advice (copy attached) from Brookfields Lawyers regarding gambling venue policy conflicts. In summary, the key advice is:
- Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to conflict of interest when it comes to deciding or discussing Council's gambling venue policy, unless that member holds a paid role (e.g., a coach who is paid for that service); and
 - Where an elected member, outside of a debate on the issue, has expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.

Oral Hearing

60. Jarrod True, on behalf of the Gaming Machine Association of New Zealand, would like to make a presentation at the upcoming oral hearing.

1 February 2022

Jarrod True
Counsel
Gaming Machine Association of New Zealand
jarrod.true@truelegal.co.nz
027 452 7763

gmanz.org.nz



15 March 2021

By Email: chair@gmanz.nz

Gaming Machine Association of New Zealand
c/o Peter Dengate-Thrush
Independent Chair

ATTENTION: Peter-Dengate Thrush

GAMBLING VENUE POLICY - CONFLICT OF INTEREST

We refer to your email instructions of 26 February 2021, seeking our advice regarding councillor conflicts of interest with respect to decision-making on Council's gambling venue policy.

YOUR QUESTIONS

1. You have asked us to advise whether:
 - a. Membership of a club or organisation that receives gaming machine grant funding would constitute a conflict of interest that would require the councillor to withdraw from decision-making or discussion regarding a proposed gambling venue policy; and
 - b. If Council has itself received gambling grant funding, does this impact on its ability to decide on a gambling venue policy, such that the decision should be made by an independent commissioner?

EXECUTIVE SUMMARY

1. In summary:
 - a. If an elected member has a financial interest in a club or organisation that may be impacted by the gambling venue policy, the member must not participate in any discussion or decision-making on the policy. It would be rare for a financial interest to arise in this context, but examples may be where the elected member is in a paid role at a club or organisation, and the role is funded from a gaming grant. A more remote interest may arise where the quantum of membership fees paid to a club or organisation may be impacted by a gaming grant. In those circumstances,

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- it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed too remote to influence decision-making.
- b. Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to a conflict of interest when it comes to deciding or discussing Council's gambling venue policy, unless that member holds a paid role (e.g. a coach who is paid for that service).
 - c. Being a member of a club or organisation that operates a gaming licence will give rise to a conflict of interest, particularly where the elected member serves in an executive role at the club or organisation.
 - d. Where an elected member, outside of a debate on the issue, had expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.
2. The fact that Council may have previously been the recipient of gaming grant money would not create a conflict of interest when deciding its gambling venue policy. Such democratic decision-making is fundamental to its role and is distinguishable from regulatory or quasi-judicial decision-making where appointment of an independent commissioner may be appropriate to avoid any appearance of bias. The decision-making processes in the Local Government Act 2002 (LGA) already impose important requirements to ensure that such decision-making involves consideration of broader community views and not just the interests of Council as an organisation. It would therefore be unnecessary and inappropriate to appoint an independent commissioner because Council initiatives may have previously benefited from gaming grants.

ANALYSIS

3. Under section 101 of the Gambling Act 2003 (GA), territorial authorities must, using the special consultative procedure in section 83 of the LGA, adopt a policy that specifies whether class 4 venues may be established in the district, and if so, where they may be located (**the policy**). The policy may also specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue and may include a relocation policy.

Does membership of an organisation or club create a conflict of interest for participation in discussion or decision-making on gambling venue policies?

4. It is not uncommon for councillors to be members of organisations and clubs, some of which may receive grant funding from gaming machines. This raises the question of whether membership of such a club or organisation would constitute a conflict of interest that would prevent the councillor from participating in discussion or decision-making regarding the policy.
5. Broadly speaking, a conflict of interest occurs when an elected member is affected by some other interest that he or she has in their private life. There are different types of conflict of interest:

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- a. Financial conflicts of interest – where the member (or their spouse or partner) has a direct or indirect financial interest in a particular decision, they cannot discuss or vote on the matter.¹
- b. Non-financial conflicts of interest.

Financial conflicts of interest

6. The applicable legislation is the Local Authorities (Members' Interests) Act 1968 (LAMIA). While the LAMIA does not define what a financial interest is, section 6(2) outlines a number of examples where a member will be deemed to have a financial interest:

- The member, or his or her spouse, owns 10% or more of the issued capital of an incorporated company or any company controlling that company, that has a pecuniary interest (direct or indirect) in a matter before the local authority or committee; or
- The member, or his or her spouse, is a member of the company and either of them is the managing director or the general manager of the company; or
- The member, or his or her spouse, is a member of a company controlling the company having a pecuniary interest in the matter before the local authority or committee, and either the member, or his or her spouse, is the managing director or the general manager; or
- The member, or his or her spouse, is the managing director or general manager of the company, and either of them is a member of a company controlling that company.

7. Other than these examples, the LAMIA does not define what a "financial interest" is. However, the Auditor-General has described a "financial interest" as "a reasonable expectation of financial loss or gain from the particular decision".²

8. It is unlikely that membership alone of a community organisation that receives gaming grant funding would give rise to a financial interest. This is because such organisations and clubs are usually run on a not-for-profit basis. One example where a financial interest could potentially arise would be if the member were in a paid position at the club or organisation, and the funding for that position comes from gaming grants. Another example may be where there is a prospect that membership fees or subscriptions to a club could be affected by the amount of gaming grant funding. However, given that gambling venue policies are relatively high-level in nature and do not directly address matters such as the licensing of particular venues (which involve a separate decision-

¹ Section 6(1) of the Local Authorities (Members' Interests) Act 1968.

² Controller and Auditor-General, **Local Authorities (Members' Interests) Act 1968: A Guide for members of local authorities on managing financial conflicts of interest**, June 2020, at 4.15, referring to the definition of a financial interest in **Downward v Babington** [1975] VR 872.



making process, often by Council officers acting under delegated authority), or allocation of gaming grants (which are decided by the organisations that operate gaming licences subject to statutory requirements), any such potential impact is likely to be too speculative or remote to constitute a financial interest in the decision-making on a gambling venue policy.

9. Notwithstanding this view, where an elected member may receive a financial benefit of the kind described above from a club or organisation receiving gaming grant funding, they may as a matter of prudence wish to first obtain an exemption from the Auditor-General under section 6(3)(f) of the LAMIA (on the grounds that the financial interest is too remote or insignificant to be regarded as likely to influence him or her in voting or taking part in the discussion of the policy) before participating in discussion or decision-making on the policy. It is a relatively simple process to apply for such an exemption.

Non-financial conflicts of interest

10. A non-financial conflict of interest is any situation where a member is not affected financially by a decision but is affected in some other way that may constitute bias or the appearance of bias. Non-financial conflicts of interest are relevant to the avoidance of bias in decision-making. As opposed to financial interests, which can create personal liability for an elected member, bias is a matter of Council's accountability to the public. The avoidance of bias is part of the administrative law principles of natural justice, which require the Council to act fairly in reaching its decisions. The fairness principle has been described in these terms:³

In exercising that discretion, as in exercising any other administrative function, they [members] owe a constitutional duty to perform it fairly and honestly ... What is a fair procedure to be adopted at a particular enquiry will depend upon the nature of its subject matter.

11. The test for whether an interest may give rise to an apparent bias has been stated by the Court of Appeal as being where circumstances:⁴

...might lead a fair-minded lay observer to reasonably apprehend that the judge might not bring an impartial mind to the resolution of the instant case.

12. Unlike a financial conflict of interest, a potential non-financial conflict does not automatically exclude a member from participating in a decision. It will depend on how serious the conflict is. The Auditor-General has suggested a number of factors that may be relevant to an assessment of whether a potential conflict is serious enough to exclude a member from participation in decision-making. They include:⁵

- The type or size of the person's other interest;
- The nature or significance of the particular decision or activity being carried out by the public organisation;
- The extent to which the person's other interest could specifically affect, or be affected by, the public organisation's decision or activity; and

³ **Bushell v Secretary of State for the Environment** [1981] AC 75, 95.

⁴ **Muir v Commissioner of Inland Revenue** [2007] 3 NZLR 495.

⁵ Controller and Auditor-General, **Managing conflicts of interest: A guide for the public sector**, June 2020, at 4.31.



- The nature or extent of the person's current or intended involvement in the public organisation's decision or activity.

13. In our view, in the context of decision-making on a gambling venue policy, the mere fact that an elected member is also a lay member of an organisation or club that receives gaming grant funding is unlikely to give rise to a conflict of interest. This is because of the level of remoteness from any possible benefit or loss associated with the decision-making. In most cases, the contents of a gambling venue policy will not directly impact on funding that has or may be received by a club or organisation from gaming machine grants. The purpose of the policy is to specify whether class 4 venues may be established, and if so their location. It can also specify restrictions on the number of gaming machines that may operate at a class 4 venue. Such matters do not necessarily impact directly on whether a club or organisation may receive gaming grant funding, and if so, the amount of any such grant. Funding decisions are made by the organisations who operate the gaming machines, not the Council. The fact that a member, by virtue of membership of a club or organisation that has received gaming grants, has knowledge or experience of the beneficial impacts that gaming grants can have on the community does not give rise to a conflict of interest. To the contrary, it may contribute to a fair and balanced consideration of the issues arising when making decisions on a gambling venue policy. This would be consistent with the purpose of the of the GA, which is *inter alia* to ensure that money from gambling benefits the community and to facilitate community involvement in decisions about the provision of gambling.⁶

14. It is important to distinguish between membership of a club or organisation that receives gaming grants, and membership of a club or organisation that holds a gaming licence. In our view, while the former would not give rise to a conflict of interest in decision-making on a gambling venue policy, there is a much greater likelihood that the latter could give rise to a conflict of interest. This is particularly the case if the elected member holds an executive role in the club or organisation that operates a gaming licence. This is because, while a gambling venue policy does not specify whether or not a particular club or organisation is able to obtain a gaming licence *per se*, the policy may affect the eligibility of a club or organisation to hold a licence. As such, participation in the discussion or decision-making by a member of any such club or organisation could create an appearance of bias and therefore a conflict of interest.

15. Elected members should also always be mindful of avoiding predetermination, i.e., approaching decision-making with a closed mind. Elected members are entitled (and expected) to bring their previous knowledge and experiences to decision-making, but to approach any decision with an open mind. This means that elected members should be cautious about being vocal, other than in the course of Council debates, about particular views in a manner that may suggest that they do not and cannot have an open mind on a particular matter. This is because a conflict of interest may arise as a result of possible predetermination (i.e. actual or perceived bias).

16. In summary:

⁶ Section 3 of the GA.



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- a. If an elected member has a financial interest in a club or organisation that may be impacted by the gambling venue policy, the member must not participate in any discussion or decision-making on the policy. It would be rare for a financial interest to arise in this context, but examples may be where the elected member is in a paid role at a club or organisation, and the role is funded from a gaming grant. A more remote interest may arise where the quantum of fees paid to a club or organisation may be impacted by a gaming grant. In those circumstances, it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed to remote to influence decision-making.
- b. Being a member of a club or organisation that receives funding from a gaming grant will not usually give rise to a conflict of interest when it comes to deciding or discussing Council's gaming venue policy.
- c. Being a member of a club or organisation that operates a gaming licence will give rise to a conflict of interest, particularly where the elected member serves in an executive role at the club or organisation.
- d. Where an elected member, outside of a debate on the issue, has expressed a view on the gambling venue policy that suggests that they do not and cannot have an open mind on the matter, this could give rise to a conflict of interest on the grounds of predetermination.

Would Council be conflicted in deciding a gambling venue policy because it has previously received gaming grants?

17. Council initiatives will frequently fall within the second category of the definition of an "authorised purpose" for which gaming proceeds may be used, as set out in section 4 of the GA i.e., "a non-commercial purpose that is beneficial to the whole or a section of the community". Notwithstanding the eligibility for Council initiatives to receive gaming grants, Parliament conferred territorial authorities with the responsibility of formulating a gaming venue policy for their districts. We do not consider that any conflict of interest would arise in relation to decision-making on a gambling venue policy because the Council may have previously been awarded gaming grants. This is because:

- a. While individual elected members are subject to the LAMIA which prevents them from participating in decision-making where they have a financial interest, Council as an entity is not subject to the LAMIA.
- b. Caselaw recognises the inevitability of a degree of conflict within councils when exercising certain statutory functions. It is established, for example, that a council may object to its own district plan, prosecute itself, and apply to itself for a resource consent.
- c. The standard of impartiality for a Council is that it must approach its duty of inquiring into submissions with an open mind.⁷ Given the requirement to undertake a special consultative process and the diverse views of individual members, it is unlikely that the fact that certain projects

⁷ *Lower Hutt City Council v Bank* [1974] 1 NZLR 545 at 550.

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undertaken by Council have benefited from gaming grants would unduly influence Council decision-making on its gambling venue policy. For the same reasons outlined above in relation to individual members, the connection between gaming grant money and decision-making on gambling venues is too remote to constitute a conflict of interest. In any event, compliance with the statutory rules in the LGA regarding decision-making by local authorities⁸ and the general principles relating to local authorities⁹ are intended to ensure that Council decision-making is open, transparent, and has regard to the diversity of community interests, notwithstanding the many facets and activities undertaken by Council.

18. We note that Council is not undertaking a quasi-judicial role when formulating a gambling venue policy. There is greater need to avoid the appearance of bias when it comes to regulatory or quasi-judicial decision making (such as considering a resource consent application). In those circumstances, where there is an apparent conflict in Council's interests, it is common for Council to delegate its decision-making to an independent commissioner. To that end, the Resource Management Act 1991 (RMA) specifically allows for the appointment of independent commissioners to decide consent applications. However, while Council may delegate its decision-making on a gambling venue policy to a particular committee or sub-committee of Council, it would be unnecessary (and in our view, inappropriate) to delegate such decision-making to an independent commissioner.

Yours faithfully
BROOKFIELDS



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Partner

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⁸ Section 76 of the LGA.
⁹ Section 14 of the LGA.

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Class 4 Gambling Venues Policy and TAB Venues Policy

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Page 1: Feedback form

Q1

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Q2

Yes

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Thankyou for this opportunity to make this submission on the Gambling Venues Policy.

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

Waitaki Council Gambling Submission 1st March 2022.docx (1.5MB)



Oasis
Reducing Gambling Harm

The Salvation Army (Dunedin/Otepoti)

Submission to

The Waitaki District Council

On the

Review of Class 4 Gambling Venues Policy and TAB Venues Policy

Authorisation statement:

"This submission has been authorised by the National Operations Manager – Oasis within the Addiction, Supportive Accommodation and Reintegration Services of The Salvation Army."

We welcome the opportunity to make an Oral Submission

Please contact

*Bronwyn Powell-Grubb
Team Leader/Gambling Caseworker/Public Health
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bronwyn.powell-grubb@salvationarmy.org.nz*

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1 BACKGROUND

- 1.1** The Salvation Army is an international Christian and social services organisation that has worked in New Zealand for over one hundred and thirty years. The Army provides a wide range of practical social, community and faith-based services, particularly for those who are suffering, facing injustice or those who have been forgotten and marginalised by mainstream society.
- 1.2** The Salvation Army Oasis was formally established in June 1997 in Auckland in response to the growing evidence that the considerable influx of gambling opportunities were having a negative social impact on society. Prior to this, gambling counselling had been provided in Wellington and Christchurch when needed for some years. Since then the numbers of clients seeking help for gambling related harm have increased dramatically. Consequently The Army's preventing and minimising gambling harm services have expanded to seven regions (Auckland, Waikato, Tauranga, Wairarapa, Wellington, Christchurch and Dunedin), with satellite clinics across the country. We are funded by the Ministry of Health to provide gambling harm related clinical and public health services.
- 1.3** The Salvation Army Oasis offer free outpatient services for gamblers, their families and affected others, alongside public health services, and are staffed by qualified and experienced clinical and public health practitioners. The Army also has a national addictions leadership team supported by the larger Salvation Army administrative infrastructure.
- 1.4** This Submission has been prepared by the Dunedin/Otepoti Salvation Army Oasis Centre, which works for the prevention and minimisation of gambling harm.

2 GAMBLING HARM

- 2.1** The Salvation Army has persistently engaged with Governments around gambling related harm. We continue to contend that one of the key focuses of the Gambling Act 2003 should be, as per section 3(b) of the Act, to prevent and minimise the harm caused by gambling. We submit that the Government and local Councils should make harm reduction a key focus of all gambling policy reforms they undertake.
- 2.2** As a provider of services to those affected by gambling harm, The Salvation Army sees the detrimental effects that problem gambling has on the wellbeing of communities around New Zealand. Our observations are supported by a wealth of New Zealand research which indicates that the range of potential harms from gambling spans multiple domains of individual and community wellbeing, including mental and physical health, material welfare, employment and productivity, quality of life and social cohesion (i ii iii iv). There are also links between gambling and significant social issues such as domestic violence and child neglect and abuse as shown in the latest AUT research on family violence and gambling. While recent estimates of the prevalence of problem gambling vary widely, it is likely that between 3.2% (v) and 7.5% (vi) of adult New Zealanders are currently placed at risk by their gambling. Policy remains one of the most effective means of addressing this harm.
- 2.3** The Salvation Army is particularly concerned with non-casino gaming machines (NCGMs), as this mode of gambling is responsible for the majority of the harm observed in New Zealand.(vii) The gambling industry itself acknowledges that NCGMs are 389 times more likely to induce harm than lottery products.(viii) NCGMs are also the most highly accessible mode of gambling in New Zealand aside from online gambling, with 1,046 outlets nationwide.(ix) The literature advocates for a number of practices to minimise and prevent problem gambling - one of the best-supported strategies involves limiting access to gaming machines.(x xi)
- 2.4** Gambling addiction can be found across all groups in society, but it is those groups at the lower end of the socio-economic spectrum that suffer most. Groups most likely to be in poverty and hardship include women, sole-parent families, Maori, Pacific Island peoples, refugees, people living with disability or illness, beneficiaries and people in low-paid employment^(xii xiii xiv). Continued failure to address and respond to these inequities is not only unjust, but in the case of Maori, also constitutes a violation of Clause 1 of Te Tiriti O Waitangi, which requires the Crown to protect the interests of tangata whenua.^(xv)
- 2.5** The trend of declining gambling venues, including NCGM machine numbers, is likely to gradually reduce the availability of gambling-derived community funds with or without further regulatory intervention. The Salvation Army maintains that the Class 4 funding model is neither sustainable in the long term, nor favourable in the short term for New Zealand communities. Only about a third of GST-inclusive NCGM revenue ever reaches grant recipients, and a high proportion leaves the regions as central government taxes and society costs.

- 2.6 Some of the charitable causes funded through Class 4 gambling are essential public goods and services. However, because a large proportion of gambling revenue is derived from those with the least disposable income, the Class 4 funding model has been criticised as being analogous to regressive taxation.^(xvi) Public opinion reflects such concerns – since 1985, the proportion of New Zealanders who are opposed to or uncertain about the use of gambling revenue to fund charitable causes has risen steadily^(xvii). The Salvation Army believes that councils have an important role to play in incentivising communities to seek less harmful ways to fund necessary services.

3 GAMBLING HARM IN WAITAKI DISTRICT

- 3.1 As noted in the Waitaki District Council’s Gambling Venues Policy and TAB Venue Policy Consultation Document, we support Option 2: Sinking Lid Policy (No new Venue Licenses will be given in Waitaki District) combined with Option 3: Sinking lid policy (no new machine licences will be given in the Waitaki District). Sinking lid policy: A Sinking Lid is a cap on the number of venues and machines that reduces or sinks over time, which is suggested as the most beneficial policy for reducing gambling harm^(ix).
- 3.2 Class 4 machines in Waitaki should be reduced over time and this can be achieved through the combination of Option 1 and 2 Sinking Lid policy which encompasses the whole of the Waitaki district.
- 3.3 The Dunedin/Otepoti Salvation Army Oasis works with people affected by gambling harm in Waitaki. Of the people who approach us with gambling issues, the majority have experienced harm from Class 4 gaming machines. We find that harmful gambling seems to impact people across the social and economic spectrum, the gambling harm from Class 4 machines seems to impact mostly on those who are vulnerable and already experiencing poverty. Our experience supports the evidence that for many people, when they play Class 4 machines long enough, they often become addicted.
- 3.4 There is also a significant fiscal burden of gambling harm in our community. **In the 12 months July 2020 to June 2021, \$3,748.978 was spent in non-casino gambling machines in Waitaki District^(ix). This calculates to \$10,271 spent every day in the Waitaki District over this time.**
- 3.5 **Particular concern is Otematata (two venues) which has \$326.36 quarterly Gaming Machine Profits per capita, where the national average per capita is only \$62.33^(xviii).**
- 3.6 It is argued that the distribution of community grants from gambling proceeds benefits the Waitaki community. In addition, community organisations cite difficulty in obtaining funding from other sources to sustain their organisations. However, we believe Class 4 gambling as a source of community funding is likely to have a limited lifespan and should not be considered as the only viable alternative to **central or local government** funding. We believe a significant portion (around 40% according to Australian Productivity Commission research) of the expenditure on Class 4 machines occurs among those suffering the highest material deprivation. Over time, as resources of socioeconomically deprived communities are exhausted, it is likely that the Class 4

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gambling expenditure will decrease, resulting in a gradual reduction in the availability of community funding. The observed decline of Class 4 gambling revenues over most of the past decade may be evidence that this has already been occurring. In addition, we believe it is ethically unjust for community organisations in Waitaki District to have to rely on funding that is significantly derived from the suffering of vulnerable people in our communities.

- 3.7** Recent publications by the Department of Internal Affairs (DIA) illustrates that Class 4 gaming machine numbers and venues are in slow decline nationwide and while expenditure was reducing too, it has now begun increasing again over the past couple of years. Irrespective of this decline in machine numbers we see that the number of people seeking help regarding Class 4 gambling harm has remained mainly consistent. While the number of social gamblers could be reducing, people experiencing severe problems with Class 4 machines has remained fairly constant. This means that for vulnerable communities, hardship remains constant and sometimes magnifies despite the overall reduction in machine numbers.
- 3.8** The Salvation Army Oasis in Dunedin believes that the values of justice, fairness, community stability and safety are paramount in our community. There seems to be a saturation of Class 4 gaming machines in the community, especially in the low socio-economic areas and this challenges the safety and stability of our community. We believe that Class 4 gambling has contributed to an increase in disparity between the richest and poorest members of the Dunedin population. This disparity entrenches and creates poverty, which is associated with the significant number of people accessing Salvation Army Food banks. We believe making a profit based on the losses of problem gamblers and the exploitation of vulnerable people is socially and ethically unjust.

4 SUBMISSION ON PROPOSED POLICIES:

Option 1: Status quo: Council chooses not to amend the policy

4.1 We oppose this policy proposal. This policy option will do nothing to reduce gambling harm in Waitaki District. We submit that if Waitaki District Council does elect to include a relocation clause that businesses should be unable to relocate to or near vulnerable, low socioeconomic communities. We also suggest that any relocation should be subject to a public notification and consultation process and that there should be an onus to establish how the relocation will serve to reduce gambling related harm in the community.

Option 2: Sinking lid policy (no new venue licenses will be given in Waitaki District).

4.2 We support this policy proposal. We submit that Waitaki District Council should adopt a Sinking Lid Policy to encompass the whole of Waitaki district. This policy has been adopted by other Councils throughout New Zealand including major cities. A Sinking Lid Policy serves to reduce the number of Class 4 venues slowly over time. If Council adopts such a policy then this will actively reduce gambling related harm in the Waitaki District community.

Option 3: Sinking lid policy (no new machine licences will be given in the Waitaki District).

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4.3 We support this policy proposal. We submit that Waitaki District Council should adopt a Sinking Lid Policy to encompass the whole of Waitaki district. This policy has been adopted by other Councils throughout New Zealand including major cities. A Sinking Lid Policy serves to reduce the number of Class 4 venues slowly over time. If Council adopts such a policy then this will actively reduce gambling related harm in the Waitaki District community.

4.4 We further propose that Waitaki District Council should adopt a Sinking Lid Policy with a no relocation clause. This will restrict venues from being able to transfer entitlements and ensure no new licenses for gaming machines could be issued or transferred to new venues. We consider that the adoption of such a policy would be the most effective and proactive way to reduce gambling harm in the Waitaki District.

5 CONCLUSION

In making this submission we are advocating on behalf of our clients, their families and the wider community that we engage with. We believe there is a need for Class 4 gaming machines to be significantly regulated due to the amount of harm related to them. We acknowledge the Waitaki District Council, as our representatives, in recognising the harm of pokie machines are having on people in the community and proposing a full sinking lid policy in this review. We consider that the only way to effectively reduce gambling related harm is through the adoption of a whole of Waitaki District Sinking Lid Policy and by not granting consent for relocating gambling venues as proposed in option 1. As a team, the Dunedin/Otepoti Salvation Army Oasis would like to make an oral submission when this hearing is arranged.

ⁱ Centre for Social and Health Outcomes Research and Evaluation & Te Ropu Whariki (2008). *Assessment of the Social Impacts of Gambling in New Zealand*. Prepared for the Ministry of Health. Auckland: Massey University.

ⁱⁱ Centre for Social and Health Outcomes Research and Evaluation & Te Ropu Whariki (2010). *Problem Gambling Research: A study of community level harm from gambling - Phase One Final Report*. Prepared for the Ministry of Health. Auckland: Massey University.

ⁱⁱⁱ KPMG (2013). *Fraud, Bribery & Corruption Survey 2012: A report on the key findings*. Auckland: KPMG Forensics.

^{iv} Rossen, F. (2015). *Gambling and Problem Gambling: Results of the 2011/12 New Zealand Health Survey*. Centre for Addiction Research, Prepared for the Ministry of Health. Auckland: Auckland UniServices Limited, The University of Auckland.

^v Ibid. [Prevalence rate among those aged 15 and older].

^{vi} Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2014). *New Zealand 2012 National Gambling Study: Gambling Harm and Problem Gambling – Report Number 2*. Gambling & Addictions Research Centre, Prepared for the Ministry of Health. Auckland: AUT University. [Prevalence rate among those aged 18 and older].

vii Rossen, F. (2015).

viii Townshend (2011), quoted in True, J. & Cheer, M. (2015). *Gaming Machine Gambling Statistics and Research Paper – Information for Territorial Authorities*.

ix Department of Internal Affairs. (2015). *Society, Venue and Gaming Machine Numbers*. Retrieved from http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Society-Venue-and-Gaming-Machine-Numbers

x Pearce, J., Mason, K., Hiscock, R., & Day, P. (2008). A national study of neighbourhood access to gambling opportunities and individual gambling behaviour. *Journal of Epidemiology & Community Health*, 62(10) pp.862-868

xi Vasiliadis, S. D., Jackson, A. C., Christensen, D. & Francis, K. (2013). Physical accessibility of gaming opportunity and its relationship to gaming involvement and problem gambling: A systematic review. *Journal of Gambling Issues*, 28.

xii Centre for Social and Health Outcomes Research and Evaluation & Te Ropu Whariki (2008).

xiii Centre for Social and Health Outcomes Research and Evaluation & Te Ropu Whariki (2010).

xiv Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2014).

xv Health Promotion Forum of New Zealand – Runanga Whakapiki ake i te Hauora o Aotearoa (2002). *TUHA-NZ: A Treaty Understanding of Hauora in Aotearoa-New Zealand*. Auckland: Health Promotion Forum of New Zealand.

xvi Dyall, L. (2004). Gambling: A Social Hazard. *Social Policy Journal of New Zealand*, 21.

xvii Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2015). *New Zealand 2012 National Gambling Study: Attitudes Towards Gambling – Report Number 3*. Gambling & Addictions Research Centre, Prepared for the Ministry of Health. Auckland: AUT University.

xviii "Dot Loves Data analysis of [data] accessed [Feb 2022]"

Class 4 Gambling Venues Policy and TAB Venues Policy

#15

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Page 1: Feedback form

Q1

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Phone	021407530

Q2

Yes

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

AFS supports the sinking lid policy options outlined in the statement of proposal. For an effective policy that better protects the health and wellbeing of the community, we submit that Option 2 (sinking lid policy with no new venue licenses) and Option 3 (sinking lid policy with no new machine licenses) should both be adopted.

We also support and endorse PGF Group's submission and the recommendations that a sinking lid policy should have the following three provisions:

- No relocations: If a venue with electronic gaming machines (EGMs) is forced to close or voluntarily closes, the council will not permit the EGMs to be relocated to any venue within the council area.
- No club mergers: There will be no club mergers under any circumstances.
- A ban on any new venues: No permit will be given to operate any new venue or club in the council area if that venue proposes having EGMs, including TAB venues.

Class 4 Gambling Venues Policy and TAB Venues Policy

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

[Asian Family Services - Waitaki District Council Class 4 Gambling Submission 2022.pdf \(222.4KB\)](#)



28 February 2022
Waitaki District Council
20 Thames Street
Oamaru 9444

Re: Submission for Waitaki Council's Class 4 Gambling Venue and TAB Venues Policy Review 2022

Asian Family Services (AFS) has been providing support to Asian communities living in Aotearoa New Zealand since 1998. Our organisation is a charitable trust and is New Zealand's only service provider for people of Asian backgrounds who are affected by mental health issues and gambling harm. Our gambling harm minimisation services are delivered under a Ministry of Health contract and funded from the gambling levy. Our service operates in three areas: the Asian Helpline, clinical intervention, and public health work.

AFS supports the sinking lid policy options outlined in the statement of proposal. For an effective policy that better protects the health and wellbeing of the community, we submit that Option 2 (sinking lid policy with no new venue licenses) and Option 3 (sinking lid policy with no new machine licenses) should both be adopted.

We also support and endorse PGF Group's submission and the recommendations that a sinking lid policy should have the following three provisions:

- **No relocations:** If a venue with electronic gaming machines (EGMs) is forced to close or voluntarily closes, the council will not permit the EGMs to be relocated to any venue within the council area.
- **No club mergers:** There will be no club mergers under any circumstances.
- **A ban on any new venues:** No permit will be given to operate any new venue or club in the council area if that venue proposes having EGMs, including TAB venues.

Asian Helpline 0800 862 342 Confidential & professional services www.asianfamilyservices.nz
First Floor, 128 Khyber Pass Road, Grafton, PO Box 8021, Symonds Street, Auckland 1150 Phone: (09) 368 0691 Fax: (09) 368 1540



Asian Population in Waitaki

According to 2018 Census data, the Asian population in the Waitaki District ranked 4th among other districts in Canterbury.

Table 1: Asian population ranking in main Canterbury regions

Rank	Area	Total Population	Percentage of Asians	Asian Population
1	Christchurch	369,006	14.9%	54,982
2	Ashburton	33,423	7.4%	2,473
3	Selwyn	60,561	6.4%	3876
4	Waitaki	22,308	5.3%	1,182
5	Waimate	7,815	5%	391
6	Timaru	46,296	4.4%	2,037
7	Kaikoura	3,912	4.1%	160
8	Hurunui	12,558	3.9%	490
9	Waimakariri	59,502	2.9%	1,726
10	Mackenzie	1,347	2%	27

(Data resource: Stats NZ, <https://www.stats.govt.nz/tools/2018-census-place-summaries>)

The table below also shows that the Asian population in Waitaki has grown approximately 1.75% at every Census cycle.

Table 2: Ethnic groups for people in Waitaki District, 2006, 2013, and 2018 Census

	2006 (%)	2013 (%)	2018 (%)
Asian population	1.8	3.1	5.3

(Data resource: Stats NZ, <https://www.stats.govt.nz/tools/2018-census-place-summaries/waitaki-district>)

As the Asian population in Waitaki is growing steadily, we recommend that the Council consider Asian’s voices at the policy level and adopt a sinking lid policy to protect Asian people from gambling harm.



Asian Gambling Behaviour

Sobrun-Maharaj, Rossen, and Wong (2012) identified that one of the contributing factors for mental health issues for Asian peoples is problem gambling.

Analysis of data from the Health and Lifestyles Survey over several years shows that, after adjusting for a range of socio-economic factors and gambling predictors, when compared to European/Other, Asian people's risk for individual gambling harm was 9.5 times higher. Furthermore, those who engaged in Class 4 gambling were more than twice as likely to be at risk of some level of gambling-related harm compared to other gamblers.

Over the past 12 months, AFS provided 4664 counseling sessions to more than 1,447 gambling clients around Aotearoa. Our problem-gambling clients were afflicted with co-existing issues such as suicidal ideation, financial hardship, domestic violence and severe depressive and anxiety symptoms due to problem gambling.

According to the New Zealand Asian Responsible Gambling Report (2021) conducted by AFS, 74.7% of Asians engaged in some forms of gambling activity in the last 12 months. Unfortunately, due to being either new to the country, or unfamiliar with the health system and services in New Zealand, many who experienced gambling harm did not seek early intervention. The delay in seeking help was partially due to a lack of understanding of behavioural addiction concepts. Often addiction is only understood as a substance abuse issue. The report also indicated that 78.7% of Asian gamblers identified stigma as one of the reasons that prevented them from early help-seeking.

Asian Helpline 0800 862 342 Confidential & professional services www.asianfamilyservices.nz
First Floor, 128 Khyber Pass Road, Grafton, PO Box 8021, Symonds Street, Auckland 1150 Phone: (09) 368 0691 Fax: (09) 368 1540



The main Asian groups who are most vulnerable to the harm of pokies

During the past 23 years, AFS has seen many Asian clients who were addicted to pokies. We particularly find that the groups below are most vulnerable to gambling harm from pokies:

- Restaurant workers (chefs, kitchen hand, barista, etc.);
- Cleaners;
- Builders/construction workers;
- Older people;
- International students;
- Work visa holders.

The main reasons that Asian peoples play pokies

The most common reasons why Asian people play pokies are because:

- Low-barrier game: No English requirement, easy to go and play solo;
- Emotional escape (release stress, run away from conflict with others, etc.);
- Combatting loneliness;
- Making easy money;
- Addiction-driven playing: to win back lost money.

Sinking Lid Policy

We often hear from our clients that, "I don't want to be hooked on the pokie machines. I want to take back control." However, the outcome is the exact opposite. It is important to realise that pokie machines are specifically designed to lure people to keep playing and betting more money.

An increase in pokie machines and venues will expose Asian people, migrants and the refugee community to more harm from Class 4 gambling. We support the Council in adopting a sinking lid policy with no relocations or venue mergers permitted.

Thank you for the opportunity to submit.

Ngā mihi nui,

A handwritten signature in blue ink, appearing to read 'Ivan Yei', is placed over a faint, light-colored rectangular stamp or watermark.

Ivan Yei

Deputy Director & Public Health Lead
ivan.yeo@asianfamilyservices.nz



Reference

1. Asian Family Services & Trace Research Ltd. (2021). New Zealand Asian Responsible Gambling Report 2021. Auckland, New Zealand. Asian Family Services. <https://www.asianfamilyservices.nz/resources/resource-items/new-zealand-asian-responsible-gambling-report-2021/>
2. Health Promotion Agency. (2018). 2018 New Zealand Mental Health Monitor: Questionnaire. Wellington: Health Promotion Agency.
3. Sobrun – Maharaj, A., Rossen, F., & Wong, A, S, K. (2012) The Impact of Gambling and Problem Gambling on Asian Families and Communities in New Zealand. Centre for Asian & Ethnic Minority Health Research, University of Auckland. <https://www.fmhs.auckland.ac.nz/assets/fmhs/soph/sch/cahre/docs/Final%20IGAF%20report%202012.pdf>
4. Stats NZ (2018). Retrieved October 29, 2021, from <https://www.stats.govt.nz/tools/2018-census>.

Class 4 Gambling Venues Policy and TAB Venues Policy

#17

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, March 01, 2022 11:39:28 AM
Last Modified: Tuesday, March 01, 2022 11:40:52 AM
Time Spent: 00:01:23
IP Address: 103.19.100.175

Page 1: Feedback form

Q1

Your contact details

Name	Samantha Alexander
Organisation (if applicable)	The Lion Foundation
Street address	Level 2, Custom House
Town	Auckland
Post code	1010
Email	Sam.Alexander@lionfoundation.org.nz
Phone	0272088588

Q2

Yes

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Please see attached document

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

[Waitaki District Council Gambling Venues Policy Review Submission 2022.pdf \(1.1MB\)](#)



Submission to WAITAKI DISTRICT COUNCIL:
Proposed Class 4 Gambling and TAB Venues Policy

MARCH 2022

037

1. INTRODUCTION

We are pleased to submit The Lion Foundation's (TLF) response to the Waitaki District Council's Draft Statement of Proposal in respect of the Class 4 Gambling and TAB Venues Policy. Our submission relates to Class 4 Gambling only.

The Lion Foundation is one of New Zealand's largest gaming machine societies by venue number, machine number and money returned to the community through grants.

Formed in 1985, we have distributed over \$985m in grants to local, regional and national community causes since our inception and over \$35m in our 2020/2021 financial year. Despite another Covid 19 impacted year, we are committed to distributing over \$31m to the community by the end of the current financial year (31 March 2022).

The Lion Foundation acknowledges the thorough and comprehensive process undertaken by the Council Policy Advisors. The New Zealand community funding model is one of the most efficient in the world and we support any review that allows consideration to be given to the **total impact** that gambling has on and within our communities. In New Zealand, gaming is not operated for commercial gain, but rather for community gain.

2. SUMMARY OF THE LION FOUNDATION'S POSITION – Class 4 Gambling Venues

The Lion Foundation supports the retention of the current policy and status quo.

The Lion Foundation further submits, that given the current environment of high regulation and naturally reducing machine numbers as well as the fact that there is no evidence to support the finding that a reduction in venues or machines results in a reduction in problem gambling, it would be appropriate to **retain the status quo**.

TLF does not support the adoption of either options 2 or 3 – sinking lid.

Our full submission is set out hereinafter. We would appreciate an opportunity to present an oral submission to the Council at the appropriate hearing.

3. ABOUT THE LION FOUNDATION (TLF)

The Lion Foundations' purpose, simply put, is to effectively and efficiently sustain community funding. Our aim is to protect and help people build better communities in a way that is safe, ethical, transparent, and consistent with the intent of the Gambling Act.

Our focus is on compliance and the reduction of gambling harm. The Lion Foundation is not here to grow or promote Gambling.

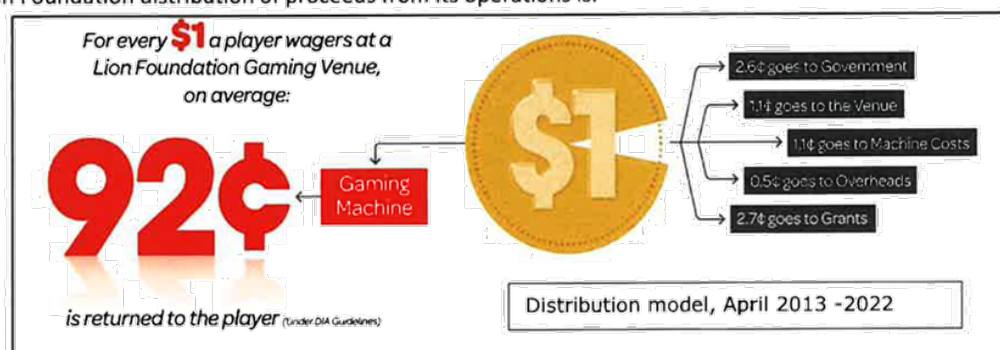
TLF aims to return at least 90% of funds back to the community of origin (where the funds were generated), with the remaining 10% of funds being returned to organisations providing a national benefit to all New Zealanders.

All local and regional grants are considered by a Regional Grants Committee, comprised of local community members. In Waitaki, we have appointed a committee of local residents who provide targeted assistance in respect of all grant applications that originate within the district. The appointment of the Trustees of Oamaru Licensing Trust (OLT) as a grant committee ensures that local community organisations benefit from grant funding. Being a committee constituted of local residents, the Trustees of OLT are extremely well placed to ensure that grant funding lands where it is most needed.

We are a broad based, inclusive funder - that is, we fund a wide range of organisations across all community groups. Our grants are committed to the following community sectors:

- Sport
- Community, Arts & Culture
- Health
- Education

The Lion Foundation distribution of proceeds from its operations is:



We are acutely aware of our responsibilities and obligations to prevent and minimise harm caused by problem gambling. We actively train all venue staff to recognise and provide help to problem gamblers; providing extensive information and material to assist with the prevention and reduction of harm caused by problem gambling.

4. THE LION FOUNDATION IN WAITAKI DISTRICT COUNCIL

We currently operate 30 electronic gaming machines (EGMs) at two venues in the district – NORTHSTAR MOTELS RESTAURANT AND BAR and SPORTS CENTRAL BREWHOUSE.

We do not operate the full licensed quota of gaming machines at these venues. The Venue Operators and Managers of both venues are members of the local community and have the community's interest at the heart of the businesses. The gambling aspect of the operator's business is not driven by profit. In keeping with the purpose of venue payments authorised by the Gambling Act, the venue operator

receives fair and reasonable remuneration for hosting TLF’s EGMS at the venue. TLF does not in any way incentivise its operators to host EGMS.

A full list of grants distributed by TLF to the community from funds generated by *pokies* is attached hereto [Schedule 1]. Included in the list of grants distributed are some grants that are distributed to organisations outside of the Waitaki District – specifically Dunedin. In these few instances, the members of the grants committee have determined that the community within Oamaru benefits directly from the services provided by these organisations, and accordingly it is appropriate to utilise a small percentage of ‘local funds’ to support these excellent causes.

Schedule 1 figures do not take into account funding provided to organisations that benefit all New Zealand Communities (National organisations). Some national organisations funded include:

Life Education Trust	Royal NZ Ballet	Graeme Dingle Foundation
New Zealand Red Cross	NZ Football	Surf Lifesaving NZ Inc
Special Olympics NZ	Netball NZ	Basketball NZ
Endometriosis N Z	Autism NZ	Royal NZ Plunket Soc Inc
Barnardo's N Z	NZ Spinal Trust	Mobility Assistance Dogs Trust
Assistance Dogs NZ	NZ Rugby League Inc	Paralympics NZ Inc

It is also important to note that TLF has stringent processes that are employed when a grant is assessed to ensure that grant funding lands where it is supposed to land. It is important to understand that grants can only be distributed for authorised purpose (Gambling Act) and can only be distributed upon successful application.

TLF acknowledges that a vast majority of volunteer-based community organisations do not always have the ability to navigate the quagmire that is involved in applying for Class 4 funding. The highly regulated and complicated granting process is difficult enough for professional funding advisors to navigate. In an effort to ensure that all community organisations have a fair opportunity to access community funding, TLF has launched a series of educational webinars. The webinars provide valuable “*how to information*” and are proving to be a success.



In addition to the distribution of gaming proceeds to a variety of organisations, “pokies in pubs” contributes to the microeconomics of the city. Numerous anti-gambling research papers issued in support of sinking lid policies fail to identify the economic value currently generated by the gambling sector when concluding that a sinking lid policy is required. Venues that are licenced to operate class 4 gaming machines provide employment to numerous residents of the local community. Proceeds of grant funding often (if not always) end up in the tills of local community business. Payments are also made to Venue Operators that host gaming machines. This further supports the hospitality industry within district.

We commenced this submission by stating that consideration needs to be given to the **total impact** that gambling has on and within our communities. In preparing this submission, we reached out to several organisations and requested their insights into the value of the funding received. Some organisations have preferred to make their own submissions, and some have provided letters of support which are included – Annexure 1 – 4. We request that these humbling responses be considered when Council concludes its consultation process.

At page 3 of the consultation document, in a response to Q3, it is stated that sinking lid policies do not result in immediate or drastic cuts in funding. The venue closures immediately after the Christchurch earthquakes and the immediate decrease in funding would suggest otherwise.

5. PROPOSED POLICY – A DISCUSSION

- The Lion Foundation supports the retention of the status quo (existing cap) on the number of Electronic Gaming Machines (EGMs) operating within the region.
- The current policy is working. In November 2019 – a total of 111 EGMS were operating in the district. As at June 2021 – a total of 107 EGMS were operating. There has been **no growth** to suggest that a sinking lid policy is justified.
- We submit that the current cap strikes a good balance between harm minimisation whilst still allowing a legal form of entertainment to be available to the community.
- Expenditure on Class 4 gambling is increasing, despite declining venues and EGMS. Population growth, amongst other factors, contribute to this increase. This increase does not equate to more harm being caused.
- Figures from the Ministry of Health’s Intervention Client data¹ report that in Waitaki District Council a total of 1 client has sought help in the period July 2019– June 2020. Of this number – 1 presented as a *new client*. In the period in the period July 2020– June 2021 a total of 2 clients have sought help. Of this number – 2 presented as *new clients*.

Territorial Authority	July 2019 to June 2020				July 2020 to June 2021			
	New clients Assisted ¹	% of new clients assisted ²	All clients assisted ³	% of All ⁴	New clients Assisted ¹	% of new clients assisted ²	All clients assisted ³	% of All ⁴
Waitaki District Council	1	0.05%	1	0.02%	2	0.09%	2	0.04%

- Furthermore, the current cap on EGMS is appropriate given the significant measures that are already in place to minimise the harm from gaming machines. By way of example (not an exhaustive list):
 - ❖ There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine;
 - ❖ There are very restrictive limits on the amount of money that can be staked and the amount of prize money that can be won;
 - ❖ Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination;
 - ❖ ATMs are excluded from all gaming rooms;
 - ❖ All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling;
 - ❖ All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling;
 - ❖ All gaming venues have a harm minimisation policy;
 - ❖ All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training;
 - ❖ It is not permissible for a player to play two gaming machines at once;
 - ❖ The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).

¹ https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#total_assisted Refer table 10

- Despite rhetoric from the opponents of gambling, there is no evidence that a reduction in venues or machines results in a reduction in problem gambling².
- Gaming machine numbers and the number of gaming venues has declined steadily since 2003. Since the peak in Class 4 gaming machine numbers of 25,221 in 2003, the number of machines has declined steadily with the latest figures showing 14,828 machines as at 31 March 2020. Venues numbers have declined from over 2000 venues in 2003, to 1078 at March 2020.³
- The New Zealand National Gambling Study: Wave 4 (2018) noted that the problem gambling rate risk did not change significantly from 2012 to 2015 and had remained the same over the last 10-15 years despite gaming machine numbers decreasing⁴.
- Of great concern is the fact that problem gambling associated with offshore based online gambling is growing exponentially. Offshore online gambling providers do not have to operate in accordance with the Gambling Act, do not offer any harm minimisation features to protect players; do not contribute to New Zealand communities.
- Furthermore, offshore based online gambling poses considerable risk in that:
 - ❖ It is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
 - ❖ Has no restrictions on bet sizes;
 - ❖ Has no capacity for venue staff to observe and assist people in trouble;
 - ❖ Reaches new groups of people who may be vulnerable to the medium;
 - ❖ Provides no guaranteed return to players;
 - ❖ Is more easily abused by minors;
 - ❖ Is unregulated, so online gamblers are often encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.
- Neither sinking lid policy - options 2 & 3 is likely to reduce problem gambling. Both options will, over time, reduce the amount of funding available to community groups. Reducing gaming machine venues reduces casual and recreational play. This reduces machine turnover and the amount of funding generated for grant distribution.

Relocation Policy:

Venue relocation is accepted to be an effective harm minimisation tool – it allows for venues to relocate from high deprivation areas to more suitable areas. In addition, a venue relocation policy

- ❖ Enables venues to re-establish after a natural disaster, flood, or fire.
- ❖ Enables venues to move out of earthquake-prone and dangerous buildings.
- ❖ Enables venues to move to new refurbished and fit-for-purpose premises.

² National Gambling Study, MOH, 2012-2015. *The National Gambling Study (NGS) was the first NZ longitudinal study into gambling, health, lifestyles, and attitudes about gambling. Evidence to date shows that there is no correlation between the number of machines and the prevalence of people seeking help for problem gambling.*

Funded by the Ministry of Health, the NGS started in 2012 with a randomly selected national sample and followed those respondents over 4 years. The Study showed that despite a reduction in the number of machines from 18,000 in 2012 to 16,000 in 2018, the problem gambling risk did not change significantly from 2012 to 2015. Given population growth, per capita expenditure actually decreased over this period.

³ Department of Internal Affairs – Quarterly statistics

⁴ The New Zealand National Gambling Study: Wave 4 (2015), final report March 2018

- ❖ Creates fairness in cases of public works acquisition or lease termination.
- ❖ Prevents landlords demanding unreasonable rentals.

A sinking lid policy which prevents relocation is contrary to the recognised benefits of allowing venues to relocate.

6. SOCIAL COSTS OF GAMBLING - PROBLEM GAMBLING IN CONTEXT

Gaming machines have been present in New Zealand communities since the early 1980s. Initially the machines were operated without a gaming licence. The first gaming licence was issued on 25 March 1988, 32 years ago.

As stated previously, we support any review that allows consideration to be given to the **total impact** that gambling has on and within our communities.

The social costs associated with problem gambling are of a much smaller magnitude than alcohol, tobacco and other drugs. Problem gambling is 1 to 2 percent of the social cost of alcohol, tobacco or other drugs.⁵ The costs of problem gambling are not to be trivialised, but the policy formulated to address this issue should be based on the evidence of its prevalence and impact and considered in light of the magnitude and response to other products where there is harmful use.

The prevalence of problem gambling is low and has dropped from a rate of 0.4% of the adult (over 18 years and over) population in 2006/7 to 0.2% in 2015⁶.

In May 2017, the Ministry of Health commissioned a report titled “*Measuring the Burden of Gambling Harm*” which by Central Queensland University (CQU) and Auckland University of Technology (AUT). The representation below has previously been used to represent the key findings of the report by, inter alia, the Problem Gambling Foundation:



⁵ BERL Report: Maximising the Benefits to Communities from New Zealand’s Community Gaming Model
⁶ Problem Gambling in New Zealand, findings from the NZ Health Survey, Ministry of Health, March 2018

The Gaming Machine Association of New Zealand (GMANZ) commissioned a ‘two-sided review of a one-sided analysis of gambling’ – a rigorous, balanced and comprehensive assessment of the Burden of Harm report. In August 2019, TDB Advisory⁷ concluded that **these outlandish comparisons were made possible by a long line of deliberate selection biases and errors**. The errors revealed by the TDB Advisory review include either deliberately or by mistake using a biased population sample (participants were not randomly selected), attributing all harms to gambling and none to associated behaviours (such as smoking), and treating all harm as stemming 100% from gambling rather than allowing for the use of gambling as a coping mechanism or as a symptom of harms rather than the cause.

In June 2020, the **New Zealand Taxpayers Union** issued a press release:

Union spokesperson Louis Houlbrooke says: “This deeply flawed report by Central Queensland University (CQU) and Auckland University of Technology (AUT) has been the basis of gambling policy advice from the Ministry of Health for several years. An independent review by TBD Advisory has found that Ministers have been consistently misled in relation to the number of problem gamblers and the overall impact of gambling on Kiwis’ well-being, based on this one report.”⁸

The Consultation document (at page 2 -Q1 response) references [we believe] a report commissioned from the New Zealand Institute of Economic Research (NZIER)⁹. The NZIER report suggests that that there would be significant economic benefit to the retail sector in both income and job creation if spending on class 4 “pokies” was stopped. The NZIER report estimates that this additional retail spending would generate an additional 1,127 full-time equivalent jobs for 1,724 workers, along with an additional \$58m of GST revenue and additional income tax of \$7m from the retail spend.

The authors of the NZIER report, however, do not comment on the economic value **currently generated** by the class 4 gambling sector. In fact, this was specifically acknowledged to have been outside of their scope. We submit that the NZIER report is therefore a misrepresentation of the net value of such a move, given that it takes no account of the value that would be lost.

The authors of the NZIER report draw a conclusion that the increased retail spending would then result in the retail sector channelling their increased profits into things like sports sponsorship. It is, however, more likely that any increased profits from the retail spending would be retained by the business owners, many who are large corporates, based offshore. It should also be borne in mind that there is no obligation (legal or otherwise) on any retail business owners to part with their profits for sponsorships as is being suggested.

The NZIER report fails to consider the freedom of adult New Zealanders to spend money on a legalised form of entertainment. That spending provides them with legal entertainment, relaxation and social interaction. Those benefits would be lost if people were not able to spend their money on Class 4 gambling.

⁷ http://www.gamblinglaw.co.nz/download/TDB_Advisory_Report.pdf

⁸ <https://www.scoop.co.nz/stories/PO2006/S00269/315000-spent-on-gambling-report-is-a-busted-flush.htm>

⁹ The retail employment and tax costs of Class 4 gambling in New Zealand - June 2020; NZ Institute of economic Research (Inc)

Contrary research is available and should be considered by the Council in arriving at a balanced decision. A TBD Advisory Report, Gambling in New Zealand: A National Wellbeing Analysis¹⁰, a report commissioned by GMANZ, states clearly –

- The benefits of gambling are often overlooked. Overlooking the wellbeing benefits results in one sided analysis that is insufficient as a basis for sound public policy.
- Analysis of harm-related costs illustrates that these cannot be reliably quantified. Attempts to do so without adequately taking into account the effects of comorbidities and the complexities around the direction of causation of observed harms are arbitrary, subjective and unfit for decision-making.

We urge Councillors to avail themselves of all of the research, and to make an informed decision.

7. HARM MINIMISATION

The Lion Foundation is committed to preventing and minimising harm from gambling, including problem gambling, whilst facilitating a responsible and legal form of recreational gambling.

We are committed to creating safe gambling environments in all our venues, and minimising the harm caused by problem gambling.

We are somewhat concerned by the response to Q2 (page 2) of the Consultation Document:

Don't most gamblers just have a quick flutter on the machines - a bit of bright lights and harmless fun?

....pokie machines do this particularly well and are designed to make money for their operators. They do that by getting players to stay at them for as long as possible;

This implies that both venue operators and TLF conduct gambling for commercial gain/ profit and with blatant disregard for the legislative requirements in regard to Harm Minimisation. The answer to the question is incorrect and misleading, and respectfully, shows a complete lack of understanding. Venue Operators received a limited /capped payment – defined by the Gambling Act and related Regulations, more specifically the Gambling (Venue Payments) Regulations 2016¹¹. The venue payment is a fair and equitable payment designed to compensate the Venue Operators for the operational costs (staffing etc) incurred in operating the EGMs for the Class 4 Society. We would be happy to discuss this aspect with Councillors and the policy advisors to ensure a balanced review.

Positive feedback received from recent venue inspections (October 2021) conducted by the Department of Internal Affairs confirms that TLF and its Venue Operators are focused on creating safe gambling environments:

"Venue staff displayed exceptional culture of care practices during the assessment which included: their approach to creating a whānau environment, intervention processes and the overall integrity of the gambling operation at the venue. It was a pleasure to kōrero with you both. Miharo!"

¹⁰ https://www.gamblinglaw.co.nz/download/Gambling_in_New_Zealand.pdf

¹¹ <https://www.legislation.govt.nz/regulation/public/2016/0191/latest/DLM6917617.html>

“XX and YY displayed exceptional culture of care practices during the assessment which included: their approach to creating a caring environment and caring staff, intervention processes and the overall integrity of the gambling operation at the venue. Ka rawe!”

Each year the Class 4 Gambling industry contributes significant amounts to a problem gambling fund **in addition** to in house harm minimisation and prevention initiatives.

With a budget of approximately \$60mil over a three-year period, this funding allows the Ministry of Health to support and treat gambling addiction and to increase public awareness. In 2021, TLF was approached by Malatest International to contribute to a Gambling Harm Needs Assessment commissioned by the Ministry of Health. The report was issued in April 2021, and is a *damning stocktake* of the progress made by the past 10 years, despite a cumulative budget of over \$180m.

The Gambling Harm Needs Assessment 2021¹² report has identified:

- ❖ The prevalence of harmful gambling remains relatively unchanged (page 7). The most recent gambling participation and prevalence data captured in the HLS survey showed that between 2016 and 2018, the prevalence of harmful gambling among adults (aged 15 years and over) in New Zealand remained relatively unchanged (Te Hiringa Hauora, 2018) (page 32).
- ❖ The treatment providers have failed to encourage persons at risk to use their services.
- ❖ The total number of clients for all interventions was 9,502 (including 2,875 existing clients and 6,627 new clients) – a decrease of 10.4% (-1,100 clients) compared with the previous year (page 42).
- ❖ The total number of clients, excluding brief interventions, was 4,439 (including 2,487 existing clients and 1,952 new clients) – a decrease of 8.6% (-417 clients) compared with the previous year (page 42).
- ❖ Users of the Gambling Helpline decreased by 30%, falling from 4,806 users in 2017 to 3,328 in 2019 (page 45).
- ❖ There was a common perception among interviewed participants from all gambling stakeholder groups, and many workforce survey respondents, that limited progress had been made across most objectives set out in the Strategy to Prevent and Minimise Gambling Harm 2019/20-2021/22 (page 8).
- ❖ In relation to objectives 1 and 2 (MoH Strategy 2019-2022), reducing gambling-related harm inequities for Māori, Pacific and Asian peoples, and ensuring Māori have healthier futures through the prevention and minimisation of gambling harm; most interviewed participants and around half of the workforce survey respondents considered that little to no progress had been made against both objectives (page 55).
- ❖ Access to online gambling for money has increased. Gambling Harm services, lived experience and gambling industry representatives (of which we are one) indicated (at page 26) :-
“How easy it is to start to gamble. Just out of boredom. Instead of going to the pub, you can just stay home, download the apps and enter your card details. So it’s

¹² <https://www.health.govt.nz/system/files/documents/publications/gambling-harm-needs-assessment-2021.pdf>

definitely changed within the past three years. It used to be going down to the pub. Now it's so effortless you just pop out your phone. (lived experience representative).

Responding to the Draft Strategy to Prevent and Minimise Gambling Harm 2022-23 to 2024-25, the Gaming Machine Association of New Zealand has implored the Ministry to do things differently¹³. One glaring omission from the strategy is any investment at the top of the cliff – instead of repeating failed investment at the bottom of the cliff. TLF endorses the GMANZ submission.

At TLF we certainly do play a considerable part in the prevention and minimisation of harm at the venues – *a fence at the top of the cliff* approach. We ensure our Venue Operators and their gaming staff are fully trained in all relevant areas of harm minimisation. We have recently released an online training system which has been developed by industry professionals. Input has been sought and received from all walks of life, including employees of the Salvation Army Oasis National Office. Irrespective of training already undertaken, all venue staff are required to complete this training within a set timeframe – ensuring that standardised training is delivered to all. The training records are recorded in our CRM system and records of training are available for audit purposes.

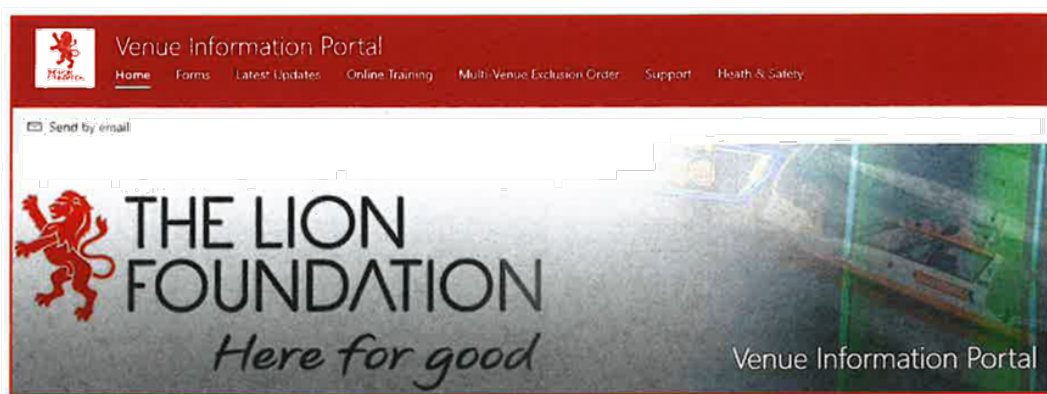
In addition to our online programme, all staff involved in gaming at The Lion Foundation venues undertake frequent face to face training courses (including refresher courses) run by experienced TLF personnel. All TLF personnel have a wealth of experience in the gaming and hospitality sectors. All training focuses on problem gambling – how to observe and identify problem gamblers, how to support problem gamblers and how to ensure that harm is minimised. Gaming rooms may not be operated unless a person fully trained in harm minimisation is on duty. In addition to the ongoing training, our industry trained staff are constantly in contact with the venue staff and operators and are available to assist with a variety of matters at a moment's notice – either in person or telephonically.

All venue staff are constantly reminded of their obligations in terms of the Harm Minimisation Policy. The Department of Internal Affairs has approved the TLF Harm Minimisation Policy.

Facial recognition technology is in use at many of our venues. The Lion Foundation offers a range of harm minimisation material to the gambler in the venue – including, but not limited to, wallet cards with information for potential problem gamblers, signage in and around gaming rooms from the Health Promotion Agency, etc. Venue staff interaction and supervision and observation of patrons is also key to the minimisation of harm.

By accessing a customised *Venue Information Portal* (screenshot extracts below), venue personnel have immediate access to a suite of harm minimisation products. These include educational videos, the suite of Health Promotion Agency material, training aids, industry updates, Health and Safety material. A Gambling Harm Service referral form is immediately accessible and assists problem gamblers receive the help that they require from the Salvation Army and other service providers.

¹³ <https://www.gmanz.org.nz/resource/submission-strategy-to-prevent-minimise-gambling-harm-and-the-problem-gambling-levy-2022-2025/>



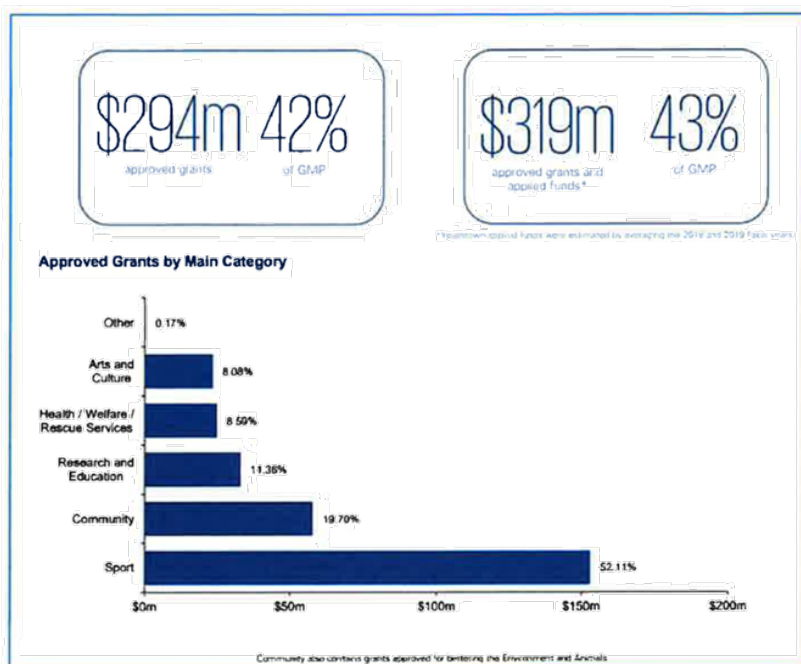
We support the introduction of new harm minimisation measures, provided they are based on good evidence that they will have a positive impact on the reduction in harm caused by gambling.

8. COMMUNITY FUNDING

Approximately \$300 million is usually returned to New Zealand communities annually from the Class 4 funding model. Whilst Lotto NZ proudly supports over 3000 good causes every year¹⁴, the Class 4 gambling sector supports approximately 9000 community organisations every year¹⁵.

¹⁴ <https://mylotto.co.nz/>

¹⁵ <https://www.gmanz.org.nz/resource/class-4-data-analytic-review-2019/>



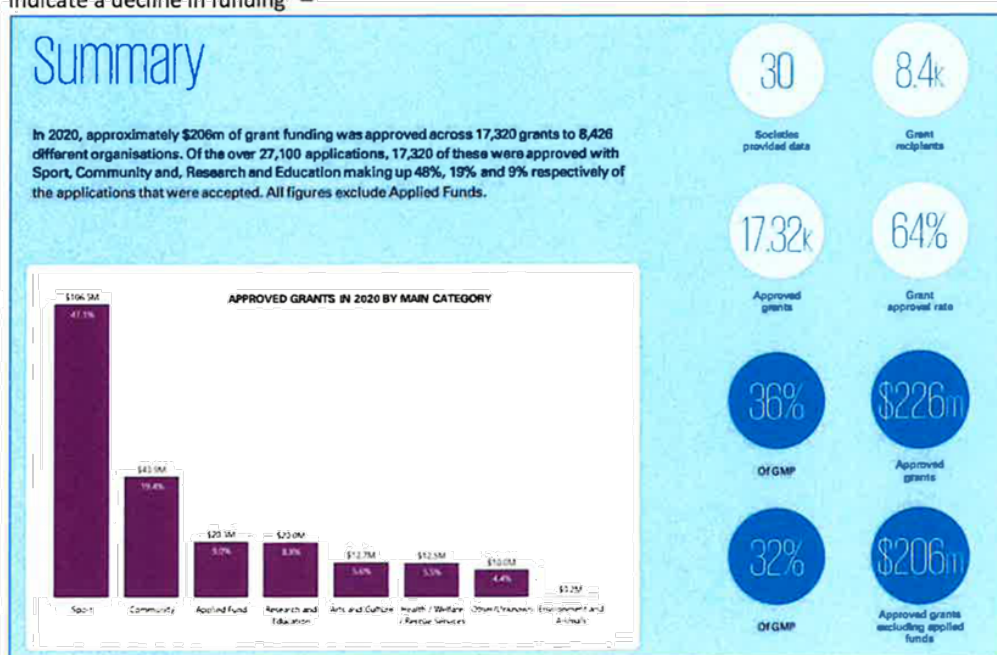
There is a significant reliance on gaming trusts for community funding. In the **absence** of any **sustainable alternative**, this has become even more apparent as NZ grapples with the Covid-19 pandemic: -

Stuff.co.nz (3 April 2020) Sport Minister Grant Robertson: "One important community funding source that has dried up under COVID-19 is gaming machines and local trusts, which support grassroots programmes across most sports. I've been talking to the Minister of Internal Affairs about the way in which the gaming trusts, because clearly, there has been a significant decline in revenue through gambling. It will take some time to piece together what that package would look like, but we certainly understand the impact it's having, particularly on community sport, to not have that gaming-trust funding."

Stuff.co.nz (9 April 2020) Andrew Pragnall (CE – NZ Football): Gaming machines could make up 20 to 30 percent of a club or Federation's revenue according to Pragnall and he was worried where that would leave some of them after the pandemic.

Stuff.co.nz (16 April 2020): A halt on gambling during Covid-19 lockdown will see community groups miss out on millions of dollars' worth of funding.

The effects of Covid-19 on funding in 2020 is highlighted by the following representations which indicate a decline in funding¹⁶—



The full effects of Covid-19 have yet to become evident – more especially after the resurgence of the virus in our communities in 2021 and the Omicron outbreak in 2022.

It is still very much unknown whether or not hospitality venues will be able to keep their doors open post the cessation of various Government subsidies. Class 4 Gaming provides employment opportunities for members of the community - including local hospitality businesses, trusts and societies, equipment providers and technicians – a significant number of jobs in our cities, towns and communities.

9. CONCLUSION

It is our submission that the Council’s policy needs to optimise the balance between reasonable controls over the incidence of problem gambling against the generation of funds for the community from legitimate gambling.

Finally, we are not here to grow gambling; we believe though that pragmatic use of funds generated by this legalised form of entertainment make a hugely positive contribution to community life across New Zealand.

For further comment or information please contact Tony Goldfinch at The Lion Foundation on 027 565 3677, or email: Tony.Goldfinch@lionfoundation.org.nz; or Samantha Alexander on 0272 088 588 or email: Sam.Alexander@lionfoundation.org.nz

¹⁶ [https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Class-4-Grants-Data-Review/\\$file/Class-4-Grants-Data-Analytical-Review-2020.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Class-4-Grants-Data-Review/$file/Class-4-Grants-Data-Analytical-Review-2020.pdf)

Schedule 1 – Grant Distribution for Period 01/02/2020 – 04/02/2022

Grant Request: Organisation Name	Grant Request: Authorised Purpose	Grant Request: Amount Requested	Allocated Amount From Waitaki Funds
Grant Request: Org TLA: Dunedin City Council (4 records)			
Grant Request: Category: Community - Culture - Arts (2 records)			
Presbyterian Support Otago Inc	towards 4x Buddy Coordinator Salaries Dunedin, Wanaka, North Otago and South Otago 24th Feb 2020 - Dec 2021(excl East Otago, Cromwell)	\$50,000.00	\$8,000.00
Youthline Otago Inc	towards rent of Youthline Waitaki premises April - Sept 2021 (excl GST)	\$2,222.00	\$1,818.00
Grant Request: Category: Health (2 records)			
Age Concern Otago Inc	Towards Falls Prevention Coordinator salary 24 Feb 2021 - Nov 2021, first aid training, leaflet printing, 2x Ads in the star Dunedin, 2x Ads in the Star Waitaki (excl GST & Training CDs & Social Connections - Rural Coordinator Waitaki)	\$25,000.00	\$22,239.00
Alzheimers Disease & Related Disorders Soc (ADARDS) Otago Inc	towards office rent for Oamaru Nov 2020 - Feb 2021 as per lease (excl GST and Queenstown)	\$7,000.00	\$782.00
Grant Request: Org TLA: Oamaru Licensing Trust (59 records)			
Grant Request: Category: - (1 record)			
Cancer Soc of N Z - Otago & Southland Division Inc - Oamaru	towards salary of Community Cancer Support, Dec '21 - Nov '22	\$15,000.00	\$15,000.00
Grant Request: Category: Community - Culture - Arts (19 records)			

		\$305,688.55	\$235,822.00
Blue Light Ventures Inc - Oamaru	towards venue hire and DJ services for Blue Light events, March - Dec 2020 (incl GST)	\$1,225.00	\$1,225.00
Blue Light Ventures Inc - Oamaru	towards Dj and venue hire for events 2021 (inc GST)	\$1,275.00	\$1,275.00
Citizens Advice Bureau Inc - North Otago	towards annual rent and coordinator salary Sept 2020 - Aug 2021 (inc GST)	\$8,229.00	\$8,229.00
Filipino Waitaki Inc	towards venue hire for Filipino Variety Concert, 27th June 2020 (incl GST)	\$5,000.00	\$2,500.00
Harbour Street Jazz Inc	towards festival printing, band/performance costs, MC, airfares, advertising for Harbour St Jazz & Blues Festival 2020, 20th-22nd March '20 (incl GST)	\$29,153.00	\$29,000.00
Harbour Street Jazz Inc	towards sound technicians for 8 events, 12x musician/band fees as per quotes and events coordinator salary for Jazz & Blues Festival 19-21st March 2021 (excl GST)	\$30,750.00	\$28,000.00
Janet Frame Eden Street Trust	towards insurance, power, rates, security, accounting, audit fees, advertising, phone and internet Aug 2020 - May 2021 (excl GST excl June & July)	\$9,700.00	\$6,913.00
Janet Frame Eden Street Trust	towards insurance, rates, power, accounting, phone/internet, security, and advertising (excl GST)	\$9,926.16	\$6,088.00
Musical Theatre Oamaru Inc	towards hall hire, signage, sound hire, advertising and costume hire as per quotes (excl GST)	\$2,551.74	\$2,567.00
North Otago Toy Library Inc	towards insurance, and purchase of a vacuum cleaner and toys, fixing lighting and signage (incl GST & excl mibase costs)	\$7,900.65	\$7,811.00
Oamaru Combined Churches Christmas Parcels Trust	towards purchase of contents for 110x christmas food boxes; chicken, peas, fruit and potatoes (inc GST excl Chocolates)	\$2,000.00	\$1,580.00

Oamaru Combined Churches Christmas Parcels Trust	towards purchase of frozen chickens, potatoes, frozen peas, gravy, canned fruit, carrots and rice bubbles for Christmas food parcels (incl GST)	\$2,000.00	\$2,000.00
St Patrick's Parish Oamaru	towards upgrade of the sound and visual systems and live stream installation (excl GST)	\$21,000.00	\$21,000.00
Waitaki Community Gardens Trust	towards salary for Volunteer & Site Coordinator, native seedlings for nursery, payroll & admin and audit fees, 28th Feb - Dec 2020 (excl GST)	\$26,724.00	\$25,949.00
Waitaki Community Recreation Centre Trust	towards resurfacing gym floors and upgrading the courts lighting system (excl GST)	\$25,000.00	\$25,000.00
Waitaki District Community House Trust	towards rates, telephone and insurance Dec 2020 - Nov 2021 (excl GST)	\$6,999.00	\$6,999.00
Waitaki District Council	towards 2x christmas trees, shipping and storage for Waitaki dsitric Nov/Dec 2020 (excl GST)	\$55,000.00	\$27,600.00
Waitaki District Council	towards replacing paddling pools in public gardens (excl GST)	\$59,000.00	\$30,000.00
Whalan Lodge Trust	towards purchase of a commercial clothes dryer (excl GST)	\$2,255.00	\$2,086.00

Grant Request: Category: Education (15 records)		\$186,166.49	\$115,275.00
Ardgowan School	towards 40x Acer chromebooks (excl GST and warranty)	\$15,254.00	\$12,579.00
Ardgowan School	towards purchase and installation of Smart TVs (excl GST)	\$8,246.42	\$7,248.00
CCS Disability Action Waitaki Inc	towards IT costs and photocopying Sept 2020 - Aug 2021 (excl GST)	\$4,000.00	\$2,000.00
CCS Disability Action Waitaki Inc	towards purchasing and installing a heat pump (excl GST)	\$2,400.00	\$2,400.00
Fenwick Primary School	towards 2x C Pen readers (excl GST)	\$6,600.00	\$6,600.00

N Z P F - Weston Playcentre	towards educator salary, power and bins services Feb 2021 - Nov 2021 (excl GST)	\$3,000.00	\$2,000.00
Oamaru Free Kindergarten Assn Inc	towards installation of heat pumps at Casa Nova and Edna McCulloch Kindergartens (excl GST)	\$20,000.00	\$18,050.00
Royal N Z Plunket Trust - North Otago	Towards North Otago Give People Support Programme (GPS) Coordinator's wages March 2021 - Feb 2022	\$10,000.00	\$10,000.00
Totara School	towards bus travel between school and town swimming pool for swimming and water safety lessons for students March - April 2021 (excl GST)	\$521.74	\$521.00
Waitaki Boys High School	towards purchase of sports equipment - as per quotes provided (excl GST)	\$7,552.00	\$6,000.00
Waitaki Boys High School	towards football training gear, shooting training gear, badminton training gear, chess clocks basketball gear and backboards (excl GST, drink bottles, rifles & ammunition)	\$22,651.80	\$9,318.00
Waitaki Girls High School	towards purchase of Digital Equipment for Students (excl GST)	\$59,802.00	\$25,000.00
Waitaki Valley Preschool Inc	towards building a verenda (excl GST)	\$20,000.00	\$10,000.00
Weston School	towards decodable books (excl GST)	\$4,093.75	\$1,515.00
Weston School	towards purchase decodable books for our school (excl GST)	\$2,044.78	\$2,044.00
Grant Request: Category: Health (5 records)		\$260,902.00	\$201,000.00
Cancer Soc of N Z - Otago & Southland Division Inc - Oamaru	towards salary of Supportive Care Client Support, Feb '20 - Jan '21 (excl professional supervision & staff development)	\$15,000.00	\$15,000.00
Cancer Soc of N Z - Otago & Southland Division Inc - Oamaru	towards vehicle purchase for North Otago care staff (excl GST and signage)	\$38,343.00	\$28,000.00
Royal N Z Plunket Trust - North Otago	towards salary of Community Support Co-ordinator/GPS Co-ordinator, March '20 - Feb '21	\$9,000.00	\$9,000.00

Waitaki District Health Services Ltd	towards purchase of 1x ultrasound machine, as per quote (excl GST)	\$49,000.00	\$49,000.00
Waitaki District Health Services Ltd	towards bariatric bed, panda warmer Toyato Hiace Van, Dural Contrast Injector and Infusion chairs as per quote (excl GST and vinyl chairs)	\$149,559.00	\$100,000.00
Grant Request: Category: Sport (19 records)		\$250,404.97	\$208,408.00
Air Training Corps Assn of N Z Inc - No 26 Oamaru Squadron	towards purchase of hand held radios and gasmate backpacker burners (incl GST)	\$2,400.00	\$2,139.00
Excelsior Rugby & Sports Club Inc	towards annual insurance, Cricket shirts, Touchline protectors, tacklebags & mats, cricket balls, rugby tees, rugby shorts, netball bibs and entrance gates (excl GST, icebag/wraps, socks and whistles)	\$19,090.00	\$16,000.00
Lower Waitaki Golf Club	towards purchase of new mower (excl GST)	\$15,000.00	\$15,000.00
Meadowbank United Football Club Inc	towards purchase of playing uniforms (incl GST)	\$4,628.00	\$4,608.00
North Otago Cricket Assn Inc	towards 2x Summer Development Officers wages, Insurance & glass casing for new Pavilion (excl GST and honors board)	\$30,000.00	\$28,507.00
North Otago Cricket Assn Inc	towards 2x Summer Cricket Development Officers wages, Dec '21 - April '22, insurance mobile batting cage & pitch covers (excl GST & off field cricket gear)	\$35,000.00	\$20,000.00
North Otago Golf Club Inc	towards mower (excl GST)	\$15,000.00	\$7,500.00
North Otago Lawn Tennis Assn Inc	towards junior tennis equipment (inc GST)	\$688.00	\$688.00
North Otago Rugby Football Union Inc	towards coaching in schools, office refurbishment, coaching equipment and training uniforms Dec 2020 - Nov 2021 (excl GST, socks and backpacks)	\$41,976.00	\$30,000.00
Oamaru Athletic Rugby Football Club Inc	towards waste management, rates, power and insurance Dec 2020 - Nov 2021 (excl GST cleaning supplies)	\$3,500.00	\$3,000.00

Oamaru Rowing Club Inc	towards replacing clubroom windows with double glazed aluminum windows and painting new frames (excl GST)	\$12,655.00	\$12,655.00
Old Boys Netball Oamaru Inc	towards purchase of dresses and bibs (incl GST)	\$5,313.00	\$4,000.00
Omarama Golf Club Inc	towards annual insurance Dec 2020- Nov 2021 (excl GST)	\$3,000.00	\$3,000.00
Pathfinders Gymnastics Club	towards purchase of landing mat, bars and protective equipment (incl GST)	\$20,000.00	\$20,000.00
Special Olympics Lower South Island Regional Council	towards accommodation for athletes and volunteers for 2 weekends August 2020 for Snow Sport Activities (inc GST and excl July)	\$2,000.00	\$1,600.00
Special Olympics North Otago	towards travel to Special Olympics Summer Games in Hamilton Dec 2021 (inc GST excl entry fees)	\$3,000.00	\$3,000.00
Sport Otago - Waitaki	towards Sport Waitaki Regional Coordinator Dec 2020 - June 2021	\$28,000.00	\$28,000.00
Union Cricket Club (Oamaru) Inc	towards insurance costs and purchase of wicket block covers (incl GST)	\$6,500.00	\$6,500.00
Union Cricket Club (Oamaru) Inc	towards insurance costs for the pavilion building March 2021 - Dec 2021 (inc GST)	\$2,654.97	\$2,211.00

Grand Totals (63 records)

Annexure 1 – Letter of support

Received by TLF on Tuesday 22 February 2022

Hi Samantha,

Having discussed your request with the majority of our committee, I am able to provide the following to support your submission to the Waitaki District Council's proposed changes to the Gaming Policy.

26 Squadron ATC, Oamaru was delighted to receive funding from Lions Foundation in order to complete the required funding to purchase new Hand-held Radios for the Cadets to use as part of their training program.

26 Squadron is an arm of the NZDF under the guidance of NZ Cadet Forces, and provide an environment to encourage youth to learn, train, and experience new skills along with leadership training.

Funding such as what is available from Lions Foundation makes it possible for the Support Committee to purchase items and ensure the programme the Officers provide is made possible.

Any changes in the way the Lions Foundation is able to source revenue to provide the funding for our group and others would be, in our opinion, detrimental to the Foundation and the wider community.

Attached are photos of our cadets preparing for an exercise which will have them using the hand-held radios purchased with funding from Lions Foundation.



Samantha, I hope this is what you are looking for and assists your submission.

Kind Regards,

Brent Keith

Parent Support Committee Chair

Schedule 3- Letter of Support

20th February 2022

To whom it may concern

We at Excelsior Rugby and associated Sports Club would like to take this opportunity to lend our support behind the submission by the Lions Foundation in response to the class 4 Gambling Policy.

We at Excelsior as well as many sporting and cultural groups are very reliant on the funding that we receive from different organisations.

Without this funding sport and cultural groups would have to increase the subs to their members and for some members who already struggle to meet this payment it would now become unaffordable leading to members being unable to join these groups. This would also make it even harder for clubs to actually survive as you would now be putting the cost on to a smaller majority of people.

At Excelsior we are a firm believer of children playing sports and after school activities that provide good guidance and not roaming the streets causing unnecessary damage to the community.

We would like the council to consider these options when they are discussing this proposed policy.

Thank you for this opportunity

Mark Bolitho

President of Excelsior Sports Club

Annexure 3 – Letter of Support

Received by TLF Wednesday 16 February

The Principal has asked me forward the attached photograph and the following:

In 2021 Waitaki Girls' High School applied for a grant to purchase digital devices for our students. Our letter included these paragraphs:

The increasing demand for students to be digitally capable in today's world and in preparing them for the future, is an issue which we are very aware of. The experiences we were presented with as a school community as a result of Covid-19, proved that many of our students do not have regular access to appropriate digital devices which are able to support their learning.

Currently we have 420 students enrolled at Waitaki Girls' High School. Using a Lion's Foundation grant to upgrade some of our older devices here at school and provide more devices will provide a more equitable and optimal learning environment for our students.

Our strategic vision of inspiring personal excellence in learning and life is supported by one of our goals which is excellence in teaching and learning. We want to ensure that all students are equipped with the knowledge and capabilities they need to succeed now and in the future, and this grant would help to support our achievement of this goal.

The Lion Foundation provided the school with a grant of \$25,000 toward the purchase of digital devices for which the school community is very grateful.

I hope this is helpful.

Kind regards

Nila Sime
Principal's PA



Page | 2

Annexure 4 – Letter of Support

Received by TLF on Wednesday 16 February 2022

Good morning Samantha,

The Janet Frame Eden Street Trust would like to note our appreciation for the funding we receive Lion Foundation with assistance of the Oamaru Licencing Trust. We have received Lion Foundation funding for many years and it is vital for us to continue operating. We apply this funding to a lot of our regular operational costs such as electricity, rates and insurance. This in turns means we can keep Janet Frame’s childhood home open as a visitor destination.

Chloe Searle

Chairperson of the Janet Frame Eden Street Trust

#20



**PGF Group Submission
Waitaki District Council
Class 4 Gambling and TAB Venues Policy Review 2022**

Submitted to Waitaki District Council
Class 4 Gambling and TAB Venues Policy Review
via email submission to consult@waitaki.govt.nz

Details of Submitter Kristy Kang
Policy and Public Health Manager, PGF Group
kristy.kang@pgf.nz
09 553 6896

Physical Address Level 1, 128 Khyber Pass Road
Grafton, Auckland 1023

Date of Submission 1 March 2022



EXECUTIVE SUMMARY

PGF Group submits that Waitaki District Council adopts a sinking lid policy with no venue relocations or mergers permitted. To reap the benefits of a sinking lid approach, we recommend Council to combine both Option 2 (no new venue licenses) and Option 3 (no new machine licenses) of the proposed options. Adopting one option over the other may slow down the efficacy of a true sinking lid policy.

We commend the Council's consideration of a sinking lid policy. A sinking lid policy is one of the best policies available to reduce losses from gambling. The policy would be a commendable step towards reducing gambling harm in the District and recognises the Council's efforts to better the health and wellbeing of the community.

Our submission is evidence-based and founded on what is known about gambling harm across Aotearoa New Zealand. It is time for councils and the government to take a closer look at the relationship between harmful gambling, social disparity and a funding model that enables it.

Funding communities based on a system that relies on our lowest income households putting money they cannot afford to lose into gaming machines is unethical and inequitable. This disproportionately impacts Māori who generally live in the areas where the majority of these machines are situated.

PGF also supports the submission made by Asian Family Services, and encourage the Council to carefully consider the feedback they have provided.

INTRODUCTION

1. The Problem Gambling Foundation of New Zealand trades as PGF Group (PGF), the overarching brand for PGF Services, Mapu Maia Pasifika Services, and Asian Family Services.
2. PGF operate under contract to the Ministry of Health (MoH) and are funded from the gambling levy to provide clinical intervention and public health services.
3. As part of our public health work, we advocate for the development of public policy that contributes to the prevention and minimisation of gambling related harms.



4. This includes working with Territorial Local Authorities (TLAs) to encourage the adoption of policies that address community concerns regarding the density and locality of gambling venues; in this case, a sinking lid policy.

PGF GROUP POSITION ON GAMBLING

5. It is important to note that we are not an 'anti-gambling' organisation as some may infer. We are, however, opposed to the harm caused by gambling and advocate for better protections for those most at risk of experiencing gambling harm.
6. We recognise that the majority of New Zealanders are non-problem gamblers.
7. While most New Zealanders gamble without experiencing any apparent harm, a significant minority do experience harm from their gambling, including negative impacts on their own lives and the lives of others.
8. In 2019/20, total expenditure (losses, or the amount remaining after deducting prizes and payouts from turnover) across the four main forms of gambling – Class 4 Electronic Gaming Machines (EGMs), Lotto, casinos and TAB – was more than \$2.25 billion, or \$572 for every adult (1).
9. Most money spent on gambling in New Zealand comes from the relatively limited number of people who play Class 4 EGMs, and most clients accessing problem gambling intervention services cite pub/club EGMs as a primary problem gambling mode (2).

ADVICE FOR COUNCIL DECISION MAKING

CLASS 4 GAMBLING IN WAITAKI

10. As at 30 September 2021, there were 11 Class 4 gambling venues in the Waitaki District Council area, hosting 107 EGMs between them.
11. Waitaki has been experiencing a steady rate of annual gaming machine profit (GMP) losses. In 2019 and 2020, \$3.4 million and \$3.1 million, respectively, was lost to EGMs in Waitaki (3). However, losses in 2020 were largely affected by the national COVID-19 alert level 4 lockdown.



12. The harms caused by different forms of gambling are not equal, as evidenced by the different classifications of gambling within the Gambling Act 2003.
13. Class 4 gambling – EGMs in pubs, clubs and TABs – is characterised as high-risk, high-turnover gambling, and is the most harmful form of gambling in New Zealand (2).
14. EGMs are particularly harmful because they are a form of continuous gambling (4). The short turnaround time between placing a bet and finding out whether you have won or lost, coupled with the ability to play multiple games in quick succession makes continuous gambling one of the most addictive forms of gambling available.

CLIENT INTERVENTION DATA

15. The Trusts and Societies who hold the licenses for the 14,704 Class 4 EGMs in New Zealand (as at 30 September 2021) (3) often submit that the relatively low number of people who seek help for a gambling problem is a positive indicator about the prevalence of harmful gambling in New Zealand. This assertion is disingenuous and should be disregarded.
16. The Ministry of Health's *Strategy to Prevent and Minimise Gambling Harm 2019/20 to 2021/22* states that "needs assessment and outcomes monitoring reports show that only 16% of potential clients for gambling support services (that is, people whose reported harm results in a moderate to high PGSI¹ score) actually access or present at these services", and that this low service use is also evident for other forms of addiction (2).
17. Furthermore, the Ministry of Health's *Continuum of Gambling Behaviour and Harm* (Figure 1) estimates the number of people experiencing mild, moderate or severe gambling harm is more than 250,000 – that's more than the population of Wellington (2).

¹ The Problem Gambling Severity Index (PGSI) is commonly used to screen and categorise three levels of harm: severe or high risk (problem gambling), moderate risk and low risk.

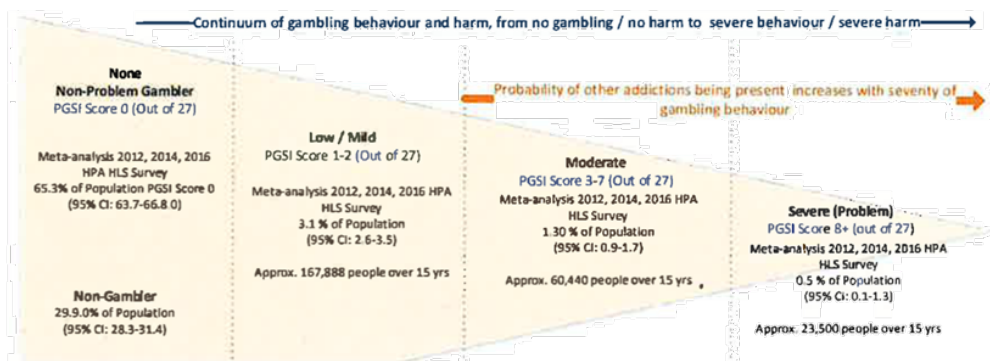


Figure 1: Continuum of Gambling Behaviour and Harm (Ministry of Health, 2019)

18. Moreover, the Department of Internal Affairs (DIA) estimate that 30% of EGM losses is from problem and moderate risk gamblers (5). This means that for Waitaki’s GMP of \$3.1 million in 2020 (3), approximately \$930,000 was lost by problem and moderate risk gamblers in the community.
19. While the Ministry of Health’s client intervention data is not an accurate measure of the prevalence of gambling harm in New Zealand, it can tell us the rate of harm from different classes of gambling amongst those who have sought help.
20. Data for 2020/21 shows that of the 4,762 individuals who received support for their own or someone else’s gambling, 2,331 (48.95%) were for Class 4 EGMs (6).

Primary Mode	Full Interventions	Percentage
Non-Casino Gaming Machines (EGMs or Pokies)	2,331	48.95%
Lotteries Commission Products	513	10.77%
Casino Table Games (inc. Electronic)	438	9.20%
Casino Gaming Machines (EGMs or Pokies)	407	8.55%
TAB (NZ Racing Board)	422	8.86%
Housie	79	1.66%
Cards	52	1.09%
Other	520	10.92%
Total	4,762	100%

Table 2: 2020/21 client intervention data by primary gambling mode.

21. Given that almost half of the clients in 2020/21 sought help due to Class 4 EGMs (7), this indicates the level of harm EGMs are causing in our communities.



ONLINE GAMBLING

22. Online gambling is not within the scope of this review and is the purview of the DIA who will soon be releasing a report on its review of online gambling.
23. In its submissions, the Gaming Machine Association of New Zealand (GMANZ) and other industry proponents suggest that an 'unintended consequence' of a reduction in physical gaming machines could be an increase in online gambling. There is no evidence that this occurs more rapidly due to a sinking lid policy.
24. During restrictions at COVID-19 alert levels 3 and 4, Class 4 gambling venues were closed. Many of our clients expressed relief that the venues were closed with some stating they were able to save money, spend more time with their family and they did not seek out alternative online gambling options.
25. The Health Promotion Agency's (HPA) *Impact of COVID-19 Wave 1* survey found that of those who gambled online during lockdown, only 8% gambled online for the first time and 12% of those who already gambled online did so more than pre-COVID restrictions (8).
26. Further, HPA's *Impact of COVID-19 Wave 2* survey shows that 65% of those who gambled online during lockdown reported this being through MyLotto as physical outlets were closed (9). Lotto has also noted in the media that approximately 125,000 customers had registered with MyLotto online (10), resulting in more than twice its normal online sales.
27. We also note that following COVID-19 lockdown in 2020, the DIA saw an increase in GMP by 116% in the June to September 2020 quarter (11). This was a much higher increase than forecasted and reflects people returning to Class 4 gambling after the lockdown.

DENSITY OF CLASS 4 GAMBLING VENUES

28. What makes Class 4 EGMs more harmful than casino EGMs is their location within our communities and the design of EGM rooms within Class 4 venues.
29. Data published by the DIA shows that almost 63% (659 out of 1,051 as at 30 September 2021) of Class 4 gambling venues in New Zealand are located in medium-high or very high deprivation areas (3).



Very Low Decile 1–2	Medium Low Decile 3–4	Medium Decile 5–6	Medium High Decile 7–8	Very High Decile 9–10
78	127	187	315	344

Table 3: Class 4 gambling venues as at 30 September 2021 by deprivation score.

- 30. In Waitaki, 64% (seven out of 11 as at 30 September 2021) of Class 4 gambling venues are located in medium-high deprivation areas (3).
- 31. A report commissioned by the Ministry of Health – *Informing the 2015 Gambling Harm Needs Assessment* – notes that EGMs in the most deprived areas provide over half of the total Class 4 EGM expenditure (12).

IMPACT OF GAMBLING HARM TO VULNERABLE POPULATION GROUPS

- 32. It is unethical that the majority of Class 4 EGM expenditure is coming from our lowest income households who can least afford it.
- 33. This is particularly concerning given that this disproportionately impacts Māori and Pacific peoples who generally live in the areas where many of these machines are situated. We note that 8.2% and 3.8% of Waitaki’s population are Māori and Pasifika, respectively (13).
- 34. The 2018 Health and Lifestyles Survey estimates indicated that Māori were four times more likely to be moderate-risk or problem gamblers than non-Māori, and that Pacific peoples were 1.5 times more likely to be moderate-risk or problem gamblers than non-Pacific peoples (14).
- 35. Asian peoples also experience gambling harm differently. The 2018 Health and Lifestyles Survey found that Asian people’s risk factor of harmful gambling was 9.5 times higher when compared with European/Other New Zealanders (14). Given that Waitaki has a growing Asian population – making up 5.3% of Waitaki’s population according to the 2018 Census – consideration around how Class 4 gambling affects vulnerable groups must be deliberated.
- 36. Research indicates that Māori, Pasifika, and Asian peoples experience harmful gambling differently, and that this disparity has not diminished over the years. This is a systemic issue that is inequitable.



EFFICACY OF A SINKING LID

37. Much of the research quoted in an attempt to denounce the efficacy of a sinking lid is outdated and findings from more recent research has countered assertions made by the Class 4 gambling industry.
38. From a public health perspective, there's a generally held view that the easier it is to access an addictive product, the more people there are who will consume that product.
39. It follows then that stronger restrictions on the number and location of addictive products, such as EGMs, constitute a public health approach to the prevention and minimisation of gambling harm.
40. Sections 92 and 93 of the Gambling Act mandate the maximum number of pokie machines a Class 4 venue can host (18 if the venue licence was held on or before 17 October 2001, nine if the licence was granted after that date). This is the minimum regulation a TLA must implement in its Class 4 gambling policy, however many TLAs have chosen to adopt stronger regulations.
41. The Auckland University of Technology's New Zealand Work Research Institute recently published a research paper, *Capping problem gambling in New Zealand: the effectiveness of local government policy intervention*, which aimed to understand the impact of public policy interventions on problem gambling in New Zealand (15).
42. This research focussed on Class 4 gambling to assess the impact of local government interventions (absolute and per capita caps on the number of machines and/or venues and sinking lid policies) on the number of machines/venues and the level of machine spending over the period 2010-2018.
43. Key findings from this research include:
 - 43.1. All three forms of policy intervention are effective in reducing Class 4 venues and EGMs, relative to those TLAs with no restrictions beyond those mandated by the Gambling Act.
 - 43.2. Sinking lids and per capita caps are equally the most effective at reducing machine spending.
 - 43.3. Those TLAs who adopted restrictions above and beyond those mandated by the Gambling Act experienced less gambling harm than those TLAs who have not.



THE FUNDING SYSTEM

44. Following the removal of tobacco funding, EGMs were introduced with the primary purpose of funding communities.
45. Trusts and Societies are required to return 40% of GMP to the community by the way of grants or applied funding. This has inextricably linked gambling harm with the survival of community groups, sports and services.
46. However, it cannot be guaranteed that the GMP lost in Waitaki is returned to groups in Waitaki. For example, of the \$3.1 million lost in Waitaki in 2020 (3), approximately \$237,000 was returned to Waitaki-based organisations (16).
47. Moreover, the unethical nature of the funding model cannot be ignored. The *Gambling Harm Reduction Needs Assessment* (2018), prepared for the Ministry of Health, raises fundamental questions about the parity of this funding system (17).
48. PGF Group, Hapai Te Hauora and The Salvation Army Oasis released a white paper in June 2020 titled, [Ending community sector dependence on pokie funding](#) (18). There is a need for a transparent and sustainable funding system to support groups in our communities.
49. This is a sentiment that is shared by other councils, including Hutt City Council, who have decided to take proactive steps to not apply for and accept Class 4 funding.

PRIORITISING THE PREVENTION OF HARM

50. While a sinking lid is at present the best public health approach available to TLAs to prevent and minimise gambling harm in their communities, we contend that such a policy does not go far enough – or work fast enough – to do this.
51. Several councils have already expressed their frustration at the limited opportunities available to them in their attempts to reduce the harm from Class 4 gambling in their communities.
52. For example, Ōpōtiki District Council has sent a letter to the Minister of Internal Affairs Jan Tinetti asking her to use her powers to further regulate the use of EGMs. Other councils, such as Wellington City Council, are advocating to government about the urgent need to replace Class 4 funding with sustainable, ethical funding for community sports, cultural and other groups who currently benefit from this funding.



53. We encourage the Council to advocate to central government for the following:
- 53.1. Adoption of a more sustainable, ethical, and transparent community funding system.
 - 53.2. More powers for councils to remove EGMs from their communities.
 - 53.3. The urgent removal of Class 4 EGMs from high deprivation areas 7-10 in New Zealand.

SUBMISSION AND RECOMMENDATIONS

54. We strongly support Waitaki District Council's proposal to adopt a sinking lid. We believe that this decision is an important step towards preventing and minimising gambling harm for those in Waitaki.
55. To reap the benefits of a sinking lid approach, we recommend Council to combine both Option 2 (no new venue licenses) and Option 3 (no new machine licenses) of the proposed options. Adopting one option over the other may slow down the efficacy of a true sinking lid policy.
56. We submit that an adopted sinking lid policy should include the following three provisions:
- 56.1. A ban on any new venues – no permit will be given to operate any new Class 4 gambling venues in the Council area if that venue proposes having EGMs, including TAB venues.
 - 56.2. No relocations – if a venue with EGMs closes for any reason, the Council will not permit the EGMs to be relocated to any venue within the Council area.
 - 56.3. No mergers – there will be no merging of Class 4 venues under any circumstances.

CONCLUSION

57. The Gambling Act 2003 was enacted to provide a public health approach to the regulation of gambling and to reduce gambling harm.
58. A sinking lid – with no relocations or venue mergers permitted – is the best public health approach available to councils who wish to prevent and minimise gambling harm in their communities.



59. If this Council determines the health and wellbeing of their community to be of the utmost importance, the only logical choice would be to adopt a sinking lid policy.
60. We would be happy to keep the Council updated with our ongoing work to address the issue of a more sustainable community funding model.
61. PGF appreciates the opportunity to make a written submission on the Council's proposed Class 4 gambling and TAB venues policy.



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15. Erwin C, Lees, K., Pacheco, G., & Turco, A. Capping problem gambling in NZ: The effectiveness of local government policy interventions. . Auckland: New Zealand Work Research Institute.; 2020.
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17. Sapere Research Group. Gambling harm reduction needs assessment. Wellington: Ministry of Health; 2018.
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Class 4 Gambling Venues Policy and TAB Venues Policy

#18

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Friday, February 25, 2022 11:21:51 AM
Last Modified: Tuesday, March 01, 2022 12:21:43 PM
Time Spent: Over a day
IP Address: 203.86.192.17

Page 1: Feedback form

Q1

Your contact details

Name	Cathy Maaka
Organisation (if applicable)	Oamaru Licensing Trust
Street address	115 Thames Street
Town	Oamaru
Post code	9400
Email	gm@olt.co.nz
Phone	0274151274

Q2

Yes

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Oamaru Licensing Trust, through the Lion Foundation gaming Trust operate 30 gaming machines in the Waitaki District. We support retaining the status quo (option 1) of the policy. We operate in conjunction with the Lion Foundation to ensure that the funds that are raised through our pokie rooms is returned back to our community and not to a national fund.

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

[Gaming Submission.docx \(196.6KB\)](#)



A:PO Box 550
1 Wear Street
Oamaru 9444
New Zealand

**Submission to WAITAKI DISTRICT COUNCIL:
Proposed Class 4 Gambling and TAB Venues Policy**

The Oamaru Licensing Trust operates 2 gaming rooms with a total of 30 machines in the Waitaki District, under the umbrella of the Lion Foundation

We support retaining the status quo (Option 1) of the Gaming Policy.

The Trustees of OLT sit on the Grants Committee alongside an independent committee member who lives within our community. The committee meets monthly. Whilst some funds go back to organisations that are not Waitaki based, they do always have a connection to the district, such as Sport Otago.

We are proud to be able to contribute back to our community via the grants process. I am aware that the Lion Foundation have given a list of recipients with their submission. Our grants committee are very pleased that over this two-year period, we have been able to provide financial assistance to over 60 organisations including local schools, pre-schools, kindergartens, our local Waitaki District Health Board, Waitaki Community Gardens and Waitaki District Council, to name a few.

There are stringent criteria for applicants to meet. Class 4 gaming is very highly regulated and monitored.

The greatest concern with any sinking lid policy for gaming is the resulting issue of online gambling. The more we reduce the ability of owners to transfer a gaming licence within our district, or reduce the number of machines, the more encouragement for online gambling. Online gambling does not provide any tax income back to our government, and there are no returns at all to any community group. These community groups rely very heavily on our funding scenario.

Gambling is always going to exist in some format in our society and it is better to be monitored with funds going back into the local economy than to be online and unregulated.

In the WDC Consultation document, part of the response to point of "What does a sinking lid mean for community and sports groups that receive funding from machine operators" *There are many councils around the country with sinking lid policies which have seen no reduction in the amount of funding available because they are designed for long-term effect.*



This comment may have been relevant prior to covid but given the effect that Covid is having on the hospitality industry, the overall figures and results in a decrease in funding to these community groups has yet to be revealed.

The need for a sinking lid policy is mitigated by the fact that the current policy has a maximum cap on machine numbers for the district.

Attachment 3: Written Submissions

Class 4 Gambling Venues Policy and TAB Venues Policy

#1

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, February 01, 2022 1:09:24 PM
Last Modified: Tuesday, February 01, 2022 1:11:22 PM
Time Spent: 00:01:57
IP Address: 122.56.78.129

Page 1: Feedback form

Q1

Your contact details

Name Mathew Harris
Street address 44a Taward St
Town Oamaru
Post code 9400
Email harris.mathew.nz@gmail.com
Phone 0273505878

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

I am in favour of the sinking Lid proposal and would support our council to make a decision based on the benefits or costs to either one of the 2 sinking lid proposal options.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#2

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, February 02, 2022 7:17:23 PM
Last Modified: Wednesday, February 02, 2022 7:28:43 PM
Time Spent: 00:11:19
IP Address: 122.57.201.19

Page 1: Feedback form

Q1

Your contact details

Name	Alan Kirkwood
Email	alankirkwood@tutanota.com
Phone	0225493496

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Gambling venues profit solely through exploiting people's addictive tendencies; taking their money while adding nothing of substance to the economy.

I support the sinking lid policy and any other which will at the very least stop more gambling venues from being created.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#3

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Sunday, February 06, 2022 1:49:29 PM
Last Modified: Sunday, February 06, 2022 2:17:17 PM
Time Spent: 00:27:47
IP Address: 119.224.36.81

Page 1: Feedback form

Q1

Your contact details

Name	Norma Mcleod
Street address	10 Hannah Place Holmes Hill
Town	Oamaru
Post code	9401
Email	normacrooks@gmail.com
Phone	0210799694

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

I would like to see both gambling venues and gambling machines eliminated from the Waitaki District as much as possible. I have seen the harm to vulnerable people and families that gambling causes, and it far outweighs any benefits. In fact there is more cost to the community and society in the possible criminal consequences, rehabilitation, and support required. It is not just harmless fun for many people, but a downward spiral of despair. It might be legal, but only benefits the operator in the long run, and borders on an immoral business if the outcome is thought about.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#4

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, February 15, 2022 9:38:11 AM
Last Modified: Tuesday, February 15, 2022 9:41:45 AM
Time Spent: 00:03:33
IP Address: 151.210.169.105

Page 1: Feedback form

Q1

Your contact details

Name	Steve Dalley
Street address	37B Rata Drive
Town	Otematata
Post code	9412
Email	stevedalley24@gmail.com
Phone	021768719

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

I would like it to stay at status quo. Thanks

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#5

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, February 15, 2022 4:30:56 PM
Last Modified: Tuesday, February 15, 2022 4:34:23 PM
Time Spent: 00:03:26
IP Address: 101.53.202.53

Page 1: Feedback form

Q1

Your contact details

Name Wendy Noordermeer
Email wendy7628@hotmail.com
Phone 0278194834

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

I reckon they should both say the same as they are. Withdrawal of pokie machines will not benefit the community groups as it does now and they will suffer. Gamblers are not only restricted to machines theres alot of online gambling apps around.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#6

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, February 15, 2022 7:17:41 PM
Last Modified: Tuesday, February 15, 2022 7:19:25 PM
Time Spent: 00:01:43
IP Address: 125.237.111.243

Page 1: Feedback form

Q1

Your contact details

Name	Robert Halcrow
Street address	14 Oban Street
Town	Oamaru
Post code	9401
Email	noodlum44@hotmail.com
Phone	0274241986

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Keep the 'status quo'.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#7

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, February 16, 2022 8:26:54 AM
Last Modified: Wednesday, February 16, 2022 8:32:10 AM
Time Spent: 00:05:15
IP Address: 125.239.54.132

Page 1: Feedback form

Q1

Your contact details

Name	Gillian Thorn
Street address	3 Meon Street
Town	Oamaru
Post code	9400
Email	gillianthorn@myop.ac.nz
Phone	0273009841

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

I agree with the sinking lid proposal. While I recognise that these machines fund different community organisations, from experience at a professional level and a personal level they cause more harm to our community than good. I am all for reducing their impact in our community as they take advantage of those who struggle with addiction and many are low income families, which takes precious resources from their loved ones.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#8

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Friday, February 18, 2022 7:19:30 AM
Last Modified: Friday, February 18, 2022 7:23:54 AM
Time Spent: 00:04:24
IP Address: 222.152.199.171

Page 1: Feedback form

Q1

Your contact details

Name	Jason Williamson
Organisation (if applicable)	Trust Aoraki Ltd
Town	Timaru
Email	coo@trustaoraki.co.nz
Phone	0276875358

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

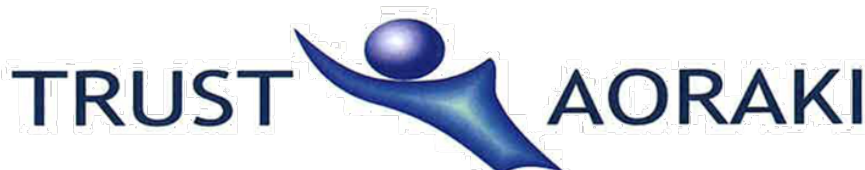
What comments would you like to provide on the proposal?

Please see attached submission.

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

[Trust Aoraki Waitaki DC submission.docx \(268.3KB\)](#)



Submission to Waitaki District Council Class 4 Gambling Venues Policy – 2022

Contact persons

Anne-Marie McRae
Board Chairperson
anne-marie@gressons.co.nz

Jason Williamson
Chief Operations Officer
coo@trustaoraki.co.nz

Introduction

1. Trust Aoraki Limited is a Class 4 Gambling Operator licenced to conduct Class 4 gambling by way of Electronic Gaming Machines (EGMs) at eight hotel venues throughout the Timaru, Waitaki and MacKenzie districts.
2. Trust Aoraki currently has 10 EGMs in two hotel venues in the Waitaki district:
 - 2.1. Otematata Bar & Lodging, Otematata, and
 - 2.2. Kurow Hotel, Kurow.
3. Trust Aoraki distributes net Gaming Machine Proceeds¹ (GMP) from Class 4 gambling (“grant funding”) to authorised purposes as prescribed by its Licence and Constitution into the local communities where the funds were realised. For example, this means that grant funding raised in Otematata is distributed in the Otematata region benefiting the local community.
4. The primary community focus outlined in our Constitution is *‘to promote, foster and encourage amateur games or sports’* and the secondary focus is for *‘any purpose recognised as being charitable’*. A minimum of 70% is distributed to amateur sports organisations, with the balance distributed to community organisations involved with culture, education and art.
5. Trust Aoraki supports ‘excellence’ (achieving at a high level) and ‘participation’ (where community benefit is maximised).
6. Trust Aoraki prides itself on its strategic vision and success of providing support to enable community wellbeing. Community wellbeing is fostered through promoting good physical and mental health for all age groups by participation in sport, with a

¹ Gaming Machine Proceeds are the aggregate winnings of gaming machines, minus payouts.



particular focus on ensuring young people are involved in sport, as well as supporting community groups which encourage positive social and cultural interactions. Trust Aoraki also supports communities by providing grant funding for community events which in turn provides economic benefits to the community.

7. Since Trust Aoraki established its first venue in the Waitaki District October 2009, Trust Aoraki has distributed grant funding of \$665,320 into the Waitaki District.
8. Trust Aoraki has provided funding for the Alps to Ocean Cycle Track, Otematata Bowling Club, Kurow Bowling Club, Waitaki Valley Preschool, North Otago Cricket Association, Kurow Rugby Football Club, Kurow Netball, Timaru Yacht and Powerboat Club for Aviemore Classic Regatta, North Otago Yacht and Powerboat Club, Hakataramea Valley Mobile Kindergarten, Kurow Cricket Club, Otematata Residents Association and the Waitaki Valley School.
9. Class 4 Gambling often receives negative publicity because gambling causes harm to some individuals in the community. Trust Aoraki ensures it complies with the Department of Internal Affairs (DIA) requirements for addressing harm prevention and harm minimisation.

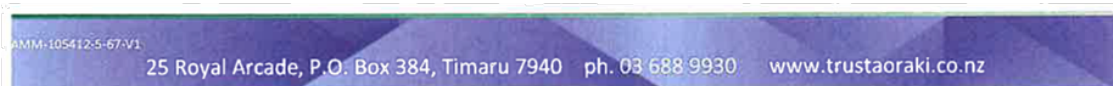
Waitaki District Council Class 4 Gambling Venue Policy

10. The Waitaki District Council’s (WDC) current policy has a cap of 140 EGMs and must not exceed one venue per 1,000 population (2018 census: 22,308 usually resident population), namely 22 venues.
11. The below table summarises the state of play for the Waitaki region between March 2015 and September 2021²:

	Number of Venues	Number of EGMs	GMP per year (million)
March 2015	12	117	\$3.7m
March 2020 (pre-Covid)	11	111	\$3m
September 2021	11	107	\$2.6m

12. The current number of EGMs in the Waitaki region, namely 107, are significantly less than the maximum district cap of 140. Since 2015, EGMs have reduced by 10 machines.
13. The number of venues, namely 11, are significantly less than the WDC’s policy cap of 22. In 2015, there was only one more venue.
14. GMP has reduced by \$1.1 million since 2015. However, some of that reduction is a result of COVID 19. In March 2020, prior to COVID 19 lockdowns, the GMP had

² <https://catalogue.data.govt.nz/dataset/gaming-machine-profits-gmp-dashboard>





reduced by \$700,000, therefore less money is being gambled in EGMs due to natural attrition of EGMs and venues.

15. Less GMP results in less grant funding being distributed to the community.

Response to Waitaki District Council Proposal

16. WDC has proposed three options:

- Option 1 – Status quo.
- Option 2 – Sinking lid policy – no new venue licences will be granted.
- Option 3 – Sinking lid policy – no new machine licences will be granted.

Support Option 1 – Status quo.

17. Trust Aoraki supports Option 1 – the current policy does not require amending and is satisfactory to meet the purposes of providing a fun and a social form of entertainment, minimising harm and returning the grant funding to the community.

18. Natural attrition is reducing the number of venues with EGMs and numbers of EGMs.

Opposed to Options 2 and 3 - Sinking lid

19. Trust Aoraki opposes the introduction of a 'Sinking Lid Policy' as proposed in Options 2 and 3 on the grounds it is not required. If introduced it will not reduce gambling harm but will reduce grant funding.

20. It is noted the primary concern about gaming machine gambling is the harm caused. One purpose of the Gambling Act 2003 is 'to prevent and minimise harm from gambling, including problem gambling'.

21. It is submitted it is important the WDC carefully considers credible and verifiable evidence in order to weigh up:

21.1. What harm is being caused in the Waitaki District;

21.2. What is being done by DIA and Class 4 Gambling Operators to prevent and minimise harm caused by Class 4 gambling; and

21.3. What benefits the community receive from grant funding.

What harm is being caused to the Waitaki District?

22. Trust Aoraki acknowledges any form of gambling to excess can result in harm to individuals (and their families).



23. In 2020, the Ministry of Health commissioned a needs assessment to help inform the refreshed draft strategy to prevent harm and minimise gambling harm. Based on a comprehensive review of the recent international and domestic research evidence on gambling harm prevention and minimisation (in all types of gambling), interviews with a cross section of stakeholders and a service provider survey, the needs assessment found that in New Zealand:

- most people gamble for leisure and recreation;
- all forms of gambling remain widely accessible;
- access to online gambling for money has increased;
- gambling expenditure decreased during COVID-19 restrictions but returned to pre-COVID levels shortly after restrictions lifted;
- Māori, Pacific peoples and young people / rangatahi continue to have the highest prevalence of harmful gambling;
- risks of harmful gambling remain extensive;
- the enablers and barriers to seeking help for gambling problems and harm have not significantly changed since the last needs assessment.³

24. There are just over 1,000 Class 4 venues and over 16,000 EGMs across New Zealand. The number of Class 4 venues and EGMs (non-casino) continue to decrease:

24.1. Up to September 2020, there were a total of 1,068 Class 4 venues – 60 fewer venues compared with September 2019 (Figure 1) (Department of Internal Affairs, 2021b).

24.2. Up to December 2020 there were a total of 14,781 EGMs across New Zealand – 75 fewer EGMs compared to December 2019 (Figure 2) (Department of Internal Affairs, 2021b).⁴

25. Despite fewer EGMs (non-casino) throughout New Zealand, the prevalence of harmful gambling remains relatively unchanged.⁵

26. The Ministry of Health keeps a record of the number of people in each territorial authority that seek help via phone, text, email or the face-to-face counselling services that are available. The most recently available data (the year from July 2020 to June 2021) shows three people from the Waitaki District sought help for problem gambling during the year. The presentation data for the last four years is as follows⁶:

2020/21	new clients: 3	total clients seen: 3
---------	----------------	-----------------------

³ Malatest International, Gambling Harm Needs Assessment 2021.

⁴ Ibid., page 20.

⁵ Ibid., page 32

⁶ <https://www.health.govt.nz/our-work/mental-health-and-addiction/addiction/gambling/service-user-data/intervention-client-data#territorial>



2019/20	new clients: 2	total clients seen: 2
2018/19	new clients: 0	total clients seen: 1
2017/18	new clients: 3	total clients seen: 4
2016/17	new clients: 1	total clients seen: 5

27. These statistics show that very few people are seeking assistance for problem gambling in the Waitaki region and numbers have not changed much despite a reduction in 10 machines over the same period.

What is being done by the Ministry of Health, DIA and Class 4 Gambling Operator to address the Act's purpose of minimising harm?

28. Class 4 gaming is highly regulated and has safeguards in place, for example:

- 18 year old age limit;
- Restrictive limits: maximum stake: \$2.50 and machines only accept bank notes \$20 and below; and
- Machine feature that interrupts play and displays a pop-up message about duration of player's sessions, the amount spent and amount won or lost.

29. From each dollar paid into a gaming machine, the Gaming Machine Proceeds (GMP) (once prizes are paid out) is paid back to Trust Aoraki and applied as follows:

- Minimum of 40% distributed to community groups in the form of authorised purpose grants.
- Gaming Duty - 20%
- Problem Gambling Levy – 0.9%
- Venue payments – maximum 16%
- Operating expenses – 23%:
 - GST
 - DIA fees
 - Repairs and maintenance
 - Administration costs.

30. The Problem Gambling Levy provides approximately \$20,000,000 per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ringfenced and not able to be directed to other health areas.

31. Trust Aoraki endorses the 'spirit of the Act' to minimise harm in our communities, while maximising returns by:

31.1. Having a comprehensive Harm Prevention, Harm Minimisation and Responsible Gambling Policy; and

31.2. Facilitating responsible gambling by providing training and support to venue operators/management and their staff to prevent harm and encourage responsible gambling. This includes providing training and resources on 'Gambling Host Responsibility' and how to identify and deal with potential problem gamblers, including exclusion.

What benefits does the Waitaki District Community receive from grant funding?

32. In 2019/2020 there was \$3 million GMP in the Waitaki District and \$1.2 million (40%) was distributed back into the community as grant funding.
33. Since Trust Aoraki established its first venue in the Waitaki District in 2009, Trust Aoraki has distributed grant funding of \$665,320 into the Waitaki District.
34. Many organisations in the Waitaki District have benefited from grant funding. Without this funding, most of these organisations would not be able to assist reduce costs for their members or provide equipment, facilities and community events.
35. The evidence shows that reduced venues and reduced machines results in less GMP and therefore less grant funding available to distribute to the community.

Conclusion

36. Trust Aoraki supports Option 1.
37. Trust Aoraki submits the WDC must cautiously consider all credible and verifiable evidence in order to weigh up harm to the community (taking into account harm minimisation procedures already in place) against benefits to the community, before making a decision to implement a 'sinking lid' policy.
38. The reduction of gaming machines nationally has not resulted in harm reduction. Therefore, it follows a sinking lid policy is not going to achieve the desired results of minimising gambling harm but will result in less grant funding for the community.
39. Reduced levels of grant funding will mean the Waitaki community will not be able to enjoy the sporting and cultural experiences and facilities which are supported by Class 4 gaming. As a result, community wellbeing will suffer.

Class 4 Gambling Venues Policy and TAB Venues Policy

#9

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Friday, February 18, 2022 12:10:11 PM
Last Modified: Friday, February 18, 2022 12:13:37 PM
Time Spent: 00:03:25
IP Address: 103.23.18.4

Page 1: Feedback form

Q1

Your contact details

Name	Don Martin
Organisation (if applicable)	NZCT
Street address	22 Sars Street
Town	Wellington
Post code	6143
Email	don.martin@nzct.org.nz
Phone	021 808 167

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Hi Andrew, please see our submission attached. Any questions please let us know, thanks Don

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

NZCT Waitaki District Council FINAL Combined Due 1 March 2022.pdf (986.3KB)

Class 4 Gambling Venues Policy and TAB Venues Policy

#10

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Friday, February 18, 2022 12:17:06 PM
Last Modified: Friday, February 18, 2022 12:19:47 PM
Time Spent: 00:02:41
IP Address: 103.23.18.4

Page 1: Feedback form

Q1

Your contact details

Name	Don Martin
Organisation (if applicable)	NZCT
Street address	22 Sar Street
Town	Pipitea Wellington
Post code	6143
Email	communications@nzct.org.nz
Phone	044951594

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Class 4 Gambling Venues policy

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Hi Andrew, my apologies if you have received this already. My browser closed on submission and I'm not sure it went. Thanks Don

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

NZCT Waitaki District Council FINAL Combined Due 1 March 2022.pdf (986.3KB)



Submission to
Waitaki District Council
on the proposed
Class 4 Gambling Venues Policy

February 2022

New Zealand Community Trust's submission on Waitaki District Council's Gambling Venue Policy

Introduction

Established in 1998, New Zealand Community Trust (NZCT) is one of New Zealand's largest gaming trusts with 13% market share. Our publicans raise funds by operating gaming lounges within their pubs, hotels and other venues. In the 12 months to 30 September 2021, NZCT approved **\$44.7** million in grant funding to sporting, local government and community groups nationwide.

NZCT is a member of the Gaming Machine Association of New Zealand (GMANZ). We are aware of and endorse the submission provided by GMANZ.

NZCT's recommendations

NZCT supports option 1, the status quo cap of 140 machines

NZCT opposes the:

- introduction of a sinking lid in either venue or machine numbers.

Gaming machine funding

The Gambling Act 2003 seeks to balance the potential harm from gambling against the benefits of using gaming machines as a mechanism for community fundraising.

NZCT provided to Waitaki District for the benefit of the community from January 2019 to December 2021 a total of **\$103,965** across **71** grant applications and worthy recipients.

NZCT recently granted \$1 million dollars to Maia Health Foundation in the South Island for the benefit of young people, adolescents and their families. Without gaming machines this would not have been possible.

A list of all the grants made during this time are attached as appendix 1.

NZCT's contribution to community funding reflects its venue numbers and the turnover of each of those venues. According to grant data compiled by KPMG as part of a joint project between the Department of Internal Affairs, Sport New Zealand and GMANZ, in 2019, Waitaki District community and sporting organisations received **\$501,151** in grants. This was represented by many grants and made by a range of gaming societies, including NZCT.

Executive summary

The current gambling venue policy has worked to date. Local gaming machine numbers have reduced since the policy was put in place.

Keeping the cap and allowing a relocation policy will ensure the thousands of dollars continue to be granted to the local community.

The 2021 TDB Advisory report, *Gambling in New Zealand: A National Wellbeing Analysis*, found that gambling in New Zealand had a net positive wellbeing benefit of between **\$1,740 million** and **\$2,160 million** each year.

New Zealand has a very low problem gambling rate by international standards – at 0.2% of people aged 18 and over (approximately 8000 people nationally). According to the New Zealand National Gambling Study: Wave 4 (2015).

All gaming machine societies contribute to a problem gambling fund – which provides some \$20 m per year to the Ministry of Health to support and treat gambling addiction.

Problem gamblers are currently supported using a range of measures. The controlled, class 4 environment is one of the best environments to reduce gambling harm to people and communities.

Information is freely available in the community to enable support and identify risks associated with gambling by members of the public, individuals at risk, staff at venues, and by loved ones.

Council gambling venue policies are critical to maintaining the infrastructure that allows community funding from gaming trusts to be sustainable long term. Sinking lid and no-relocation policies destroy this infrastructure. Councils need to take an informed and balanced approach to community benefit and potential harm from gambling.

A sinking lid is a blunt instrument that does little to address problem gambling and reduces community funding by removing the fundraising infrastructure (i.e., gaming machines within tightly controlled entertainment venues) over time. Problem gambling is a complex addiction.

A cap on gaming machine numbers and an effective relocation policy that allows venues to move is much fairer to the community and hospitality business owners, as well as helping address problem gambling.

If gaming venues are removed from the community, gamblers are more likely to move to the online environment where gambling is unregulated, unmonitored, and have no harm minimisation measures. Online gambling incentivises spending and returns nothing to benefit the New Zealand community. The controlled environment around class 4 is recognized as the safest place in which to enjoy gambling, whilst providing benefit back to the community.

In the year to June 2021, 2 Waitaki District residents were assisted by problem gambling service providers. In addition to contributing some \$1 million each year to the problem gambling levy NZCT contributes an estimated additional \$800,000 each year, to resources and initiatives that help minimise harm.

Class 4 societies must distribute or apply 100% of profits to community authorised purposes. It's important to appreciate this a not-for-profit model.

Purpose

The purpose of this submission is to explain why:

A cap with no sinking lid is the right choice for community wellbeing and detail how

- Problem Gamblers are supported
- Information is freely available to all gamblers and people using gaming venues
- The community need is there and must continue to be met

A cap with no sinking lid is the right choice for the community

A sinking lid reduces funding within our local community and nationally.

The national picture - community organisations rely on pub gaming to survive

The purpose of the pub gaming sector is to raise funds for the community. Many community sports, arts, and other groups, including councils accept grants and may depend on pub gaming grants to survive. It is crucial that this fundraising system is sustainable long term.

Seventy-five percent of groups surveyed in 2012 indicated their organisation is moderately or totally reliant on gaming funding to support their core business. Fifty-five percent said there would be a high to extreme risk to their organisation and their core business if they did not receive this funding.¹ There is no evidence that this situation has changed for the better since then.

The reduction in gaming trust funding has had a negative impact on community organisations, with many organisations and activities ceasing to operate and others severely reduced in capacity and capability. Grassroots community organisations are struggling with few alternative sources for funding available to replace the loss of gaming funding. Voluntary organisations are increasingly reliant on nationwide public donation campaigns to stay afloat. The Covid-19 pandemic has only worsened this situation.

Locally in Waitaki District

Waitaki District organisations like these that have benefited from NZCT's grants over the last three years, may miss out in the future if less funding is available.

Grant #	Organisation	Total Amount Approved
83440	Bowls Palmerston Inc	\$15,000.00
89166	Excelsior Rugby and Associated Sports Club Oamaru Inc	\$2,000.00
78133	Meadowbank United Football Club Inc	\$6,000.00
82351	Meadowbank United Football Club Inc	\$2,000.00
78335	Midlands Squash Rackets Association Inc	\$6,000.00
78096	North Otago Cricket Association Inc	\$8,000.00
83152	North Otago Cricket Association Inc	\$4,000.00

¹ Page iii, Community Funding Survey, Point Research 2012.

89393	North Otago Cricket Association Inc	\$4,000.00
86399	North Otago Lawn Tennis Association Inc	\$688.47
85951	North Otago Toy Library Inc	\$2,609.56
77914	Oamaru Old Boys Rugby Football Club Inc	\$3,159.00
87761	Oamaru Rowing Club Inc	\$4,000.00
90314	Omarama Golf Club Inc	\$3,000.00
78852	Omarama School	\$1,000.00
79200	Union Cricket Club Oamaru Inc	\$4,000.00
84654	Weston School	\$5,100.00
		\$70,557.03

91 cents of every dollar goes back to person gambling yet every year, the gaming trust sector raises around \$294 million² for more than 9,700 worthwhile sports and community groups. The sector's contribution to the community through funding, in addition to the contribution to government revenue from GST, other taxes and levies, is acknowledged by central government.

We anticipate that the Government will regulate to require gaming societies to return at least 80% of the net proceeds they generate to the region where the funds were raised. This means communities that do not operate gaming machines will be unlikely to receive gaming grants and their local sports and community groups will suffer. NZCT already aims to return 92% of our funds locally.

This is a good reason to leave the caps as they are.

The pub gaming sector has already experienced a significant decline

During the last 18 years the pub gaming sector has experienced a significant decline, yet problem gambling has remained static. Department of Internal Affairs (DIA) statistics show that, between 30 June 2003 and 30 June 2021:

- the number of gaming venues reduced from 2,122 to 1,059 (a 50% reduction)³
- the number of gaming machines operating reduced from 25,221 to 14,704 (a 41.7% reduction)⁴.

Council policies contribute to the decline in the pub gaming sector

One of the main contributors to the decline of the pub gaming sector is the inflexibility of council gambling policies, particularly those with sinking lids on gaming machine numbers and those that do not allow relocation of venues in a broad range of circumstances.

Such policies are based on the erroneous belief that limiting gaming machine numbers will limit problem gambling. In fact, despite the 41% reduction in gaming machine numbers during the past 17 years, New Zealand's problem gambling rate has remained consistently low as a percentage of the population. The 2015 New Zealand Gambling Study (the most recent) found the rate was 0.2% and the latest Health and Lifestyles Survey found it was 0.1%. The 2012 New Zealand Gambling Study concluded "...there has probably been no change in the prevalence of current problem and moderate-risk gambling since 2006."⁵

² *Grant Distribution Modelling*, KPMG, November 2020.

³ DIA statistics: https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict

⁴ Ibid.

⁵ Page 7, *New Zealand 2012 Gambling Study: Gambling harm and problem gambling*.

Online gambling is the unregulated threat to watch out for

The public has access to a growing number of overseas gambling websites where they can spend their entertainment dollar. These sites are highly accessible, even to minors, often offer inducements to keep players betting, and have no bet size restrictions or guaranteed return to players. They do not return any funds to the New Zealand community or the New Zealand Government and have no harm minimisation measures in place.

During the Covid-19 lockdown in 2020, 8% of gamblers gambled online for the first time and an additional 12% gambled online more than usual.⁶

Offshore-based online gambling poses considerable risks because it:

- Is highly accessible, being available 24 hours a day from the privacy of your home;
- Has no restrictions on bet sizes;
- Has no capacity for venue staff to observe and assist people in trouble;
- Reaches new groups of people who may be vulnerable to the medium;
- Provides no guaranteed return to players;
- Is more easily abused by minors;
- Has reduced protections to prevent fraud, money laundering or unfair gambling practices; and is unregulated, so on-line gamblers are often encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.

Offshore-based online gambling does not generate any community funding for New Zealanders, does not generate any tax revenue for the New Zealand Government, and does not make any contribution to the New Zealand health and treatment services as no contribution is made to the problem gambling levy^{6b}.

Relocation is the right decision for increased and continued community good

In September 2013, Parliament recognised the merit in enabling venues to relocate, and expressly amended the Gambling Act 2003 to enable venues to relocate and retain the same number of machines when a relocation consent was obtained.

Enabling relocation enables venues to move out of earthquake-prone buildings, an important Health and Safety consideration.

Enabling relocation allows venues to move away from large premises, with large car parking areas, where such land may be better used for affordable high-density housing.

A broad relocation policy is positive as it assists with the revitalisation of the district. It allows gaming venues to move to new, modern, refurbished premises. Allowing local businesses to upgrade their premises and provide a more modern, attractive offering.

Location of gaming machines is more important than their number

Research⁷ suggests that when it comes to preventing and minimising gambling harm, the location of gaming machines is more important than the number of gaming machines operating. The

⁶ Impact on Covid-19: Topline results, April 17, 2020, Health Promotion Agency

⁷ *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

Government acknowledged this point in 2013 when it amended the Gambling Act⁸ to require local authorities to consider adding relocation clauses to their gambling policies.

As well as harm minimisation benefits from allowing venues to relocate out of areas of high deprivation, relocation clauses provide sensible options for business owners who are otherwise at the mercy of building owners who know they have captive tenants. Relocation clauses also give councils more flexibility for re-zoning and city planning.

Why allowing relocations is important

Helping reduce harm

Research⁹ by Auckland University of Technology shows that problem gambling behaviour is influenced more by the distance to the nearest gambling venue, rather than the number of gambling venues within walking distance.

The Ministry of Health's 2013 Gambling Resource for Local Government acknowledges this point and states that one of the major factors associated with increased prevalence of problem gambling is "location and/or density of gambling venues and machines".¹⁰ The Ministry of Health also found "being a problem gambler is significantly associated with living closer to gambling venues."¹¹ Allowing gaming operations to move out of high-deprivation areas could potentially diminish gambling harm for at-risk communities.

Supporting local hospitality businesses

Relocation clauses help ensure the continual improvement and growth of your local hospitality sector. Rather than tying gaming operations to a physical address, which may over time become a less desirable location, relocations allow gaming operators to move their business to more suitable premises. This is particularly important if premises are deemed unsafe or unusable for a lengthy period, such as after a fire or earthquake. The result is attractive and safe entertainment environments in your community.

Responding to future demand

Broad relocation clauses help gambling venue policies accommodate urban growth, re-zoning changes or changes in population demographics. This is not possible while gambling machine entitlements are linked to a physical address.

¹² The DIA recommended relocation policies as a way of allowing territorial authorities to future-proof their class 4 gambling policies.¹²

Gaming machines can only be played in strictly controlled environments

Corporate societies licensed to conduct class 4 gambling are fully aware of their obligations under the Gambling Act 2003. All gaming rooms are operated by trained staff at licensed venues.

⁸ Section 97A and 102(5A).
6b http://www.gamblinglaw.co.nz/download/Online_gambling_Cabinet_paper.pdf

⁹ *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

¹⁰ Page 21, *Ministry of Health Gambling Resource for Local Government*, 2013.

¹¹ *Ibid.*

¹² *Internal Affairs Policy Briefing 3: Options for improving territorial authority gaming machine policies*, 28 March 2013.

The DIA is responsible for monitoring the class 4 gambling industry, including venue ‘key persons’, bar staff and societies, to ensure they adhere to legislative requirements. The penalties for non-compliance include fines, suspensions, loss of operating or venue licence and potential criminal charges.

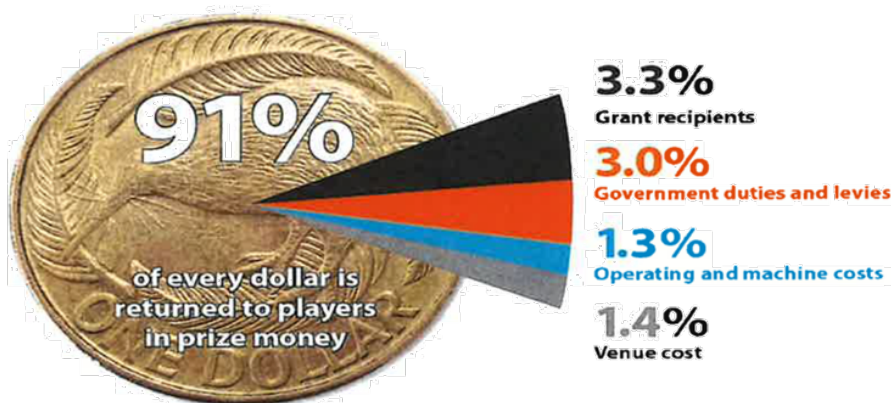
Facial recognition

There are some venues in Waitaki District that have facial recognition installed to assist with the monitoring and enforcement of exclusion orders. Venue staff can issue exclusion orders to persons who are showing signs of problem gambling. Gamblers can also elect to self-exclude. An exclusion order is like a trespass order, in that it makes it illegal for the person to re-enter the gaming room for a set period of up to two years.

Pub gaming’s vital support for the community

In most countries, gambling is purely for commercial gain. New Zealand is different. We are one of the few countries with a community-focused model for pub gaming, where the proceeds are returned to the community instead of the private sector.

NZCT’s revenue distribution in 2020/21



In the year ending 30 September 2021, NZCT approved \$44.70 million through 1,921 grants.

In the years between January 2019 to 31 December 2021, NZCT approved \$103,956 through 71 grants that had a direct benefit to Waitaki District residents (see appendix 1 for details). Most of this was for amateur sporting purposes, as per our trust deed. However, we also funded resources and equipment for the North Otago Toy Library for toys and play equipment.

Amateur sport has traditionally been our focus, and between 75 and 80% of the grants we distribute go to sports organisations. Each year, NZCT funds around 50 different sports.

In 2020/21, we funded the equivalent of:

- uniforms for 49,998 rugby teams (one uniform costs \$60), or
- 2,999,867 footballs (one football costs \$15), or
- 5,625 four-person waka (one waka costs \$8,000), or

- more than 2.25 million hours – or 256.8 years – of coaching (one hour of coaching costs \$20), or
- 30 artificial playing fields (one field costs \$1.5 million).

To raise this much money themselves, our grant recipients would have had to:

- cook and sell more than 22.4 million \$2 sausages at sausage sizzles and every person in New Zealand would need to buy and eat five sausages, or
- sell five \$2 raffle tickets to every man, woman and child in New Zealand each year, or
- wash more than 8.9 million cars at \$5 a wash, which would take 10 people continuously washing cars for 30 minutes around 50 years to achieve.

Grants distributed by gaming machine trusts were 10% of the total philanthropic funding to the community and voluntary sector in 2011 and were at twice the level given by New Zealand businesses. In 2019, the amount of funds returned to the community from non-casino, non-club gaming grants was \$294 million.¹³ Class 4 gaming societies are required to distribute a minimum return of 40% to the community, on top of government fees, levies and GST, site rental, and machine and operating costs (see the chart on the next page showing NZCT's revenue distribution for the 2018/19 reporting period).

Each year the gambling industry pays circa \$18 to \$20 million to the government, so the Ministry of Health can implement its Preventing and Minimising Gambling Harm Strategic Plan. These funds pay for the implementation of public health services, intervention services, research, evaluation and workforce development.

Pub gaming is tightly regulated and no more than 16% of gaming proceeds can be paid to gaming venue operators to cover site rental, including staff costs and business overheads relating to the gambling operation.

Reasons to maintain the current policy on gaming machines and venues

Gaming machines are an important component of your local hospitality sector and an important source of community funding, and the benefits are considerable.

Local hospitality sector

Businesses that host gaming machines are typically pubs and hotels. Gaming machine venues contribute to your local economy by employing staff and providing hospitality options for residents and tourists.

Community funding

Around \$294 million is returned to the community every year through grants awarded by class 4 gaming societies. Many community organisations, such as sports clubs, hospices, rescue services and arts groups, would struggle or cease to function without this funding. There is currently no sustainable alternative to this funding to the level provided by gaming societies.

Class 4 gaming societies have probity processes we go through with every grant application to ensure the applicant is authentic and able to deliver the outcomes detailed in their grant application, and that any goods or services to be paid for by the grant are at arm's length and free from any conflicts of interest.

¹³ *Grant Distribution Modelling*, KPMG, November 2020.

The benefits are considerable

Recent research in 2021 carried out independently by TBD who produced the TBD Advisory report, *Gambling in New Zealand: A National Wellbeing Analysis*, found that gambling in New Zealand had a net positive wellbeing benefit totalling around \$1.7 to \$2.1 billion per annum. The costs and benefits are summarised in table, which can be found on page 87 of the report (replicated below)^{7b}

Table 32: Quantifiable costs and benefits of gambling in New Zealand, p.a., \$ million,

	Gross benefits	Costs	Net benefits
Consumption-side	2,740 to 3,160	2,090	650 to 1,070
Production-side	1,800	990	810
Government	280		280
Total	4,820 to 5,240	3,080	1,740 to 2,160

The report for the first time reliably indicates benefits, as well as costs and shows that this net benefit is provided each year throughout New Zealand.

Gaming machine numbers have little effect on problem gambling numbers

It is naïve, misleading, and wrong to assume that fewer gaming machines will result in fewer problem gamblers. A gambling addiction is a complex psychological condition, which is influenced by many factors and usually has co-morbidities, such as mental health issues and other addictions. As shown in the graph below, a reduction of almost 6,000 gaming machines across the country between 2007 and 2019 had no impact on the small percentage of problem gamblers nationally.

Gaming machines are a legal and valid entertainment choice

Pub gaming is a legal, valid, and enjoyable source of entertainment for Hutt residents and tourists alike. Most players regard gaming as light entertainment and know when to stop. The Gambling Commission has reminded councils and the regulator that "... conditions can only properly be imposed if they reduce the harm caused by problem gambling, as distinct from simply reducing gambling activity which is a lawful and permitted activity under the Act."¹⁴

If appropriate measures remain in place to support the very small numbers of problem gambling people, then the hundreds of thousands should remain in the community for the good it will bring. We support this objective and believe a vibrant hospitality sector is a vital part of achieving this outcome.

Pub gaming brings many benefits to New Zealand. Business and Economic Research Ltd (BERL)¹⁵ calculated in 2015 that each year the entertainment value to recreational players was around \$250 million, the grants value to the community was also around \$250 million (now \$294 million), and the Government revenue value in the form of tax, duties and levies was around \$279 million.

Problem gambling rates have plateaued

The New Zealand 2012 National Gambling Study found that the number of people who regularly participate in continuous forms of gambling, like gaming machines, decreased from 18% in 1991 to 6% in 2012.¹⁶ The study concluded: "Problem gambling and related harms probably reduced significantly during the 1990s but have remained at about the same level despite reductions in non-

¹⁴ Gambling Commission decision GC 03/07.

¹⁵ *Maximising the benefits to communities from New Zealand's Community Gaming Model*, BERL, February 2013.

¹⁶ Pg 8, *NZ 2012 National Gambling Study: Overview and gambling participation*.

casino EGM [electronic gaming machine] numbers and the expansion of regulatory, public health and treatment measures.”¹⁷

The 2016 National Gambling Study (the most recent) found the problem gambling rate was 0.2% and concluded: “From 2012 to 2015, overall gambling participation has declined whilst problem gambling and low-risk and moderate-risk gambling levels have remained static. This poses a public health challenge of identifying the factors to explain the persistence of harm despite declining gambling participation. One reason may be a high relapse rate [66%].”

The 2016 Health and Lifestyles Survey states that “In 2016, 3.1% of New Zealand adults 18 years and over had experienced an occasion when they had gambled more than intended, but this proportion has been dropping steadily since 2006/07 when it was 11%.”

It also states that the current problem gambling rate has now dropped to an all-time low of 0.1% of the adult population (around 7,500 people), despite an upward trend in gaming machine expenditure.¹⁸

Problem gambling rates in New Zealand are relatively low

NZCT is committed to reducing and minimising the harm that can be caused by gambling. As can be seen in the table, New Zealand has one of the lowest rates of problem gambling in the world.¹⁹ Relatively few New Zealanders are gambling at levels that lead to negative consequences; most people who gamble know when to stop.

Country	Problem gambling prevalence (% population*)
New Zealand	0.1–0.2
UK	0.7
Norway	0.7
Australia	2.3
USA	2.6
Canada	3
Mixture of CPGI, PGSI and SOGS scores ²⁰	

Strict harm minimisation obligations

A key purpose of the Gambling Act is to prevent and minimise the harm that can be caused by gambling, including problem gambling. To that end, in all class 4 gambling venues:

- stake and prize money are limited
- odds of winning must be displayed
- gaming rooms are restricted to people over the age of 18 years
- gaming rooms can only be operated in adult environments, such as pubs, nightclubs and clubs
- play is interrupted every 30 minutes with an update on how long the player has been at the machine, how much money they’ve spent, and their net wins and losses
- \$50 and \$100 notes are not accepted

¹⁷ Pg 18, *ibid*.

¹⁸ DIA media release: <http://livenews.co.nz/2017/04/21/new-zealand-gaming-pokie-spending-patterns-continue/>

¹⁹ *Maximising the benefits to communities from New Zealand’s community gaming model*, BERL, February 2013.

²⁰ A range of different measurements are available to measure problem gambling rates. CPGI refers to the Canadian Problem Gambling Index, PGSI is the Problem Gambling Severity Index and SOGS is the South Oaks Gambling Screen.

- no ATMs are allowed in licensed gambling areas
- gaming advertising is prohibited
- the DIA monitors every gaming machine's takings
- syndicated play is prohibited
- all venues must have staff trained in gambling harm minimisation on duty whenever gaming machines are operating
- all venues must have a gambling harm minimisation policy in place
- all venues must display pamphlets and signs directing gamblers to help services
- venue staff must be able to issue and enforce Exclusion Orders
- venue staff must help problem gamblers if they have an ongoing concern about them.

Ongoing obligations

The Gambling Act obliges venue staff to provide ongoing help to a potential or current problem gambler. Offering help once, and then ignoring continued warning signs, is not sufficient.

A venue is automatically in breach of the law if an excluded person enters the gambling area. Venues must be able to show they have robust systems and processes in place that restrict excluded people from entering.

Training

NZCT provides face-to-face and online problem gambling training to staff at each of its gaming venues and trains over 500 staff a year.



Trainers deliver a presentation on problem gambling and take staff members through each part of the problem gambling resource kit in detail. Venue staff also work through an online training tool, which includes an assessment that they must pass. Refresher training is provided annually. Gaming venues are continually reminded of their obligation to ensure a person trained in harm minimisation is always on duty when gaming machines are operating.

Support is available for problem gamblers

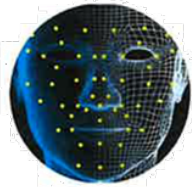
Each year the gambling industry pays circa \$18 - 20 million to the government in the form of a problem gambling levy, so the Ministry of Health can implement its Preventing and Minimising Gambling Harm Strategic Plan (PMGH). These funds pay for the implementation of public health services, intervention services, research, evaluation and workforce development.

Harm minimisation activities

Gaming trusts take legal obligations very seriously, none more so than those around minimising the harm that can be caused by gambling. To meet our harm prevention and minimisation requirements, NZCT provides a problem gambling resource kit to each of its gaming venues. The kit includes:

- NZCT's Harm Prevention and Minimisation Policy
- a plain language harm prevention and minimisation manual and policy guide
- exclusion orders and guidance on the exclusion order process
- a pad of gambling host responsibility record sheets to record any problem gambling issues and action taken by staff
- signage, pamphlets and other problem gambling resources.

In addition to this toolkit, increasingly facial recognition technology is used to identify problem gamblers and assist them to be excluded. NZCT has strongly recommended to the Ministry of Health on the proposed Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25 that this technology be rolled out further as part of problem gambling harm minimisation work underway.



The Guardian - Facial Recognition System

A fully integrated, market-leading system that identifies excluded persons as they enter a gaming room, by matching them against a centralised database.

Three short videos showing how the facial recognition system works can be viewed at: <https://www.coms.net.nz/the-guardian-facial-recognition/>

NZCT also provides all its gaming venues with the Health Promotion Agency’s harm minimisation signs to display in and around the gaming area, wallet cards with information for potential problem gamblers and host responsibility resources for staff.

Two of the findings from the inaugural PMGH baseline report were that problem gambling services are effectively raising awareness about the harm from gambling, and interventions for gambling-related harm are moderately accessible, highly responsive and moderate to highly effective.²¹



The world’s largest clinical trial²² for problem gambling treatment found that, one year after calling the Gambling Helpline, three-quarters of callers had quit or significantly reduced their gambling.

About NZCT

Established in 1998, New Zealand Community Trust (NZCT) is the one of the largest gaming trusts with 13% market share, operating in venues and communities throughout New Zealand. In the 12 months to 30 September 2021, NZCT approved \$44.70 million in grant funding to sporting, local government and community groups nationwide.

NZCT’s Board, Regional Advisory Committees and management take risk mitigation and assurance seriously and our risk framework recognises the need for effective controls and mitigation tools/strategies to prevent and minimise harm from problem gambling.

²¹ Page 16, *Outcomes Framework for Preventing and Minimising Gambling Harm Baseline Report*, May 2013.

²² *The Effectiveness of Problem Gambling Brief Telephone Interventions*, AUT, Gambling & Addictions Research Centre.

While most New Zealanders gamble without experiencing any harm, a small minority who participate suffer some degree of harm and the impacts for them and people affected by their gambling, can be significant.

NZCT contributes through the problem gambling levy approximately \$1 million per annum to the collective annual levy of \$18-20 million. That is a significant amount, on top of an estimated \$800 thousand which NZCT expends within the organisation each year, on training, resourcing, and technology, such as facial recognition technology (FRT), directed to identifying and mitigating problem gambling in our venues. We have a strong interest in seeing the levy spent effectively.

Over the last 10 years, the Ministry of Health has received more than \$186 million in funding from the four gambling sectors that contribute to the annual levy.

In that period, it appears the problem gambling rate has not reduced, and the key objectives of the strategy have not been met, as confirmed by the damning Needs Assessment Report.

We have twin goals of serving both our publicans and the communities in which they operate. At least 75% to 80% of the funds we currently distribute are directed towards sports activities, making NZCT the largest funder of amateur sports participation in New Zealand. We focus on sport because of the many positive benefits it offers communities, such as:



- crime reduction and community safety
- economic impact and regeneration of local communities
- education and lifelong learning
- participation
- physical fitness and health
- psychological health and wellbeing
- social capital and cohesion.²³

Overseas research²⁴ has found participation in sport can lead to increased health and productivity for individuals, and increased wealth or wellbeing of society. While amateur sport is our main focus, we are also strong supporters of other worthy community activities, including local government projects.

Further information about our submission

For further information, or if you have any questions about NZCT's submission, contact Don Martin, Communications and Marketing Manager on (04) 495 1594 or don.martin@nzct.org.nz

²³ Sport England's Value of Sport Monitor.

²⁴ http://www.ausport.gov.au/information/asc_research/publications/value_of_sport.

Our Southern Regional Advisory Committee members

Stephen Boock

Chair, Southern Regional Advisory Committee

Todd Heller

Member, Southern Regional Advisory Committee

Julie Seymour

Member, Southern Regional Advisory Committee

Brian McKechnie

Member, Southern Regional Advisory Committee

<https://www.nzct.org.nz/about-us/meet-our-regional-advisory-committees/>

Our Trustees

Alan Isaac

Board Chair

David Pilkington

Board Member and Net Proceeds Committee Chair

Kerry Prendergast

Board Member and Audit and Risk Committee Chair

Peter Dale

Board Member

Lesley Murdoch

Board Member

Peter Miskimmin

Board Member

<https://www.nzct.org.nz/about-us/#meet-our-trustees>

Appendix 1

Grants to Waitaki District by NZCT January 2019 to December 2021

Grants to Waitaki District - January 2019 to December 2021

Grant #	Organisation	Total Amount Approved	Amount drawn from Waitaki District	Date of Approval	Calendar Year	Purpose
83440	Bowls Palmerston Inc	\$15,000.00	\$15,000.00	22/09/2020	2020	Toilet upgrade
89166	Excelsior Rugby and Associated Sports Club Oamaru Inc	\$2,000.00	\$2,000.00	20/10/2021	2021	Playing uniforms and equipment
78133	Meadowbank United Football Club Inc	\$6,000.00	\$6,000.00	21/05/2019	2019	Towards portable age grade goals
82351	Meadowbank United Football Club Inc	\$2,000.00	\$2,000.00	29/06/2020	2020	Playing uniforms
78335	Midlands Squash Rackets Association Inc	\$6,000.00	\$6,000.00	25/06/2019	2019	Salary
78096	North Otago Cricket Association Inc	\$8,000.00	\$8,000.00	21/05/2019	2019	Towards cricket balls
83152	North Otago Cricket Association Inc	\$4,000.00	\$4,000.00	22/09/2020	2020	Cricket balls
89393	North Otago Cricket Association Inc	\$4,000.00	\$4,000.00	21/09/2021	2021	Cricket balls
86399	North Otago Lawn Tennis Association Inc	\$688.47	\$688.47	20/04/2021	2021	Equipment
85951	North Otago Toy Library Inc	\$2,609.56	\$2,609.56	20/04/2021	2021	Toys / play equipment
77914	Oamaru Old Boys Rugby Football Club Inc	\$3,159.00	\$3,159.00	23/04/2019	2019	Towards playing uniforms
87761	Oamaru Rowing Club Inc	\$4,000.00	\$4,000.00	22/07/2021	2021	Rowing skiff
90314	Omarara Golf Club Inc	\$3,000.00	\$3,000.00	14/12/2021	2021	Carpet / toilet vinyl upgrade
78852	Omarara School	\$1,000.00	\$1,000.00	23/07/2019	2019	Towards 2019 school ski programme (fit, lessons and hire)
79200	Union Cricket Club Oamaru Inc	\$4,000.00	\$4,000.00	21/08/2019	2019	Towards balls
84654	Weston School	\$5,100.00	\$5,100.00	17/11/2020	2020	Swimming lessons
		\$70,557.03	\$70,557.03			
Regional grants that benefit Waitaki District						
80445	Athletics Otago Inc	\$5,000.00	\$500.00	29/11/2019	2019	Salary
78449	Dunedin NZ Masters Games Trust	\$10,000.00	\$300.00	25/06/2019	2019	Salary
87714	Dunedin NZ Masters Games Trust	\$10,000.00	\$900.00	2/09/2021	2021	Contractor
79459	Nietball South Zone Inc	\$20,000.00	\$600.00	21/08/2019	2019	Salary
84578	Netball South Zone Inc	\$75,000.00	\$2,750.00	15/12/2020	2020	Salary
79564	No 5 District Federation of NZ Football Inc - Capital Football Inc	\$175,000.00	\$120.00	30/09/2019	2019	Towards travel and accommodation for 2019 National Age Group Tournament
80747	No 5 District Federation of NZ Football Inc - Capital Football Inc	\$11,080.00	\$33.18	29/11/2019	2019	Towards travel for 2020 Futsal Youth Nationals
85485	No 5 District Federation of NZ Football Inc - Capital Football Inc	\$106,949.00	\$1,422.82	19/01/2021	2021	Venue hire and flights for 2021 Futsal National Age Group Tournament
87364	No 5 District Federation of NZ Football Inc - Capital Football Inc	\$140,000.00	\$131.40	22/06/2021	2021	Accommodation and flights for 2021 National Age Group Tournament
80018	No 7 District Federation of NZ Football Inc - Football South	\$30,000.00	\$1,164.00	29/11/2019	2019	Towards salary for Futsal Development & Competitions Manager; Towards salaries for two Federation Football Development Officers
89815	No 7 District Federation of NZ Football Inc - Football South	\$20,000.00	\$1,766.57	20/10/2021	2021	Salary - Football Development Manager
79271	Otago Country Cricketer Association Inc	\$5,000.00	\$150.00	13/09/2019	2019	Towards cricket balls
80857	Otago Cricket Association Inc	\$30,000.00	\$600.00	22/01/2020	2020	Salary
84355	Otago Cricket Association Inc	\$30,000.00	\$3,300.00	17/11/2020	2020	Contractor - Cricket Development Officer (Queenstown/ Wanaka/ Central Otago) Salary - Cricket Development Officer (Queenstown/ Wanaka/ Central Otago)
78836	Otago Rowing Association Inc	\$2,000.00	\$60.00	21/08/2019	2019	Salary
77910	Otago Rugby Football Union Inc	\$35,000.00	\$1,015.52	23/04/2019	2019	Towards salary for Community Rugby Manager; Towards salary for Referee Education Officer
82815	Otago Rugby Football Union Inc	\$30,000.00	\$2,100.00	29/06/2020	2020	Salary - Referee Education Officer; Salary - Community Rugby Manager
86615	Otago Rugby Football Union Inc	\$27,000.00	\$2,700.00	20/04/2021	2021	Salary - Referee Education Officer; Salary - Community Rugby Manager
77470	Otago Rugby Referees Association Inc	\$6,000.00	\$174.09	23/04/2019	2019	Towards on-field referee jerseys and assistant referee flags
77118	Otago Secondary Schools Sports Association Inc	\$2,500.00	\$17.95	19/02/2019	2019	Towards equipment hire, venue hire, online entry system, medical cover and race number printing for 2019 Otago Secondary School Athletics Championships
81479	Otago Secondary Schools Sports Association Inc	\$2,000.00	\$112.39	18/02/2020	2020	Equipment hire, venue hire, online entry system and medical cover
85754	Otago Secondary Schools Sports Association Inc	\$2,500.00	\$275.00	23/02/2021	2021	Equipment hire, venue hire, online entry system, first aid cover and traffic management
79379	Otago Softball Association Inc	\$4,000.00	\$900.00	21/08/2019	2019	Salary
86634	Otago Southland Ice Skating Sub Association Inc	\$4,000.00	\$390.07	20/04/2021	2021	Ice time
79559	Otago Touch Association Inc	\$9,000.00	\$90.00	13/09/2019	2019	Towards accommodation (excluding food and carparking)
79727	Paraled Otago Inc	\$7,500.00	\$225.00	30/09/2019	2019	Salary
89447	Softball Mainland Inc	\$6,000.00	\$29.84	20/10/2021	2021	Contractor
80770	Southern Zone Deaf Rugby Union Inc	\$5,000.00	\$12.00	22/10/2019	2019	Towards travel and accommodation
82558	Southern Zone of NZRL Inc	\$60,000.00	\$378.00	6/08/2020	2020	Salary - Club Capability and Events Manager; Salary - Canterbury Rugby League Development Officer; Salary - General Manager
86219	Southern Zone of NZRL Inc	\$120,000.00	\$827.28	22/03/2021	2021	Contractor - Canterbury Rugby League Development Officer from 31 July 2021; Salary - Club Capability and Events Manager; Salary - General Manager (excluding expenses)

Grant #	Organisation	Total Amount Approved	Amount Drawn from Waitaki District	Date of Approval	Calendar Year	Purpose
78625	Sport Administration Exprit Inc	\$1,010.00	\$30.30	25/06/2019	2019	Towards ground hire; Towards accommodation
77876	Sport Otago	\$10,000.00	\$290.15	23/04/2019	2019	Towards production costs for 2019 ASB Otago Sports Awards
80418	Sport Otago	\$30,000.00	\$1,200.00	17/12/2019	2019	Towards salary for Sport Central Community and Schools Advisor; Towards salary for Sport Central Sport Coordinator (excluding fundraising element)
85312	Sport Otago	\$20,000.00	\$2,000.00	19/01/2021	2021	Salary - Community Sport Adviser; Salary - Community and Schools Advisor
87071	Sport Otago	\$8,000.00	\$800.00	18/05/2021	2021	Production costs
79828	Squash Otago Inc	\$1,000.00	\$30.00	13/09/2019	2019	Towards travel and accommodation
79643	Swimming Otago Inc	\$10,000.00	\$300.00	13/09/2019	2019	Towards swimming timing equipment
79751	Tennis Otago Inc	\$3,000.00	\$90.00	13/09/2019	2019	Towards fee for Operations Manager (excluding fundraising element)
84239	Tennis Otago Inc	\$1,500.00	\$165.00	17/11/2020	2020	Contractor
86303	Tennis Otago Inc	\$2,500.00	\$250.00	20/04/2021	2021	Contractor
		\$1,120,139.00	\$27,890.56			
Grants to national organisations that benefit Waitaki District						
76771	Basketball NZ Inc	\$150,000.00	\$300.00	19/02/2019	2019	Regional Development Programme costs
83098	Basketball NZ Inc	\$65,555.40	\$59.66	6/08/2020	2020	Contract fees for Regional Coordinators
81090	BMX NZ Inc	\$4,600.00	\$20.24	17/12/2019	2019	Towards medical cover and race number plates; Towards travel
77085	Gymsports NZ Inc	\$200,000.00	\$149.75	27/03/2019	2019	Towards salary of Midlands Relationship Manager; Towards salary of Central Regional Relationship Manager; Towards salary of Relationship Team Manager; Towards salary of Community Sport Manager; Towards salary of Southern Regional Relationship Manager
83157	Gymsports NZ Inc	\$100,000.00	\$154.00	6/08/2020	2020	Salary - Community Sport Manager (excludes wage subsidy); Salary - National Support Administrator (excludes wage subsidy); Salary - Relationship Team Manager (excludes wage subsidy); Salary - Midlands Relationship Manager (excludes wage subsidy); Salary - Central Relationship Manager (excludes wage subsidy)
86503	Gymsports NZ Inc	\$189,101.92	\$278.28	22/03/2021	2021	Salary - Operations Manager; Salary - Community Sport Manager; Salary - National Support Administrator; Salary - Midlands Relationship Manager (excludes wage subsidy); Salary - Central Relationship Manager; Salary - Southern Relationship Manager
80196	Hockey NZ Inc	\$111,249.96	\$161.54	27/10/2019	2019	Towards Regional Development Programme fees; Towards salary of Community Coaching Manager; Towards salary of Community Hockey Manager - Central; Towards salary of Community Hockey Manager - Canterbury; Towards salary of Community Hockey Manager - Participation; Towards salary of Event Manager (excludes fundraising element); Towards salary of Community Hockey Manager - Capability; Towards salary of GM Community Hockey & Events (excludes fundraising element)
81526	Hockey NZ Inc	\$81,400.00	\$215.78	18/02/2020	2020	Contract fees for Regional Development Programmes; Salary - Event Manager; Salary - National Tournaments Coordinator; Salary - Community Coaching Manager; Salary - Community Hockey - Capacity; Salary - Community Hockey Manager - Participation; Salary - GM Community Hockey and Events
78223	NZ Canoe Polo Association Inc	\$3,870.00	\$10.10	23/07/2019	2019	Towards pool hire for South Island Secondary Schools Canoe Polo Championships
84535	NZ Golf Inc	\$150,000.00	\$257.66	17/11/2020	2020	Salary - Regional Support Manager - Lower North Island; Salary - Regional Support Manager - South Island; Salary - Regional Support Manager - Waikato/BOP; Salary - Regional Support Manager Northern
88504	Scout Association of NZ	\$50,000.00	\$48.57	2/09/2021	2021	Salary - General Manager South Island; Salary - General Manager Lower North Island; Salary - General Manager Upper North Island
78223	Special Olympics NZ	\$250,000.00	\$290.72	21/05/2019	2019	Towards salary for Manager Sports Operations; Towards salaries for eight (8) Regional Sports Coordinators
82788	Special Olympics NZ	\$125,000.00	\$87.50	29/06/2020	2020	Salaries - Regional Sports Coordinators; Salary - Sport Director - Auckland; Salary - Team Lead ISC - Central North Island
85902	Special Olympics NZ	\$250,000.00	\$3,080.00	23/02/2021	2021	Salaries for Regional Sports Coordinators
76958	Yachting NZ Inc	\$152,000.00	\$91.20	19/02/2019	2019	Towards salaries for two (2) Regional Support Officers - Northern Regions from 1 March 2019; Towards salary for Regional Support Officer - Central Region from 1 March 2019; Towards salary for Regional Support Officer - Southern Region from 1 March 2019
85626	Yachting NZ Inc	\$152,000.00	\$313.32	23/02/2021	2021	Salary - Regional Support Officer (Auckland, Northland); Salary - Regional Support Officer (Central including Bay of Plenty and Gisborne); Salary - Regional Support Officer (Auckland, Bay of Plenty); Salary - Regional Support Officer (West Coast, Canterbury, Otago, Southland)
		\$2,034,777.28	\$5,518.32			

Class 4 Gambling Venues Policy and TAB Venues Policy

#11

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, February 21, 2022 8:53:31 PM
Last Modified: Monday, February 21, 2022 8:56:04 PM
Time Spent: 00:02:33
IP Address: 203.211.76.121

Page 1: Feedback form

Q1

Your contact details

Name	Nikita
Street address	7 witham street
Town	Oamaru
Post code	9400
Email	nikitahawtin93oo@gmail.com
Phone	0211416528

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

Leave them alone.....

I enjoy the odd games every now and then... stop taken all the fun of us. We can't all net flick and chill.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#12

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, February 22, 2022 12:51:05 PM
Last Modified: Tuesday, February 22, 2022 12:53:13 PM
Time Spent: 00:02:08
IP Address: 122.56.78.133

Page 1: Feedback form

Q1

Your contact details

Name	Melanie Lewis
Organisation (if applicable)	Waitaki BHS
Street address	Waitaki Avenue Oamaru North
Town	Oamaru
Post code	9400
Email	sc@waitakibhs.school.nz
Phone	+6421560921

Q2

Do you wish to present your submission at a Council hearing?

No

Q3

I am giving feedback on:

Class 4 Gambling Venues policy

Q4

What comments would you like to provide on the proposal?

As a school community the funding that we receive each year means that we can provide safe, quality gear and keep costs down for our students and families. Families sometimes struggle with daily living and being able to provide these boys with something positive as in being part of a team gives them a sense of belonging and ownership. This funding really makes a difference in alot of boys lives.

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#13

COMPLETE

Collector: Web Link 1 (Web Link)
 Started: Tuesday, February 22, 2022 4:59:35 PM
 Last Modified: Tuesday, February 22, 2022 5:36:53 PM
 Time Spent: 00:37:18
 IP Address: 222.154.233.31

Page 1: Feedback form

Q1

Your contact details

Name	Colin Jackson
Organisation (if applicable)	North Otago Rugby Union
Street address	203 Thames Street
Town	Oamaru
Post code	9400
Email	colin.jackson@northotagorugby.co.nz
Phone	0275388762

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

The proceeds from gaming are distributed back into the community and play an integral part in sustaining North Otago Rugby's Schools Coaching Programme. North Otago Rugby coaches in 24 schools throughout the Waitaki region (10 months of the year) and even some within the Otago and South Canterbury boundaries. Without gaming funding our coaching would just not happen it is that simple. In particular the Lion Foundation (OLT premises) and The Oamaru Club are so supportive of local sport & recreation. The Waitaki District Council does not need to reduce the number of gaming machines or TAB outlets in the Waitaki region. If they did, they would simply be scoring an own goal, as they also benefit from gaming proceeds themselves. Gaming machines and TAB outlets are professionally operated and controlled in the Waitaki region and if you take them away people will just go online from home. We need to support our local hospitality industry and stop finding negative and unsubstantiated reasons to diminish people simply having fun and enjoying some downtime. Stop listening to the "Doom & Gloomers". They most definitely represent a small minority.

Class 4 Gambling Venues Policy and TAB Venues Policy

Q5

Respondent skipped this question

If you prefer, you can upload a pdf or Word document
with your submission here:

Class 4 Gambling Venues Policy and TAB Venues Policy

#16

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, March 01, 2022 11:00:09 AM
Last Modified: Tuesday, March 01, 2022 11:06:54 AM
Time Spent: 00:06:45
IP Address: 202.49.30.230

Page 1: Feedback form

Q1

Your contact details

Name	Mary OBrien
Organisation (if applicable)	CCS Disability Action
Street address	30 Portsmouth Drive
Town	Dunedin
Email	mary.obrien@ccs disabilityaction.org.nz
Phone	027 406 8396

Q2

No

Do you wish to present your submission at a Council hearing?

Q3

Both

I am giving feedback on:

Q4

What comments would you like to provide on the proposal?

We support Option 3: Sinking lid policy (no new machine licences will be given in the Waitaki District)

Please see attachment.

Q5

If you prefer, you can upload a pdf or Word document with your submission here:

Gambling venues policy-1.3.22.docx (36.1KB)

CCS Disability Action

We support Option 3: Sinking lid policy (no new machine licences will be given in the Waitaki District)

Whilst gambling may be a source of recreation for some, it also results in problem gambling which causes considerable problems.

- Around 20% (1:5) adults who play gambling machines regularly are likely to be problem gamblersⁱ.

The *Problem Gambling Report* released by the department of Internal Affairsⁱⁱ outlines some of the key problems associated with problem gambling.

- Problem gambling is gambling that causes or may cause harm to an individual, his or her family, or the wider community. The effects of problem gambling may include
 - Financial problems
 - Problems at work (ranging from poor performance to fraud)
 - Poor parenting and other relationship problems
 - Family violence
 - Alcohol abuse
 - Mental health problems
 - Suicide.
 - Problem gambling is most commonly associated with gaming machines. Approximately two in five regular gamblers on gaming machines experience problems with gambling.
 - Harm may result from just one gambling session. In other cases, it might be the result of regular gambling sessions over a period of time and involving substantial amounts of money.
 - People living in more deprived areas, Māori and Pacific ethnicities are at greater risk of 'problem gambling' than those of other ethnicitiesⁱⁱⁱ.
 - People are likely to spend more on the pokies when drinking alcoholⁱⁱⁱ.

We consider that the personal, social and community harm and associated costs far outweigh any financial gains made by pokie venues and that the sinking lid policy (option3) will contribute to improved community wellbeing.

ⁱ PROBLEM GAMBLING IN NEW ZEALAND – A BRIEF SUMMARY. Department of Internal Affairs. [https://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/\\$file/ProblemGamblingFactsFinal.pdf.accessed](https://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/$file/ProblemGamblingFactsFinal.pdf.accessed) 1.3.22

ⁱⁱ Problem Gambling. Department of Internal Affairs. <https://www.dia.govt.nz/Services-Casino-and-Non-Casino-Gaming-Problem-Gambling>. Accessed 1.3.22

ⁱⁱⁱ Gambling Report. Health Promotion Agency. https://www.hpa.org.nz/sites/default/files/Final-Report_Results-from-2016-Health-And-Lifestyles-Survey_Gambling-Feb2018.pdf

4 MEETING CLOSE