

# **ATTACHMENTS**

**Ad Hoc Committee - Gambling and Easter  
Trading Meeting**

**21 November 2017**

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## Attachment 1 - Easter Sunday Shop Trading Policy Submission Summary

Sub No.	Name	Organisation	Support shops outside town centre opening	Support for policy comment	All shops to open or certain locations	All shops to open or certain locations comment	General Comments
1	Alex Fielder	N/A	YES		District wide		No
2	Renée Gray	N/A	NO	We should recognise Easter for what it is and keep Easter Sunday sacred and for the celebration and remembrance of Jesus Christ giving his life for the world and rising from the dead and living eternally as he is the way and the light and not monetise or make light of his sacrifice or the meaning of Easter.	Certain locations only	Petrol stations and four squares, supervalues and dairies only to allow people the basic necessities needed.	Remember why we have Easter and respect the reason we recognise that day every year and celebrate it not monetise it.
3	Maria Mills	N/A	YES		District wide		As a very busy tourism centre, it makes sense that our shops and restaurants are open to service our overseas guests and domestic travellers. Also, as Easter Sunday is a religious holiday, I don't feel every business owner should be forced to close if this is not their faith. It should be the choice of the business owner as to whether they wish to open.
4	Angela Dimery	Foodstuffs North Island Limited	YES		District wide		<p>For its part, the majority of Foodstuffs members would welcome the opportunity to open their stores on Easter Sunday. The current restriction is inconvenient for the many family holiday-makers that travel away from home to Taupo for holidays and require provisions for their stay. It is also inconvenient for the many international tourists that visit at Easter time, and all our other customers who would simply like more days to buy groceries over the long-weekend.</p> <p>We note that, if the Council were to introduce a policy allowing Easter Sunday trading, individual retailers within the district would be free to choose whether or not to open, retail employees would be free to choose whether or not to work (with statutory protections if they elect not to), and members of the public could choose, individually, whether they wanted to shop or not. In this sense permitting Easter Sunday trading would enable individuals to exercise personal choices.</p>

## Attachment 1 - Easter Sunday Shop Trading Policy Submission Summary

Sub No.	Name	Organisation	Support shops outside town centre opening	Support for policy comment	All shops to open or certain locations	All shops to open or certain locations comment	General Comments
5	Julie McLeod	Towncentre Taupo	YES		District wide		Towncentre Taupo believes in providing a consistent approach across the district for trading on Easter Sunday. The new rules would give shop owners the choice to open or close as well as expand the offering, which is in line with being a tourist destination.
6	Kylie Hawker-Green	Enterprise Great Lake Taupo	YES		District wide		The Board of Enterprise Great Lake Taupo supports Option One - developing a policy that allows shops to open across the district. We agree with the advantages noted in the options paper, and note; it is fair and reasonable that businesses across the district have the same trading conditions, rather than favouring one geographical group. There is potentially significant financial benefit for those businesses who choose to open on Easter Sunday. Increased breadth of Easter Sunday trading should return wider economic benefit to the greater district. Increased breadth of Easter Sunday trading will help the district to continue to hold a competitive advantage over other regional centres, some of whom have chosen not to trade on Easter Sunday
7	Catie Noble	Chamber of Commerce and Industry	YES	84% of members surveyed agreed	District wide	74% said district wide	Please see full submission
8	Damian Coutts	DGLT	Yes		District wide		For a number of years there has been an exemption in place for businesses located within the Taupō central business district, allowing them to trade on Easter Sunday. We note that the amended policy proposes that this exemption should be extended both in time, and geographical extent, so that other remote sites and other retail centres are covered. DGLT supports this change. Easter weekend is a very popular long weekend for tourism in the district and having a good array of activities, retail and food and beverage venues open is critical for the region to maximise spend/economic benefit.



1

**Submitter Details**

First Name: Alex  
Last Name: Fielder  
Street: 3A Sylvia Place  
Suburb: Acacia Bay  
City: Taupo  
Country: New Zealand  
PostCode: 3330  
eMail: Info@acaciabayapartment.co.nz

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo

Hearing Needs:

Correspondence to:

☒ Submitter☐ Agent☐ Both**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES☐ NO

If answered NO, please provide comment.

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide☐ Certain locations only

If you selected certain locations only, please specify which.

Do you have any further comments you would like to make?

Comments

No

**Attached Documents**

File

Easter Sunday Trading

**Submitter Details**

First Name: **Renee**  
Last Name: **Gray**  
Street: **257A Taharepa Road**  
Suburb: **Tauhara**  
City: **Taupo**  
Country: **New Zealand**  
PostCode: **3330**  
Daytime Phone: **079298813**  
Mobile: **02040625917**  
eMail: **reneegrays78@hotmail.com**

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ **Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo**

Hearing Needs:

Correspondence to:

☒ Submitter

☐ Agent

☐ Both

---

**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES

☐ NO

If answered NO, please provide comment.

We should recognise Easter for what it is and keep Easter Sunday sacred and for the celebration and remembrance of Jesus Christ giving his life for the world and rising from the dead and living eternally as he is the way and the light and not monetise or make light of his sacrifice or the meaning of Easter.

---

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide

☐ Certain locations only

If you selected certain locations only, please specify which.

Petrol stations and four squares, supervalues and dairies only to allow people the basic necessities needed.

---

Do you have any further comments you would like to make?

Comments

Remember why we have Easter and respect the reason we recognise that day every year and

2

celebrate it not monetise it.

Attached Documents

File
TDC Easter submissiom
Easter Sunday Trading

### John 3:16 Context

<sup>33</sup>And no man hath ascended up to heaven, but he that came down from heaven, *even* the Son of man which is in heaven. <sup>34</sup>And as Moses lifted up the serpent in the wilderness, even so must the Son of man be lifted up: <sup>35</sup>That whosoever believeth in him should not perish, but have eternal life. <sup>36</sup>**For God so loved the world, that he gave his only begotten Son, that whosoever believeth in him should not perish, but have everlasting life.** <sup>37</sup>For God sent not his Son into the world to condemn the world; but that the world through him might be saved. <sup>38</sup>He that believeth on him is not condemned: but he that believeth not is condemned already, because he hath not believed in the name of the only begotten Son of God. <sup>39</sup>And this is the condemnation, that light is come into the world, and men loved darkness rather than light, because their deeds were evil.

2

Please click on the link below to view the document

[https://submissions.taupo.govt.nz/443/Consult24Office/Docs/PID\\_17/17\\_723\\_BOPYSP\\_TDC\\_Easter\\_submission.docx](https://submissions.taupo.govt.nz/443/Consult24Office/Docs/PID_17/17_723_BOPYSP_TDC_Easter_submission.docx)

**Submitter Details**

First Name: Maria  
Last Name: Mills  
Street: 56 Kaimanawa Street  
Suburb:  
City: Taupo  
Country: New Zealand  
PostCode: 3330  
Mobile: 027249084  
eMail: maria@hakalodge.com

Wishes to be heard:

☒ Yes

☒ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo

Hearing Needs:

Correspondence to:

☒ Submitter

☐ Agent

☐ Both

**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES

☐ NO

If answered NO, please provide comment.

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide

☐ Certain locations only

If you selected certain locations only, please specify which.

Do you have any further comments you would like to make?

Comments

As a very busy tourism centre, it makes sense that our shops and restaurants are open to service our overseas guests and domestic travellers. Also, as Easter Sunday is a religious holiday, I don't feel every business owner should be forced to close if this is not their faith. It should be the choice of the business owner as to whether they wish to open.

Attached Documents

File

3

	File
	Easter Sunday Trading

**Submitter Details**

First Name: Angela  
Last Name: Dimery  
Organisation: Foodstuffs North Island Limited  
Street: 60 Roma Road  
Suburb: Mount Roskill  
City: Auckland  
Country: New Zealand  
PostCode: 1041  
eMail: angela.dimery@foodstuffs.co.nz

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo

Hearing Needs:

Correspondence to:

☒ Submitter

☐ Agent

☐ Both

**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES

☐ NO

If answered NO, please provide comment.

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide

☐ Certain locations only

If you selected certain locations only, please specify which.

Do you have any further comments you would like to make?

Comments

Please see attached supporting document.

**Attached Documents****File**

Submission on Easter Sunday Shop Trading Taupo District Council

Easter Sunday Trading



4

**Submission on Easter Sunday Shop Trading**

Foodstuffs North Island Limited (**Foodstuffs**) is the franchisor of the Foodstuffs Co-operatives' brands in the North Island. Our PAK'nSAVE, New World and Four Square stores are a significant employer in Taupo with six franchised stores in the Taupo Region. Of course, we may open more stores in your district in future.

Foodstuffs appreciate the opportunity to make a submission, and supports Council's proposal to allow shops in the whole of the district to be open on Easter Sunday.

For its part, the majority of Foodstuffs members would welcome the opportunity to open their stores on Easter Sunday. The current restriction is inconvenient for the many family holiday-makers that travel away from home to Taupo for holidays and require provisions for their stay. It is also inconvenient for the many international tourists that visit at Easter time, and all our other customers who would simply like more days to buy groceries over the long-weekend.

We note that, if the Council were to introduce a policy allowing Easter Sunday trading, individual retailers within the district would be free to choose whether or not to open, retail employees would be free to choose whether or not to work (with statutory protections if they elect not to), and members of the public could choose, individually, whether they wanted to shop or not. In this sense permitting Easter Sunday trading would enable individuals to exercise personal choices.

We do not wish to make oral submissions.

**Submitter Details**

First Name: Julie  
Last Name: McLeod  
Organisation: Towncentre Taupo  
Street: PO Box 2231  
Suburb:  
City: Taupo  
Country: New Zealand  
PostCode: 3351  
Daytime Phone: 021415231  
Mobile: 021415231  
eMail: julie@towncentretaupo.co.nz

**Wishes to be heard:**

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

**Preferred hearing location:**

☒ Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo

**Hearing Needs:****Correspondence to:**

☒ Submitter

☐ Agent

☐ Both

**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES

☐ NO

If answered NO, please provide comment.

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide

☐ Certain locations only

If you selected certain locations only, please specify which.

Do you have any further comments you would like to make?

**Comments**

Towncentre Taupo believes in providing a consistent approach across the district for trading on Easter Sunday. The new rules would give shop owners the choice to open or close as well as expand the offering, which is in line with being a tourist destination.

**Attached Documents**

5

	File	
	Easter Sunday Trading	

**Submitter Details**

First Name: **Kylie**  
Last Name: **Hawker-Green**  
Organisation: **Enterprise Great Lake Taupo**  
Street: **32 Roberts Street**  
Suburb: **Taupo**  
City: **Taupo**  
Country: **New Zealand**  
PostCode: **3330**  
Daytime Phone: **+64274443939**  
Mobile: **+64274443939**  
eMail: **kylie@greatlaketaupo.biz**

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ **Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo**

Hearing Needs:

Correspondence to:

☒ Submitter

☐ Agent

☐ Both

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**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES

☐ NO

If answered NO, please provide comment.

---

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide

☐ Certain locations only

If you selected certain locations only, please specify which.

---

Do you have any further comments you would like to make?

**Comments**

The Board of Enterprise Great Lake Taupo supports Option One - developing a policy that allows shops to open across the district. We agree with the advantages noted in the options paper, and note; \* It is fair and reasonable that businesses across the district have the same trading conditions, rather than favouring one geographical group \* There is potentially significant financial benefit for those businesses who choose to open on Easter Sunday \* Increased breadth of Easter Sunday trading should return wider economic benefit to the greater district \* Increased breadth of

6

Easter Sunday trading will help the district to continue to hold a competitive advantage over other regional centres, some of whom have chosen not to trade on Easter Sunday

Attached Documents

File
Easter Sunday Trading

7

**Submitter Details**

First Name: **Catie**  
Last Name: **Noble**  
Organisation: **Taupo District Chamber of Commerce and Industry**  
Street: **32 Roberts Street**  
Suburb:  
City: **Taupo**  
Country: **New Zealand**  
PostCode: **3330**  
Daytime Phone: **0210755856**  
Mobile: **0210755856**  
eMail: **catie@lifestylepotential.co.nz**

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ **Easter Sunday Trading - Tuesday, 21 November 2017 To be advised, Taupo**

Hearing Needs:

Correspondence to:

☒ Submitter☐ Agent☐ Both

---

**Submission**

Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?

☒ YES☐ NO

If answered NO, please provide comment.

84% of members surveyed agreed

Should all shops across the district be allowed to open or just those in certain locations?

☒ District wide☐ Certain locations only

If you selected certain locations only, please specify which.

74% said district wide

Do you have any further comments you would like to make?

Comments

Please see supporting document.

---

**Attached Documents**

7

	File
	TCCI Easter Trading Submission
	Easter Sunday Trading

7

## Taupo Chamber of Commerce & Industry - Easter Trading

31 Members participated

Q1

**Do you agree with allowing shops outside Taupo town centre to open on Easter Sunday?**

ANSWER CHOICES

Yes

RESPONSES      RESPONDENTS

84%

26

No

13%

4

If No, please comment.

3%

1

Good to stay shut and have some time with family.



Q2

**Should all shops across the district be allowed to open or just those in certain locations?**

ANSWER CHOICES

District Wide

RESPONSES

74%

RESPONDENTS

23

Certain Locations Only

16%

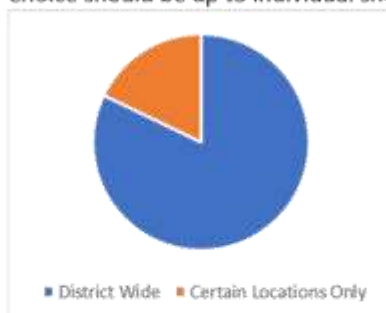
5

If certain locations (please specify)

10%

3

Choice should be up to individual shop owner



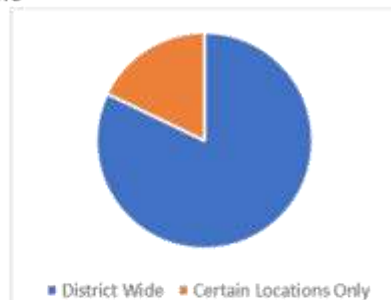


**7**

Q3

**Do you have any further comments you wish Chamber to be aware of when submitting our members views to council?**

- People have the right to choose
- As long as staff are (1) working voluntarily and (2) paid time-and-a-half and get their day in lieu as per the Act.
- No
- We need to work smarter maximise tourist spending otherwise businesses will close
- no



- 1 No



8

Taupo District Council  
Private Bag 2005  
Taupo Mail Centre  
Taupo 3352

31 October 2017

Attention: Hilary Samuel

Easter Sunday Shop Trading Policy

Dear Hilary

Destination Great Lake Taupō (DGLT) is the tourism promotion and marketing agency for the Taupō District. Part of that role is to advocate on issues of importance to the broader tourism industry, to ensure that the destination develops appropriately. Retail, food and beverage and tourism operations are critical components of the tourism experience in the district. These experiences are enjoyed not only in the Taupō central business district, but in a variety of other retail centres around the district, as well as in remote locations around key natural tourism attractions.

For a number of years there has been an exemption in place for businesses located within the Taupō central business district, allowing them to trade on Easter Sunday. We note that the amended policy proposes that this exemption should be extended both in time, and geographical extent, so that other remote sites and other retail centres are covered. DGLT supports this change. Easter weekend is a very popular long weekend for tourism in the district and having a good array of activities, retail and food and beverage venues open is critical for the region to maximise spend/economic benefit.

DGLT does not wish to be heard in support of this submission.

Warm regards,

Damian Coutts  
General Manager

Destination Great Lake Taupō

Address: The Hub, Level 1, 32 Roberts St. Taupō : Ph: +64 7 376 0400 : Postal Address: Destination Great Lake Taupō  
Email: info@greatlaketapo.com : Fax: +64 7 376 0410 : PO Box 149, Taupō 3351, New Zealand

In association with



First adopted:	XX XXXX 201X
Next review date:	XX XXXX 202X
Document number:	A?????
Sponsor/Group:	Group Manager: Finance and Strategy



## Draft Easter Sunday Shop Trading Policy

### Purpose and Scope

1. The purpose of the Local Easter Sunday Shop Trading Policy (Policy) is to enable shops to trade on Easter Sunday if they wish to. The Policy neither requires shops to open, or individuals to work on Easter Sunday.
2. This policy is made under Part 2 (subpart 1) of the Shop Trading Hours Act 1990 (the Act) which allows Council to have a policy to permit shops to open on Easter Sunday.

### Definitions

3. Words and phrases within this Policy have the same meaning as defined within the Act.

### Policy

4. Shop trading is permitted on Easter Sunday throughout the Taupō District area (area as defined by Schedule 2(2) of the Local Government Act 2002).
5. This Policy does not:
  - Override or replace Taupō District Councils Easter Sunday Shop Trading exemption
  - Apply to any day other than Easter Sunday
  - Control the types of shops that may open, or their opening hours
  - Require shops to open, or employees to work on Easter Sunday (Employees have the right to refuse to work on Easter Sunday as per the Act)
  - Apply to the sale or supply of alcohol which is regulated under the Sale and Supply of Alcohol Act 2012.
6. Council is not responsible for the enforcement of this Policy. Enforcement is undertaken by the central government department that is responsible for the administration of the Act.

### Review

7. The Policy will be reviewed no longer than 5 years after the date of adoption of the Policy.


## Facebook comments on Easter Sunday trading

**Post Details**

Reported state may be displayed from what appears on post.

**Taupo District Council**  
October 2 · 4

What do you think about a proposal to allow Easter Sunday trading across the Taupo District? Now is the chance to have your say! Find out more here:



**Proposal to allow Easter Sunday trading district-wide - Taupo District Council**  
Easter Sunday trading across the Taupo District could become reality through a proposed shop trading policy. But before the policy is adopted, the community...  
TAUPODC30V1N2

**10,401** People Reached

**42** Likes, Comments & Shares

<b>22</b> Likes	<b>19</b> On Post	<b>3</b> On Shares
<b>19</b> Comments	<b>16</b> On Post	<b>3</b> On Shares
<b>1</b> Shares	<b>1</b> On Post	<b>0</b> On Shares

**300** Post Clicks

<b>0</b> Photo Views	<b>34</b> Link Clicks	<b>266</b> Other Clicks
-------------------------	--------------------------	----------------------------

**NEGATIVE FEEDBACK**

<b>2</b> Hide Post	<b>2</b> Hide All Posts
<b>0</b> Report as Spam	<b>0</b> Unlike Page

Reported state may be displayed from what appears on post.

**10,401** people reached

**19** 11 Comments 1 Share

Like Comment Share

**Rosie Matthew** I think the shops should stay closed on Easter Sunday, they people that work in them should be able to spend time with their families instead of working. Also, surely people can go one day without shopping. The shops will be open on the Saturday of Easter Weekend.  
Like  
Reply Message  
12  
October 2 at 2:36pm  
Manage

**Kristina Kirk** I agree Rosie. People need to start spending time with family and not need the shops to do it.  
Like  
Reply Message October 3 at 7:12am  
Manage

**Rosie Matthew** It's just one day, just stock up on the Thursday leading up to Easter, if you run out of something, the shops will be open on the Saturday.  
Like

[Reply](#) [Message](#) - October 2 at 7:16am

[Manage](#)



[Candice Ngamotu-Isaacs](#) [Kristin Smith](#) remember when you had to work what if the workers don't want to work Easter Sunday and would rather spend it with their children retail workers have absolutely no choice, if your rostered for that day then you have to work that day.. most places are shut so why can't town shops be shut aswell.

Leave it as it is:

[Like](#)

[Reply](#) [Message](#)

1

- October 2 at 7:20pm - Edited

[Manage](#)



[Kristin Smith](#) Yeah it's bull shit. Needs to stay shut. Wasn't even busy

[Like](#)

[Reply](#) [Message](#) - October 2 at 7:25pm

[Manage](#)



Write a reply...



[Carleen Dekarski](#) As long as workers have the real CHOICE to work or not and don't get penalised from employers for it. There are very few days in a year that many vulnerable workers get to have off with their families without pressure from employers. You're kidding yourself if you think it doesn't happen.

[Like](#)

[Reply](#) [Message](#)

5

- October 2 at 4:36pm

[Manage](#)



[Michael John Smits](#) I would definitely be one for saying let's close. Most employer's would expect you to work without question. I would not be against a 12 or 1 o'clock closing time

[Like](#)

[Reply](#) [Message](#)

5

- October 2 at 6:05pm

[Manage](#)

 **Jennova Parker** Make it an optional thing. Workers still have a right to a day off if they want it. Some people need the extra money. I would hate to think that in our current socio-economic times that people wouldn't jump at a little overtime, holiday pay or time n a... [See More](#)

[Like](#)

[Reply](#) · [Message](#) · [October 3 at 10:46am](#)

[Manage](#)

 **Kim Plus Stu Smylie** religious beliefs should have nothing to do with shopping, if you want to believe in fairy tales good luck, but don't stop others from going shopping

[Like](#)

[Reply](#) · [Message](#) · [October 3 at 4:10pm](#)

[Manage](#)

 **Tinkz Day** And stop blocking alcohol sales too! Many people want to go to family bbqs

[Like](#)

[Reply](#) · [Message](#) · [October 3 at 4:26pm](#)

[Manage](#)

 **Karen Collins** NO Sunday trading. Spend it with family and friends remember why we have Easter Sunday.

[Like](#)

[Reply](#) · [Message](#) · [October 6 at 7:48am](#)

[Manage](#)

 **Angela Cameron** If they do decide to open it should only be for half a day

[Like](#)

[Reply](#) · [Message](#) · [October 2 at 2:47pm](#)

[Manage](#)

 **Sarah Fraser** It should be up to the shop owners but if the staff don't want to work it's up to them.

[Like](#)

[Reply](#) · [Message](#) · [October 2 at 3:57pm](#)

[Manage](#)


Write a reply...

 **Karen Collins** NO Sunday trading. Spend it with family and friends remember why we have Easter Sunday.

[Like](#)

[Reply](#) · [Message](#) · [October 6 at 7:48am](#)


[Manage](#)

 **Angela Cameron** If they do decide to open it should only be for half a day

[Like](#)

[Reply](#) · [Message](#) · [October 2 at 2:47pm](#)

[Manage](#)

 **Sarah Fraser** It should be up to the shop owners but if the staff don't want to work it's up to them.

[Like](#)

[Reply](#) · [Message](#) · [October 2 at 3:57pm](#)

[Manage](#)



Manage

 **Amanda Cribb** Keep it shut

Like

Reply Message - October 2 at 8:45pm

Manage

 **Budgie J Berger** [Katie Rose Macalister](#)

Like

Reply Message

1

October 2 at 4:40pm

Manage

 **Katie Rose Macalister** Yup definitely think they should be allowed to open

Like


Reply Message - October 2 at 4:44pm

Post Details

Reported posts may be delayed from what appears on posts.

**Taupo District Council**  
Wednesday · October 2 ·

Have your say on the number of poker machines allowed to operate in the Taupo District. Find out more and share your views here.



**Reduction in cap on gaming machine numbers proposed - Taupo District Council**

A reduction in the limit on the number of gaming machines allowed to operate in the Taupo District is being proposed as part of a three-yearly review of how many can...

[TAUPODC.CO.NZ](#)

4,211 people reached

Boost Post

3 Shares

Like Comment Share

**4,211 People Reached**

**12 Reactions, Comments & Shares**

7 Like	3 On Post	4 On Shares
1 Love	0 On Post	1 On Shares
0 Comments	0 On Post	0 On Shares
4 Shares	3 On Post	1 On Shares

**46 Post Clicks**

0 Photo Views	19 Link Clicks	27 Other Clicks
---------------	----------------	-----------------

**NEGATIVE FEEDBACK**

3 Hide Post	0 Hide All Posts
0 Report as Spam	0 Unlike Page

Reported posts may be delayed from what appears on posts.

Attachment 1: Summary of Submissions (Class 4 Gambling and TAB Policy Review 2017)

No	Name	Org	GM Cap	Cap comment	Relocation of venues	Relocation comments	General Comments
1	Alex Fielder	N/A	191		No relocations		
2	Tanya Piejus	New Zealand Community Trust (NZCT)	225	Keep the current cap of gaming machines at 225 – to allow modest growth and ensure the continuation of community funding from gaming trusts. See full submission for further details.	Town centre only	Maintain the current relocation policy (option 1) to allow venue owners to move for their own business reasons, as well as when they are forced to for reasons beyond their control. See full submission for further details.	<ul style="list-style-type: none"> <li>Gaming trusts return around \$260 million to the New Zealand community every year in grants, while implementing the Gambling Act's stringent requirements for preventing and minimising harm from gambling. Many grassroots organisations would struggle or cease to operate without gaming trust funds.</li> <li>TIA gambling venue policies are critical to maintaining the infrastructure that allows community funding from gaming trusts to be sustainable long term. Sinking lid and restrictive relocation policies destroy this infrastructure. Council needs to take a balanced approach to community benefit and potential harm from gambling.</li> <li>Reducing the number of gaming machines in communities does not reduce problem gambling, which has been consistent at a rate of around 0.5% of the adult population since 2007, despite a decrease of around 5,000 gaming machines since then.</li> <li>Allowing gaming venues to relocate out of areas of high deprivation is more effective in reducing problem gambling.</li> <li>It is not gaming machines that are the problem, it is the behaviour of a small percentage of people with complex psychological issues who make a personal choice to gamble. See full submission for further details.</li> </ul>
3	Julie McLeod	Towncentre Taupo	Sinking lid		No relocations		<p>Towncentre Taupo would like to see TDC take every opportunity to reduce the number of machines in Taupo. Where possible, TCT would like to see the hours for gaming reduced in an effort to reduce the harm caused to those with a gambling addiction. TCT would like to see a greater return of funds collected from local machines returned to the local community. The Board understands that Taupo currently has a great loss of funds to outside the region compared to the funds collected through the machines. In order to retain more funds locally, TCT would like to see an active campaign letting the community, schools, sport clubs and art groups know how to apply for these funds.</p>
4	Catie Noble	Taupo District Chamber of Commerce and Industry	191	47% of members surveyed chose this option. See attached document	Town centre only	60% of members surveyed chose this option	



Attachment 1: Summary of Submissions (Class 4 Gambling and TAB Policy Review 2017)

No	Name	Org	GM Cap	Cap comment	Relocation of venues	Relocation comments	General Comments
5	Robyn Woods	Toi Te Ora Public Health	Sinking lid	<p>Toi Te Ora supports policies that prevent and minimise the harm caused by gambling. Toi Te Ora recognises Taupo District Council's proposed policy cap reduction to 191 machines (from the existing cap of 225 machines) as a step in the right direction. However, we propose the following amendment to the draft policy as per the Options Analysis: ?</p> <p>The implementation of a sinking lid, where the cap would initially fall to 182, this being the number of gambling machines currently operating in the district. Under a sinking lid approach the cap would continue to reduce as venues close (Analysis Options - Gaming Machine Numbers: option 3). A sinking lid policy will mean the number of gaming machines will not increase and if a venue closes, the machines cannot be transferred or replaced elsewhere. This will result in a natural attrition in the number of venues and machines over time, but would not affect existing venues or current community grant funding in the short term as the decline occurs slowly</p>	Sensitive land clause proposed.	<p>Regardless of the size of the cap adopted, Toi Te Ora also recommends that the policy includes a sensitive land use clause whereby class 4 venues must be a more than a minimum distance from residential areas, schools, marae, and community centres.</p>	<p>Gambling is a public health issue and Class 4 gambling machines are the most harmful cause of problem gambling. Harm from gambling can include economic and job loss, relationship breakdown, depression, suicide and gambling-related crime. Harms often extend beyond gamblers to encompass family members including children, friends, employers and colleagues. At-risk gambling is associated with higher levels of smoking, hazardous alcohol consumption, other drug use, and poorer self-rated health, as well as higher usage of health and allied services. Gambling harm exacerbates inequities within communities, with Maori and Pacific peoples more likely to suffer gambling harm (whether as a result of their own or someone else's gambling)1. View full copy of submission for further details.</p>

Attachment 1: Summary of Submissions (Class 4 Gambling and TAB Policy Review 2017)

No	Name	Org	GM Cap	Cap comment	Relocation of venues	Relocation comments	General Comments
6	Jarrold True	Class 4 Working Party	225	The current cap of 225 machines is appropriate given the significant measures that are already in place to minimise the harm from gaming machines. See full submission for further details.	Town centre only	The current policy includes a reasonable relocation provision that was adopted following the last full public consultation. There is no evidence to justify the introduction of a new restriction on relocations. The current flexible relocation policy is positive. 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 to the public helps to revitalise business districts, improves the local economy and encourages tourism. See full submission for further information.	It is acknowledged that Council needs to strike a balance between the costs and benefits of gaming machine gambling. It is accepted that a small percentage of people (0.5% of people aged 18 years and over) have a problem with their gambling (all forms of gambling). However, for the vast majority of people, casual expenditure on gaming machines is a form of entertainment that they participate in and enjoy, without any harm being caused. Gaming machines also provide a considerable amount of community funding (over \$3.25 million annually) to local community groups and clubs. 47. Gaming machine numbers are in natural decline, and gaming machine participation is reducing. However, the harm minimisation measures that are now in place have never been higher. In light of the new regulations now in place, the status quo cap of 225 machines is entirely appropriate. The introduction of a more restrictive policy is unlikely to reduce problem gambling, but will inevitably reduce local community funding opportunities and may encourage people to seek out other forms of gambling, including offshore-based internet and mobile phone-based gambling. This form of gambling is very harmful and provides no return to the local community and no contribution to employment, taxation and health services in New Zealand. 48. Council is asked to retain the current relocation provision, which enables operators to move from rundown premises to new, modern, premises, to move out of earthquake-prone buildings, and to re-establish after a fire or natural disaster. See full submission for further details.
7	Tina Winikerei	arc Counselling Services	Sinking lid	The impacts of harm (the costs) outweigh the disadvantages identified. See full submission for further details.	Not specified		People accessing our service have increased month by month, yet there is limited resource for service in the Mental Health and addiction sector. The reduction of access to gambling machines/outlets will certainly go a long way to helping to reduce alcohol, drug and gambling abuse in our community. Please see full submission for further details.

Attachment 1: Summary of Submissions (Class 4 Gambling and TAB Policy Review 2017)

No	Name	Org	GM Cap	Cap comment	Relocation of venues	Relocation comments	General Comments
8	Eru Loach	Problem Gambling Foundation of New Zealand	Sinking lid	The Problem Gambling Foundation recommends that the Council adopt a "sinking lid" policy: a district wide ban on any additional class 4 gambling venues or machines (reduction in the number of venues and machines over time as a result of existing venues closing and machines not being re-licensed). A "sinking lid" policy would reduce the number of venues over time but would not affect existing venues or current community funding in the short term. A district-wide ban on any new venues or machines would reduce the harm caused by gambling, including the social and economic harm. Please see full submission for further details.	No relocations	Allowing venues to transfer will not lead to a reduction of venues, and therefore will not reduce harm from gambling in the way that a strong "sinking lid" policy would. Please see submission for further details.	Electronic gambling machines (pokies) are not a harmless product that a few 'weak willed' individuals need help with. These machines are designed to addict and are doing significant harm, which is why 2 in 5 regular gambling machine users develop a problem at some point. The 2.5% of our population experiencing direct—and often severe—harm from gambling is just the tip of the iceberg. Each person with a gambling problem affects about 5-10 others. This means as many as 500,000 people are affected by the significant economic, health, personal, and social costs that gambling problems cause in New Zealand. The harms caused by gambling problems extend beyond individuals, affecting their families, friends, workmates, businesses and our community. For example, a study of gambling machines in Christchurch suggested that gambling machines in the region resulted in lost economic output of \$13 million, lost household income of \$8 million, and lost employment for 630 full-time equivalents. See full submission for further details.
9	Pastor Bryce Miller	Taupo Baptist Church	Sinking lid	We strongly recommend the Council reconsider Option 3, a sinking lid cap. As the Council's own SIA states "Harm from gambling can include, among other things, relationship breakdown, depression, suicide, reduced work productivity, job loss, financial problems (including debt and bankruptcy, and various types of gambling-related crime). Refer to submission for further details.	Not specified		The entertainment value, the income, the employment opportunities and the grant monies available as a result of gambling machines do not outweigh the possible future harm as a result of gambling that would be done to the members of our community, particularly the negative social impact it would most certainly have on children and young people in our district. As a church, we strongly support any measures to reduce the damage done to lives in our community and we strongly encourage the Council to reduce the number of gambling machines and venues in our district. View the full submission for more details.

Attachment 1: Summary of Submissions (Class 4 Gambling and TAB Policy Review 2017)

No	Name	Org	GM Cap	Cap comment	Relocation of venues	Relocation comments	General Comments
10	Andrew Hill	Ministry of Education	191	<p>Taupo District Council is reviewing its Class 4 Gambling and TAB Venue Policy. The Ministry of Education supports the proposed Class 4 Gambling and TAB Venue Policy, in particular the proposed reduction from 225 gaming machines to 191.</p> <p>The Ministry also supports the current application requirements, including the following: 12.1.6 evidence of the distance to any education facility, community facility, place of worship, residential buildings or other Class 4 or TAB venues. Please refer to the full submission for further details.</p>	Sensitive land clause proposed.	<p>The Ministry of Education is concerned with the access and exposure of students to gambling and we feel the proposed application standards are inadequate and request that the application requirements and the Taupo Gaming Policy Area are amended. Relief Sought: The Ministry of Education requests that the following additional requirements are added to the proposed policy. The suggested wording is provided below (under lined and in red). 12. Application for consent 12.1.7 No Council consent to class 4 gambling licences shall be issued for any premises which is located within 100 metres of Taupo Primary School and within 200 metres of any other legal site boundary of an existing school or early childhood education centre or site designated for an education facility or early childhood education centre. 12.1.8 Where an application for a class 4 gambling venue is located closer than 500 metres to an existing school or early childhood education centre or site designated for an education facility or early childhood education centre then the applicant shall provide a copy of the application directly to these facilities or the Ministry of Education, which shall be considered as affected parties to the application.</p>	

1

**Submitter Details**

First Name: Alex  
Last Name: Fielder  
Street: 3A Sylvia Place  
Suburb: Acacia Bay  
City: Taupo  
Country: New Zealand  
PostCode: 3330  
eMail: Info@acaciabayapartment.co.nz

Wishes to be heard:

- ☒ Yes  
☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

- ☒ Class 4 Gambling and TAB Policy - Tuesday, 21 November 2017 To be advised, Taupo

Hearing Needs:

Correspondence to:

- ☒ Submitter  
☐ Agent  
☐ Both

**Submission**

The Council can control new venues from opening and existing venues relocating. However the Council cannot change or modify the existing licenses held by venues.

Currently the cap for gaming machines sits at 225 machines. The Council has proposed the cap for gaming machines be lowered to 191, which is the current number of consented machines plus the potential for one more venue to open. Other options include a sinking lid cap (which means if a venue closes a new venue cannot take that allocation of machines) or a cap at a different level.

Please select one of the following options.

- ☒ The cap should be lowered to 191  
☐ The cap should remain at 225  
☐ Introduce a sinking lid cap  
☐ The cap should be XXX

If you selected the last option, please provide a number.

Currently existing venues can relocate, but only within the town centres. Do you agree with this? Or should venues not be permitted to relocate at all?

- ☐ Venues should only be permitted to relocate within the town centre  
☐ Venues should not be permitted to relocate anywhere  
☐ Venues should be allowed to relocate anywhere

Please provide any further comment here.

Comments

T24Consult Page 1 of 2

1

Attached Documents	
File	
Class 4 Gambling and TAB Policy	

**Submitter Details**

First Name: Tanya  
Last Name: Piejus  
Organisation: New Zealand Community Trust (NZCT)  
Street: PO Box 10 857  
Suburb: Pipitea  
City: Wellington  
Country: New Zealand  
PostCode: 6023  
eMail: tanya.piejus@nzct.org.nz

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ Class 4 Gambling and TAB Policy - Tuesday, 21 November 2017 To be advised, Taupo

Hearing Needs:

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☐ Agent

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**Submission**

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☒ Venues should only be permitted to relocate within the town centre

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☐ Venues should be allowed to relocate anywhere

Please provide any further comment here.

2

Comments  
Please see the attached document.

Attached Documents

File
NZCT Gambling Venue Policy Review submission Taupo District Council October 2017
Class 4 Gambling and TAB Policy





Submission to  
**Taupo District Council**  
on the proposed  
**Class 4 Gambling Venue Policy**

**October 2017**

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## Executive summary

- Gaming trusts return around \$260 million to the New Zealand community every year in grants, while implementing the Gambling Act's stringent requirements for preventing and minimising harm from gambling. Many grassroots organisations would struggle or cease to operate without gaming trust funds.
- TLA gambling venue policies are critical to maintaining the infrastructure that allows community funding from gaming trusts to be sustainable long term. Sinking lid and restrictive relocation policies destroy this infrastructure. Council needs to take a balanced approach to community benefit and potential harm from gambling.
- Reducing the number of gaming machines in communities does not reduce problem gambling, which has been consistent at a rate of around 0.5% of the adult population since 2007, despite a decrease of around 5,000 gaming machines since then. Allowing gaming venues to relocate out of areas of high deprivation is more effective in reducing problem gambling.
- It is not gaming machines that are the problem, it is the behaviour of a small percentage of people with complex psychological issues who make a personal choice to gamble.

### 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 depend on pub gaming to survive. It is crucial that this fundraising system is sustainable long term.

Funding to community organisations from gaming trusts reduced from \$389 million in 2004 to around \$260 million in 2016<sup>1</sup> – a decline of 33%. 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.<sup>2</sup>

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 communities 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.

Every year, the gaming trust sector as a whole raises around \$300 million<sup>3</sup> for thousands of 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 the Government, prompting the current Class 4 review with its central focus on long-term sustainability of the funding model.

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

<sup>1</sup> *Pokie Proceeds: Building Strong Communities*, DIA, 2016.

<sup>2</sup> Page iii, *Community Funding Survey*, Point Research 2012.

<sup>3</sup> *Class 4 Gambling Report*, DIA, 2017.

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 90% of our funds locally.

### **The pub gaming sector has experienced a significant decline**

During the last 13 years the pub gaming sector has experienced a significant decline. Department of Internal Affairs (DIA) statistics show that, between 30 June 2004 and 30 June 2017:

- the number of gaming venues reduced from 1,970 to 1,180 (a 40% reduction)<sup>4</sup>
- the number of gaming machines operating reduced from 22,497 to 15,858 (a 30% reduction)<sup>5</sup>.

Between 2004 and 2016, pub gaming expenditure fell from \$1,328 million to \$843 million (a 36.5% reduction),<sup>6</sup> translating to a decline of around \$129 million in funds (a 33% reduction) available for distribution to the community.

### **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 30% reduction in gaming machine numbers during the past 13 years, New Zealand's problem gambling rate has remained consistently low at around 0.3% to 0.7% of the population. The New Zealand 2012 Gambling Study concluded "...there has probably been no change in the prevalence of current problem and moderate-risk gambling since 2006."<sup>7</sup>

Changes to the legislation have meant a higher minimum percentage of gaming machine profits must be returned to the community than previously (40% up from 37.12%), putting additional pressure on many gaming societies. This will force them to shed venues not contributing enough, given other cost pressures.

### **Online gambling is an unregulated threat**

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.

### **Location of gambling machines is more important than their number**

<sup>4</sup> DIA statistics: [https://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict](https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict)

<sup>5</sup> Ibid.

<sup>6</sup> DIA statistics: [https://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics](https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics)

<sup>7</sup> Page 7, *New Zealand 2012 Gambling Study: Gambling harm and problem gambling*.

Research<sup>8</sup> 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 Government acknowledged this point in 2013 when it amended the Gambling Act<sup>9</sup> to require local authorities to consider adding relocation clauses to their gambling policies.

As well as harm minimisation benefits, 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.

#### **NZCT's recommendations**

The New Zealand Community Trust recommends Taupo District Council:

- adopt option 1 – keep the current cap of gaming machines at 225 – to allow modest growth and ensure the continuation of community funding from gaming trusts
- maintain the current relocation policy (option 1) to allow venue owners to move for their own business reasons, as well as when they are forced to for reasons beyond their control.

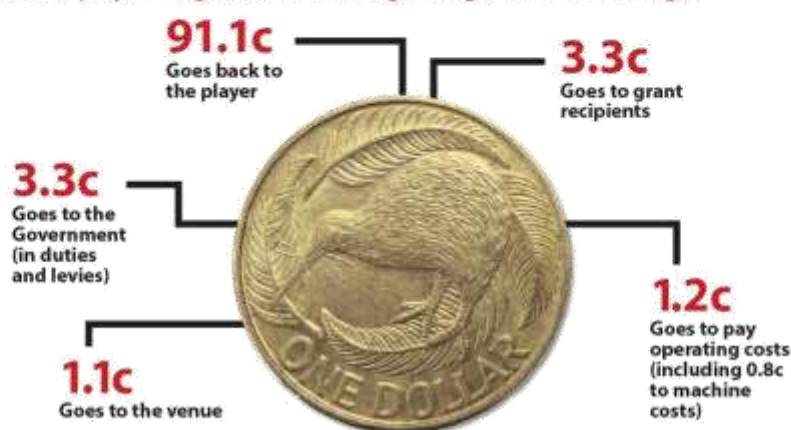
<sup>8</sup> *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

<sup>9</sup> Section 97A and 102(5A).

## 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.

For every dollar a player wagers at an NZCT gaming room, on average:



Research<sup>10</sup> shows that the annual entertainment value from the pub gaming sector to recreational players is around \$250 million. The government revenue in the form of tax, duties and levies is also substantial and was over \$279 million in 2014.

Grants distributed by gaming machine trusts were 10% of the total philanthropic funding to the community and voluntary sector in 2011 and were at almost twice the level given by New Zealand businesses. In 2016, the amount of funds returned to the community from non-casino gaming grants was around \$260 million.<sup>11</sup> Class 4 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 2015/16 reporting period).

Each year the gambling industry pays around \$18.5 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.

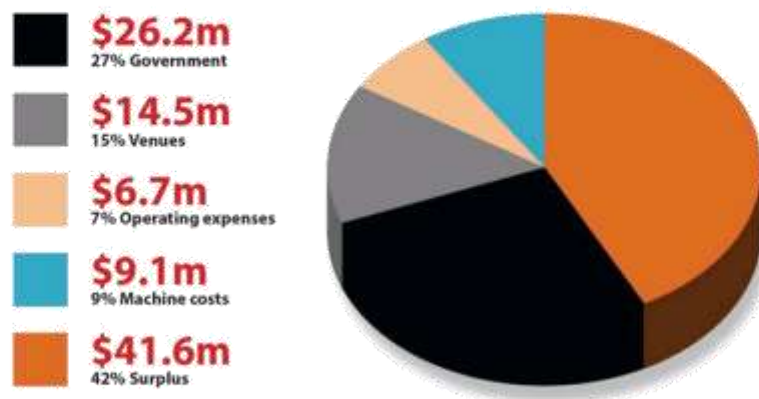
<sup>10</sup> *Maximising the benefits to communities from New Zealand's community gaming model*, BERL, February 2013.

<sup>11</sup> *Pokie Proceeds: Building Strong Communities*, DIA Website, 2016.



### NZCT's contribution to community sports and other groups in 2015/16

#### Where the money went



In the year ending 30 September 2016, NZCT distributed \$40.9 million to 1,821 sports and community groups.

Amateur sport is our main focus, so around 80% of the grants we distribute go to sports organisations. Each year, NZCT funds around 50 different sports.

In 2015, we funded the equivalent of:

- uniforms for 46,771 rugby teams (one uniform costs \$60), or
- 2,806,236 footballs (one football costs \$15), or
- 5,262 four-person waka (one waka costs \$8,000), or
- more than 2.1 million hours – or 241 years – of coaching (one hour of coaching costs \$20), or
- 28 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 21 million \$2 sausages at sausage sizzles and every person in New Zealand would need to buy and eat four sausages, or
- sell at least four \$2 raffle tickets to every man, woman and child in New Zealand each year, or
- wash around 8.4 million cars at \$5 a wash, which would take 10 people continuously washing cars for 30 minutes each more than 48 years to achieve.



## The pub gaming sector faces multiple, significant challenges

During the last 13 years the pub gaming sector has experienced a significant decline. Department of Internal Affairs (DIA) statistics show that, between 30 June 2004 and 30 June 2017:

- the number of gaming venues reduced from 1,970 to 1,180 (a 40% reduction)<sup>12</sup>
- the number of gaming machines operating reduced from 22,497 to 15,858 (a 30% reduction)<sup>13</sup>.

Between 2004 and 2016, pub gaming expenditure fell from \$1,328 million to \$843 million (a 36.5% reduction),<sup>14</sup> translating to a decline of around \$129 million in funds (a 33% reduction) available for distribution to the community.

As at 30 June 2017, there are 12 Class 4 gaming venues operating 175 electronic gaming machines (EGMs) in the Taupo district. This is a decline from the 21 venues operating 248 EGMs as at 30 June 2004. This is a 43% decline in venues and a 30% decline in EGMs.

The Class 4 gambling sector is vulnerable to a number of ongoing cost pressures on what is an already-vulnerable hospitality sector. These may contribute to – or accelerate – its decline.

### Increased minimum return to the community

In September 2014, regulations were promulgated that set a new minimum threshold for the return of gaming funds to the community. Societies must return a minimum of 40% of net proceeds, up from 37.12%. While NZCT achieved the 40% return in the year ending 30 September 2017, we have serious concerns about our ability to sustain this level of distribution due to other cost increases, such as the licence fee increase (see below).

We expect the minimum return rate of 40% will similarly put pressure on many gaming societies. Some societies are being forced to shed their lower-performing gaming venues to achieve this percentage return, given other cost pressures. Such venues are typically located in smaller centres. The 40% requirement may result in a lower overall dollar amount being returned to the communities through pub gaming grants. The Government's decision to limit the increase to 40%, rather than the proposed stepped increase to 42% over five years, recognised the potential for actual dollar returns to reduce under a higher percentage return.

In addition, the sector is awaiting regulatory changes that are expected 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.

<sup>12</sup> DIA statistics: [https://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict](https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict)

<sup>13</sup> Ibid.

<sup>14</sup> DIA statistics: [https://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics](https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics)

### Licence fee increase

A 53% increase in Class 4 gambling licence fees was introduced on 1 February 2016. This increase added approximately \$1 million to NZCT's annual operating costs alone and has exacerbated the financial pressure imposed by the increased minimum return requirement of 40%.

### Increased competition

During the past four years, other modes of gambling, such as casinos, Lotto products and the New Zealand Racing Board (NZRB), have seen revenue increases – Lotto by 33%. While the Lotteries Commission does return about 20% of its funds to the community, casinos' profits go directly to their shareholders and the majority of NZRB distributions are directed towards the racing industry.<sup>15</sup> Many Lotto and NZRB products are available online and this area of their operation is growing, but the pub gaming sector is prohibited from operating online or otherwise promoting its offering.

In addition, 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.

The 2010 Health and Lifestyles Survey found that 19% of survey participants played an internet game for money through an overseas website.<sup>16</sup> According to the Problem Gambling Foundation, the problem gambling rate among those who gamble on the internet is 10 times higher than that of the general population.<sup>17</sup> We expect this form of unregulated gambling will increase exponentially, as is already happening in Australia with online sports betting, according to recent media reports.<sup>18</sup>

### Strict compliance requirements

The pub gaming sector is closely monitored by the DIA to ensure it complies with a complex regime of rules and regulations in addition to the Gambling Act. The resources needed to meet these compliance thresholds can be prohibitive and could explain why some people and organisations are leaving the sector.

### One-off costs

One-off costs have been, and will continue to be, a challenge for societies. These include any new technological requirements imposed by regulations in the future, such as pre-commitment, player tracking or harm minimisation systems in, or associated with, gaming machines.

For example, the introduction of new bank notes in 2015 and 2016 required gaming societies to upgrade gaming machine software and hardware at significant cost. By 2 December 2015 all gaming machine jackpots had to be downloadable. Each conversion from a manual to a downloadable jackpot cost between \$3,000 and \$20,000 per venue. Based on the number of venues (1,220<sup>19</sup>) at the time, this project added a cost burden to the sector of between \$3.66 million and \$24.4 million. As a result of

<sup>15</sup> Page 6, NZRB *Annual Report 2016* reports \$135.3 million total distributions, of which only \$3 million (2.2%) was directed to sporting causes other than racing.

<sup>16</sup> Page 16, [http://archive.hsc.org.nz/sites/default/files/publications/Gambling\\_Participation\\_final-web.pdf](http://archive.hsc.org.nz/sites/default/files/publications/Gambling_Participation_final-web.pdf).

<sup>17</sup> Problem Gambling Foundation Fact Sheet 04, July 2011.

<sup>18</sup> 'Sport's bets: a risky game', Emily Chantiri, *Sydney Morning Herald*, 20 September 2017

<sup>19</sup> DIA statistics.

these two projects, gaming societies had fewer funds available for distribution to the community in the 2014/15 and 2015/16 years.

**The Government's response**

In a media statement on 15 October 2015 relating to the passing of the Gambling Amendment Act (No.2), the Minister of Internal Affairs acknowledged the value of pub gaming grants and the need to ensure the sustainability of this funding model long term. The sector is currently the subject of a major government review with a focus on long-term sustainability and effective allocation of funding to communities, without driving growth in gambling.<sup>20</sup>

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<sup>20</sup> Discussion document: Review of class 4 gambling, Department of Internal Affairs, June 2016.

## NZCT's position

In the following pages, we provide five reasons why we advocate for gaming venues to be allowed to relocate to new premises in a broad range of circumstances. We also provide seven reasons for a cap based on the current number of gaming machines.

### Reasons to allow gaming operations to relocate in a broad range of circumstances

#### Helping reduce harm

Research<sup>21</sup> 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".<sup>22</sup> The Ministry of Health also found "being a problem gambler is significantly associated with living closer to gambling venues."<sup>23</sup> 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 of time, 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.

The DIA recommended relocation policies as a way of allowing territorial authorities to future-proof their class 4 gambling policies.<sup>24</sup>

#### Allowing appropriate benefit and responsibility

Gaming machine entitlements sit with the property at a physical address, yet property owners are not regulated under the Gambling Act. In effect, the property owner holds the power, but has no responsibility for the gambling operation, unless they are also the operator of the site.

A broad relocation clause distributes the benefit and responsibility more fairly, enabling the gambling operator to choose where they wish to establish their business. A building owner could hike rents and ignore building maintenance because they know they have a captive tenant. In contrast, having a broad

<sup>21</sup> *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

<sup>22</sup> Page 21, *Ministry of Health Gambling Resource for Local Government*, 2013.

<sup>23</sup> Ibid.

<sup>24</sup> *Internal Affairs Policy Briefing 3: Options for improving territorial authority gaming machine policies*, 28 March 2013.

relocation clause incentivises building owners to maintain and upgrade their premises to attract and retain high-quality tenants.

**Parliament's directive is being acknowledged by other councils**

Of the 23 local authorities that completed a gambling venue policy review in 2015, 2016 or 2017, only three have not included a relocation option or explicit clause in their policy.

This reflects legislative change in September 2013, which required councils beginning a review of their gambling policy for the first time following the Gambling Act amendment to consider introducing a relocation clause (section 102(5A)).

Council	Submissions made	Review result
Thames-Coromandel	March 2015	Added relocation option
Wellington City	May 2015	Added relocation option
Westland	May 2015	Added relocation option
Hutt City	June 2015	Added relocation clause
Kaipara	June 2015	Added relocation option
Invercargill City	July 2015	Added relocation option
Waipa	August 2015	Added relocation option
Waitaki	September 2015	Added relocation option
Gisborne	November 2015	Added relocation option
Whakatane	April 2016	Added relocation clause
Matamata-Piako	April 2016	Added relocation clause
Southland	July 2016	Added relocation option
South Taranaki	August 2016	Added relocation option
Palmerston North	October 2016	Existing relocation option remains unchanged
Tasman	No public consultation	No relocation clause added
Otorohanga	March 2017	No relocation clause added
Hastings	March 2017	Existing relocation clause amended
Auckland	No public consultation	No relocation clause added
Napier	May 2017	Existing relocation clause amended
Rotorua	May 2017	Existing relocation clause amended
Queenstown	June 2017	No relocation clause added
Wairoa	June 2017	Existing relocation clause remains unchanged
Waitomo	No public consultation	Existing relocation clause remains unchanged

**Reasons to have a cap based on the current number of machines**

**Gaming machines are an important component of your local hospitality sector and an important source of community funding**

**Local hospitality sector**

Businesses that host gaming machines are typically pubs and hotels. These businesses contribute to your local economy, employing staff and providing hospitality options for residents and tourists.



**Community funding**

NZCT's primary purpose is to support amateur sport, so most of these grants went to local sports clubs. However, NZCT also grants funds to schools, community, health and welfare, rescue service, arts and cultural organisations.

We are particularly keen to fund infrastructure projects that provide long-term benefits to a club, school or community.

We 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.

**Regional funding**

Between 1 October 2015 and 30 September 2017, NZCT approved 10 grants totalling over \$1 million to organisations that cover the whole Waikato region, some of which provide benefits to residents in Taupo. Again, most of these grants were for amateur sports purposes. We often fund sports officers' salaries as these roles are pivotal to the success of regional sporting programmes and events.

Details of our funding across the Waikato region from 1 October 2016 to 30 September 2017 are in Appendix 2.

**National funding**

Around 10% of our grant funds go towards national organisations, such as Life Flight, Coastguard New Zealand, Barnado's New Zealand and Paralympics New Zealand, which offer benefits to the wider community.

Details of our national funding from 1 October 2016 to 30 September 2017 are in Appendix 3.

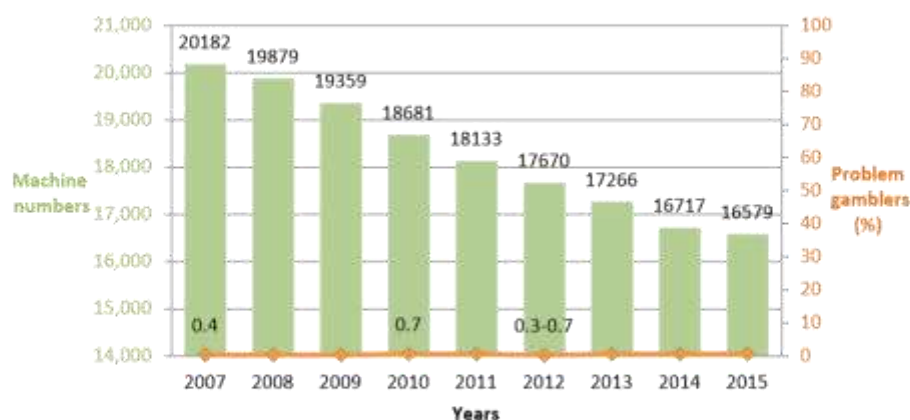
**Difference between pub gaming societies, and clubs and NZRB**

The pub gaming model differs from the gaming run at clubs like RSAs and in New Zealand Racing Board (NZRB) venues. Those entities are able to apply the funds they raise to their own purposes, for example, maintaining clubrooms or funding race meetings. In its 2016 annual report, NZRB advised its distributions totalled \$135.3 million to the three racing codes and only \$3 million to other sports codes. In contrast, class 4 societies like NZCT distribute all net proceeds to the community.

**Gaming machine numbers have little effect on problem gambling numbers**

It is 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. As shown in the graph on the next page, a reduction of nearly 4,000 gaming machines across the country between 2007 and 2015 has had almost no impact on the small percentage of problem gamblers nationally.

Gaming machine numbers and problem gambling prevalence 2007–2015:



Note: In the 2006/07 Ministry of Health NZ Health Survey, 0.4% of the population were categorised as problem gamblers using the Problem Gambling Severity Index (PGSI). In the 2010 Health and Lifestyles Survey, the rate increased to 0.7%. In the preliminary findings from the 2012 New Zealand Health Survey, the rate was 0.3% of the population, but the 2012 National Gambling Survey found the rate was 0.7% of people aged 18 years and over.

#### Gaming machines are a legal and valid entertainment choice

Pub gaming is a legal, valid and enjoyable source of entertainment for Taupo 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."<sup>25</sup>

We recognise that Taupo District Council aims, through its Long-term Plan, to balance the needs of visitors and residents while achieving economic development. 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 research<sup>26</sup> has calculated that each year the entertainment value to recreational players is around \$250 million, the grants value to the community is also around \$250 million, and the Government revenue value in the form of tax, duties and levies is 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.<sup>27</sup> The study concluded that "Problem gambling and related harms probably reduced significantly during the 1990s but have remained at about the same level despite reductions in non-casino EGM

<sup>25</sup> Gambling Commission decision GC 03/07.

<sup>26</sup> *Maximising the benefits to communities from New Zealand's Community Gaming Model*, BERL, February 2013.

<sup>27</sup> Pg 8, *NZ 2012 National Gambling Study: Overview and gambling participation*.

[electronic gaming machine] numbers and the expansion of regulatory, public health and treatment measures.”<sup>28</sup>

Prevalence of gambling by level of risk of gambling problems:<sup>29</sup>

Problem gambling level	2006/07	2011/12
No gambling	34.9%	47.9%
Recreational gambling	59.9%	49%
Low-risk gambling	3.5%	1.8%
Moderate-risk gambling	1.3%	1%
Problem gambling	0.4%	0.3%

Preliminary results from the 2016 Health and Lifestyle Survey indicate there has been no increase in the overall prevalence of problem gambling from 2014 to 2016. The planned national gambling survey for 2017 will indicate whether this downward trend has been sustained. When taking into account population growth from 2014 to 2016, the preliminary results indicate there has been no significant increase in the numbers of people who meet the criteria for problem gambling, despite an upward trend in gaming machine expenditure.<sup>30</sup>

#### **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 below, New Zealand has one of the lowest rates of problem gambling in the world.<sup>31</sup> Relatively few New Zealanders are gambling at levels that lead to negative consequences; the majority of people who gamble know when to stop.

#### **International comparison of problem gambling prevalence:**

Country	Problem gambling prevalence (% population*)
New Zealand	0.3–0.7
UK	0.6
Norway	0.7
Australia	0.5–1.0
USA	2.3
Canada	2.6
* Mixture of CPGI, PGSI and SOGS scores <sup>32</sup>	

#### **Gaming machines can only be played in strictly controlled environments**

As a corporate society licensed to conduct Class 4 gambling, NZCT is fully aware of its obligations under the Gambling Act 2003. All our gaming rooms are operated by trained staff at licensed venues.

<sup>28</sup> Pg 18, *ibid*.

<sup>29</sup> 2006/07 New Zealand Health Survey, 2011/12 New Zealand Health Survey preliminary findings.

<sup>30</sup> DIA media release: <http://livenews.co.nz/2017/04/21/new-zealand-gaming-pokie-spending-patterns-continue/>

<sup>31</sup> *Maximising the benefits to communities from New Zealand's community gaming model*, BERL, February 2013.

<sup>32</sup> 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.



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.

#### ***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 is 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
- 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.

#### ***NZCT's harm minimisation activities***

NZCT takes all its 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
- Exclusion Orders and guidance on the Exclusion Order process
- a Harm Minimisation Incident Register to record any problem gambling issues and action taken by staff
- signage, pamphlets and other problem gambling resources.

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.



**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 have to 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 have to work through an online training tool, which includes an assessment that they must pass. Refresher training is provided at regular intervals. Gaming venues are continually reminded of their obligation to ensure a person trained in harm minimisation is on duty at all times the venue is operating.

**Support is available for problem gamblers**

Each year the gambling industry pays around \$18.5 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.

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.<sup>33</sup>

The world's largest clinical trial<sup>34</sup> for problem gambling treatment found that, one year after calling the Gambling Helpline, three-quarters of callers had quit or significantly reduced their gambling. This research provides a level of assurance for local communities, councils and the government.

<sup>33</sup> Page 16, *Outcomes Framework for Preventing and Minimising Gambling Harm Baseline Report*, May 2013.

<sup>34</sup> *The Effectiveness of Problem Gambling Brief Telephone Interventions*, AUT, Gambling & Addictions Research Centre.

**2****Further information about our submission**

For further information, or if you have any questions about NZCT's submission, contact Tanya Piejus, Communications Manager on (04) 495 1594 or [tanya.piejus@nzct.org.nz](mailto:tanya.piejus@nzct.org.nz).

## Appendix 1 – About NZCT

Established in 1998, NZCT is New Zealand's largest gaming trust with 18% of market share. Our publicans raise funds by operating gaming lounges within their pubs, hotels and other venues. In the 12 months to 30 September 2016, NZCT approved \$40.9 million in grant funding to sporting, local government and community groups nationwide.

We have twin goals of serving both our publicans and the communities in which they operate. At least 80% of the funds we 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.<sup>35</sup>



Overseas research<sup>36</sup> has found participation in sport can lead to increased health and productivity for individuals, and increased wealth or wellbeing of society as a whole. While amateur sport is our main focus, we are also strong supporters of other worthy community activities, including local government projects. The list of grants appended to this submission shows the local organisations that have benefited from NZCT funding recently.

### Who we are

We are proud of our robust grants system and of the quality of people involved with NZCT. All our trustees<sup>37</sup> are highly regarded business and community leaders with extensive governance experience. They are supported by an experienced staff and nine Regional Advisory Committees (RACs) who add local knowledge and insight to our grant decisions.

Our Waikato/Bay of Plenty RAC members – Trevor Maxwell, Ken Hingston, Michael Smith and Rob Egan – review and make recommendations on grant applications submitted by organisations in your region. They have a strong interest in sport and wide networks that enable them to provide funding recommendations based on local feedback.

<sup>35</sup> Sport England's Value of Sport Monitor.

<sup>36</sup> [http://www.ausport.gov.au/information/asc\\_research/publications/value\\_of\\_sport](http://www.ausport.gov.au/information/asc_research/publications/value_of_sport).

<sup>37</sup> Alan Isaac (NZCT chairman, professional director and sports administrator), Peter Dale (former Hillary Commission chief executive), David Pilkington (professional director), Kerry Prendergast (former mayor of Wellington) and Lesley Murdoch (Olympian and former New Zealand cricket captain, broadcaster).

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## Appendix 2: Waikato regional grants

Between 1 October 2016 and 30 September 2017, NZCT approved 10 grants totalling \$1,000,217.41 to Waikato regional organisations, some of which provide benefits to Taupo residents.

Organisation	Amount	Purpose
Northern Districts Cricket Association	\$50,000.00	Towards salaries of amateur cricket staff
Hearing Association Hamilton & Districts Branch	\$825.00	Towards IT maintenance for three machines
Waikato Rowing Regional Performance Centre	\$4,200.00	Towards purchase of two Concept 2 rowing machines
Waikato Hockey Charitable Trust	\$100,000.00	Towards replacement of artificial turf and supporting underground works
Netball Waikato Bay of Plenty Zone	\$165,000.00	Towards salaries and accommodation for two tournaments
Thames Valley Touch Association	\$10,000.00	Towards contract fee for Finance and Administration Manager
Philips Search & Rescue Trust	\$50,000.00	Towards rescue winch replacement for the Waikato Westpac Rescue Helicopter
Northern Districts Cricket Association	\$75,000.00	Towards salaries
Te Aroha Indoor Basketball Association	\$10,000.00	Towards salary of Basketball Development Coach
Netball Waikato Bay of Plenty Zone	\$16,600.00	Towards salary of Netball Development Officer
<b>Total</b>	<b>\$1,000,217.41</b>	



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### Appendix 3: NZCT national grants

Between 1 October 2016 and 30 September 2017, NZCT approved 147 national grants to the value of \$6,077,320.46.

Organisation	Amount	Purpose
N Z Canoe Polo Assn	\$3,860.00	Towards pool hire
Swimming NZ	\$100,000.00	Towards salaries
Yachting NZ	\$30,000.00	Towards accommodation
N Z Federation of Multicultural Councils	\$10,000.00	Towards costs associated with hosting the New Zealand Communities Football Cup 2016
Touch NZ	\$125,000.00	Towards salaries
Snow Sports NZ	\$50,000.00	Towards accommodation, travel and salaries
CanTeen NZ	\$30,000.00	Towards salaries
Outward Bound Trust of NZ	\$40,000.00	Towards course fees
Ronald McDonald House Charities NZ Trust	\$25,000.00	Towards salary
NZ Softball Association	\$87,000.00	Towards salaries
N Z Football	\$25,000.00	Towards salaries
NZ Rugby League	\$50,000.00	Towards salaries
NZ Secondary Schools Sports Council	\$25,000.00	Towards salary
NZ Marist Rugby Football Federation	\$18,000.00	Towards costs associated with Heartland XV match in Auckland
Racketlon New Zealand	\$2,900.00	Towards purchase of sports equipment
Choirs Aotearoa NZ Trust	\$50,000.00	Towards salary
StarJam Charitable Trust	\$7,000.00	Towards salary
NZ Water Polo Association	\$14,000.00	Towards accommodation
Hockey NZ	\$60,000.00	Towards various costs associated with amateur international hockey Trans-Tasman Test series
Gillies McIndoe Research Institute	\$172,140.00	Towards lease of GMRI premises
NZ Masters Billiards and Snooker Association	\$4,000.00	Towards installation of five full-size billiard tables for 2016 Rotorua Masters Championships
Volleyball NZ	\$63,000.00	Towards venue hire for North Island Junior Secondary Schools Volleyball Championships
Triathlon New Zealand Inc	\$110,000.00	Towards salaries
Sir Edmund Hillary Outdoors Education Trust	\$75,000.00	Towards salary
New Zealand Festival	\$216,000.00	Towards salaries
Underwater Hockey NZ	\$2,000.00	Towards purchase of underwater hockey goal bins

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Camp Quality New Zealand	\$15,000.00	Towards salary
Heart Kids New Zealand	\$5,000.00	Towards travel, accommodation, t-shirts, craft supplies and manuals for Camp Teen Beat
Netball NZ	\$290,000.00	Towards salaries
Canoe Slalom NZ	\$25,000.00	Towards fee for Head Coach and water hire costs
NZ Recreation Association	\$25,000.00	Towards water safety skills programme
New Zealand Handball Federation	\$2,000.00	Towards court hire for National Secondary Schools National Championships
Cycling New Zealand	\$100,000.00	Towards salaries
Boccia NZ	\$3,000.00	Towards salary
Environmental White Water Park Trust	\$15,000.00	Towards event management costs
Parkinsonism Society of NZ	\$10,000.00	Towards salary
Floorball NZ	\$3,000.00	Towards playing uniforms for women's team
Chamber Music New Zealand Trust Board	\$150,000.00	Towards salaries
NZ Squash	\$23,134.00	Towards contract fee and polo shirts for CoachForce Programme and accommodation, venue hire and coach conference fee for Squash NZ National Coaching Conference
Surfing NZ	\$50,000.00	Towards salary
NZ Softball Association	\$87,318.00	Towards salaries
NZ Croquet Council	\$15,000.00	Towards salary
Nga Kaihoe O Aotearoa (Waka Ama New Zealand)	\$35,000.00	Towards operational costs of 2017 Waka Ama National Sprint Championships
New Zealand Hansa Class Association	\$9,800.00	Towards purchase of a Hansa Liberty boat
Athletics NZ	\$160,000.00	Towards salaries and event costs
Life Flight Trust	\$125,000.00	Towards operating costs of Fixed Wing Air Ambulance services
NZ Marist Rugby Football Federation	\$12,000.00	Towards costs of NZ Marist Women's Rugby Sevens Tournament
N Z Football	\$75,000.00	Towards salaries
Maori Basketball New Zealand	\$20,000.00	Towards venue hire for Annual National Maori Basketball Tournament
Equestrian Sports New Zealand - Operational	\$20,000.00	Towards salaries
Wheelchair Basketball NZ	\$20,000.00	Towards contract fee
International Tae Kwon Do Foundation of NZ	\$6,300.00	Towards event costs
Basketball NZ	\$125,000.00	Towards contract fees
CanTeen NZ	\$15,000.00	Towards salaries
Child Cancer Foundation	\$10,000.00	Towards salaries
Amputees Federation of NZ	\$1,044.00	Towards van hire and activities
New Zealand Spinal Trust	\$35,000.00	Towards salaries

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Get Kids Active Charitable Trust	\$10,000.00	Towards operating costs for junior tough guy and gal challenge
Scout Association of NZ	\$50,000.00	Towards salaries
Aotearoa Maori Golf Assn	\$12,500.00	Towards course hire
New Zealand Outdoor Instructors Association	\$15,000.00	Towards salary and other costs
New Zealand Tag Football	\$10,000.00	Towards operating costs for Tag National Championships
Project Litefoot Trust	\$75,406.00	Towards salaries
Motorsport NZ	\$20,000.00	Towards lease of Rallysafe Tracking and Safety System
Shakespeare Globe Centre NZ Trust	\$2,500.00	Towards office rental
NZ Shooting Federation	\$15,000.00	Towards salary
New Zealand Wheelchair Tennis	\$3,000.00	Towards Administration & Financial Services costs
Yachting NZ	\$150,000.00	Towards salaries
NZ Academy of Highland & National Dancing	\$1,000.00	Towards venue hire
Gymsports NZ	\$200,000.00	Towards salaries
Surf Life Saving NZ	\$37,500.00	Towards salaries
Royal NZ Ballet	\$60,000.00	Towards costs associated with touring three shows
Outward Bound Trust of NZ	\$35,000.00	Towards scholarships
NZ Ice Figure Skating Association	\$2,000.00	Towards ice hire
Olympic Weightlifting NZ	\$10,000.00	Towards salary
New Zealand Festival	\$20,000.00	Towards salary
Volleyball NZ	\$97,000.00	Towards costs associated with hosting the NZ Secondary Schools Championships
NZ Choral Federation	\$9,000.00	Towards venue hire and audio visual costs
NZ Water Polo Association	\$86,000.00	Towards salaries
Equestrian Sports New Zealand Inc - Operational	\$15,000.00	Towards costs for NRM National Three Day Event Championships
NZ Softball Association	\$87,318.00	Towards salaries
Motorcycling New Zealand	\$5,000.00	Towards salaries
National Heart Foundation of NZ	\$12,000.00	Towards salaries
NZ National Maritime Museum Trust Board	\$5,000.00	Towards upgrade of Crows Nest Education Centre
Traditional Irish Dancing Association of New Zealand	\$1,000.00	Towards costs for National Championships in Lower Hutt
Holocaust Centre of New Zealand	\$20,000.00	Towards IT equipment and salary
Tenpin Bowling New Zealand	\$2,000.00	Towards technical measuring equipment



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Netball NZ	\$110,000.00	Towards salaries
NZ Opera Ltd	\$15,000.00	Towards venue hire
Camp Quality New Zealand	\$5,000.00	Towards salary
NZ Federation of Roller Sports	\$9,491.00	Towards various costs associated with NZ Roller Sports Artistic Championships
NZ Mounted Games Association	\$930.00	Towards coaching
NZ Deaf Rugby Football Union	\$5,000.00	Towards various event costs
Special Olympics NZ	\$250,000.00	Towards salaries
Indoor Cricket New Zealand	\$5,000.00	Towards indoor cricket balls
New Zealand Women's Lacrosse Association	\$2,000.00	Towards uniforms
N Z Portrait Gallery Trust	\$8,000.00	Towards salary
NZ Secondary Schools Sports Council	\$50,000.00	Towards salary
New Zealand Rugby Union	\$28,557.73	Towards various event costs
NZ Darts Council	\$17,000.00	Towards various costs associated with NZ Darts Council Championships
Barnardo's NZ	\$10,000.00	Towards salary of Social Worker GR \$5,000.00 (fs)
New Zealand Archive of Film Television and Sound Nga Taonga	\$1,778.44	Towards costs to deliver a film presentation
New Zealand Deaf Football	\$2,346.80	Towards playing uniforms and equipment
New Zealand String Quartet Trust	\$5,000.00	Towards salary
New Zealand Indian Central Association	\$20,000.00	Towards manufacture and production of exhibits
Māoriland Charitable Trust	\$40,000.00	Towards new roof for Maoriland Hub
Ice Speed Skating NZ	\$2,475.00	Towards venue hire cost
NZ Rivers Association	\$5,000.00	Towards uniforms and equipment
Malaghan Institute of Medical Research	\$12,325.00	Towards equipment
Winter Games NZ Trust	\$22,828.20	Towards costs associated with the amateur para-snow sports
NZ Rugby League	\$50,000.00	Towards various costs and salary
Independence Games Trust Board	\$20,000.00	Towards costs of attending Halberg Junior Disability Games
NZ Riding for the Disabled Association	\$40,000.00	Towards salaries
Cystic Fibrosis Association of NZ	\$4,050.00	Towards PARI eFlow Rapid Nebulisers
Hockey NZ	\$140,000.00	Towards costs of National Hockey Amateur League tournaments
First Foundation	\$152,000.00	Towards salary and scholarships
New Zealand Festival	\$49,657.20	Towards costs associated with the Petone Family Day
Graeme Dingle Foundation	\$60,000.00	Towards salaries
Canoe Racing NZ	\$75,000.00	Towards operating costs for events
Louise Perkins Foundation	\$5,000.00	Towards salary

2

Amputee Golf NZ	\$2,130.00	Towards course hire for National Amputee & Disability golf open
StarJam Charitable Trust	\$2,000.00	Towards salary
NZ Marist Rugby Football Federation	\$11,502.00	Towards bus travel in Waikato/BOP region for NZ Marist Colts annual tour
NZ Indoor Bowls	\$15,000.00	Towards salary
NZ Wheelchair Rugby Association	\$10,000.00	Towards travel and accommodation costs associated with hosting the IWRF 2017 Asia Oceania Wheelchair Rugby Championship
New Zealand Festival	\$14,000.00	Towards salary
NZ Dance Festival Trust	\$3,500.00	Towards contract for Technical Production Manager
NZ Softball Association	\$40,294.00	Towards salaries
Look Good Feel Better NZ	\$8,000.00	Towards salaries
Royal New Zealand Foundation of the Blind	\$5,000.00	Towards digital talking books
Basketball NZ	\$25,000.00	Towards costs of 2017 Secondary Schools Nationals
NZ Cricket	\$100,000.00	Towards salaries
Nga Kaihoe O Aotearoa (Waka Ama New Zealand)	\$15,600.00	Towards contract for Administrator role
Environmental White Water Park Trust	\$14,914.57	Towards costs of WhitewaterXL 2017
BMX New Zealand	\$7,500.00	Towards salary
Motorcycling New Zealand	\$5,000.00	Towards salaries
Bowls NZ	\$180,000.00	Towards salaries and operating costs
NZ Rowing Association	\$50,000.00	Towards salaries
Paralympics New Zealand	\$120,000.00	Towards salaries
Halberg Disability Sport Foundation	\$60,000.00	Towards salaries
Asthma New Zealand - The Lung Association	\$15,744.00	Towards salaries
Badminton New Zealand	\$30,000.00	Towards salaries
Blind Sport New Zealand	\$10,000.00	Towards salary
Brass Bands Association of NZ	\$1,500.00	Towards bus charter to attend National Secondary Schools Brass Band 2017
Recreate NZ	\$5,476.52	Towards camp costs and salary
Footnote Dance Trust Board	\$1,000.00	Towards van hire for Contrast tour
New Zealand Golf	\$150,000.00	Towards salaries
N Z Canoe Polo Assn	\$3,860.00	Towards pool hire
<b>Total</b>	<b>\$6,077,320.46</b>	

2

Please click on the link below to view the document

[https://submissions.taupo.govt.nz/443/Consult24Office/Docs/PID\\_18/18\\_735\\_YAYTP8\\_NZCT Gambling Venue Policy Review submission Taupo District Council October 2017.docx](https://submissions.taupo.govt.nz/443/Consult24Office/Docs/PID_18/18_735_YAYTP8_NZCT%20Gambling%20Venue%20Policy%20Review%20submission%20Taupo%20District%20Council%20October%202017.docx)

**Submitter Details**

First Name: Julie  
Last Name: McLeod  
Organisation: Towncentre Taupo  
Street: PO Box 2231  
Suburb:  
City: Taupo  
Country: New Zealand  
PostCode: 3351  
Mobile: 021415231  
eMail: julie@towncentretaupo.co.nz

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ Class 4 Gambling and TAB Policy - Tuesday, 21 November 2017 To be advised, Taupo

Hearing Needs:

Correspondence to:

☒ Submitter

☐ Agent

☐ Both

**Submission**

The Council can control new venues from opening and existing venues relocating. However the Council cannot change or modify the existing licenses held by venues.

Currently the cap for gaming machines sits at 225 machines. The Council has proposed the cap for gaming machines be lowered to 191, which is the current number of consented machines plus the potential for one more venue to open. Other options include a sinking lid cap (which means if a venue closes a new venue cannot take that allocation of machines) or a cap at a different level.

Please select one of the following options.

☒ The cap should be lowered to 191

☐ The cap should remain at 225

☐ Introduce a sinking lid cap

☐ The cap should be XXX

If you selected the last option, please provide a number.

Currently existing venues can relocate, but only within the town centres. Do you agree with this? Or should venues not be permitted to relocate at all?

☒ Venues should only be permitted to relocate within the town centre

☐ Venues should not be permitted to relocate anywhere

☐ Venues should be allowed to relocate anywhere

Please provide any further comment here.

3

**Comments**

Towncentre Taupo would like to see TDC take every opportunity to reduce the number of machines in Taupo. Where possible, TCT would like to see the hours for gaming reduced in an effort to reduce the harm caused to those with a gambling addiction. TCT would like to see a greater return of funds collected from local machines returned to the local community. The Board understands that Taupo currently has a great loss of funds to outside the region compared to the funds collected through the machines. In order to retain more funds locally, TCT would like to see an active campaign letting the community, schools, sport clubs and art groups know how to apply for these funds.

**Attached Documents****File**

Class 4 Gambling and TAB Policy

**Submitter Details**

First Name: **Catie**  
Last Name: **Noble**  
Organisation: **Taupo District Chamber of Commerce and Industry**  
Street: **32 Roberts Street, Level 1, The Hub, Taupo 3330**  
Suburb: **Taupo**  
City: **Taupo**  
Country: **New Zealand**  
PostCode: **3330**  
Mobile: **0210755856**  
eMail: **catie@lifestylepotential.co.nz**

Wishes to be heard:

☒ Yes

☐ I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Preferred hearing location:

☒ **Class 4 Gambling and TAB Policy - Tuesday, 21 November 2017 To be advised, Taupo**

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**Submission**

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Please select one of the following options.

☒ The cap should be lowered to 191

☐ The cap should remain at 225

☐ Introduce a sinking lid cap

☐ The cap should be XXX

If you selected the last option, please provide a number.

47% of members surveyed chose this option. See attached document

Currently existing venues can relocate, but only within the town centres. Do you agree with this? Or should venues not be permitted to relocate at all?

☒ Venues should only be permitted to relocate within the town centre

☐ Venues should not be permitted to relocate anywhere

☐ Venues should be allowed to relocate anywhere

4

Please provide any further comment here.

Comments

60% of members surveyed chose this option

Attached Documents

File
TCCI Gambling Submission
Class 4 Gambling and TAB Policy



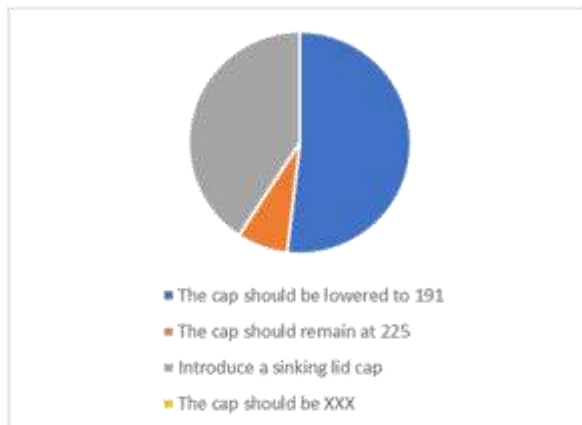
4

## Taupo Chamber of Commerce & Industry - Gambling Policies

31 Members participated

Q4

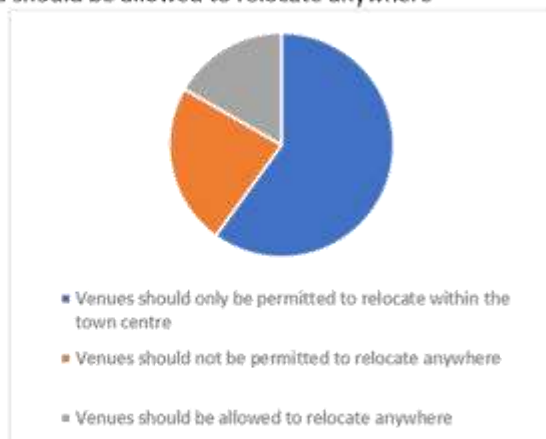
The cap should be lowered to 191	47%	14
The cap should remain at 225	7%	2
Introduce a sinking lid cap	37%	11
The cap should be XXX	0%	0
If you selected the last option, please provide a number. Reduce the number of machines over 5 yrs to nil	10%	3



Q5

**Currently existing venues can relocate, but only within the town centres. Do you agree with this?**

	RESPONSES	RESPONDENTS
Venues should only be permitted to relocate within the town centre	60%	18
Venues should not be permitted to relocate anywhere	23%	7
Venues should be allowed to relocate anywhere	17%	5





4

Q6

**Please provide any further comment here.**

- Get rid of them. The societal cost is way higher than any paltry return to the community
- These are a source of fundraising for groups.
- Pokies are the worst thing in this country, they just take money from the people that can least afford to play them. Anybody with any brains knows the cons outweigh the pros to the community. Get rid of all pokies in New Zealand.
- They are obviously bringing no real worth to Taupo - so why have them
- None

5

**Carrie Robinson**

---

**From:** Robyn Woods <Robyn.Woods@bopdhb.govt.nz>  
**Sent:** Wednesday, 18 October 2017 9:25 a.m.  
**To:** Gambling Policy  
**Cc:** Gareth Moore-Jones; Hayley Robertson; 'ron.dunham@lakesdhb.govt.nz'  
**Subject:** RE: Gambling and TAB Policy Review  
**Attachments:** 20171013\_Gambling\_TAB\_Policy\_Review\_FINAL.pdf

Hello

Apologies, but could we replace the document I submitted on Friday with this one. It appears that the referencing dropped off my original submission.

Many thanks

**Robyn Woods**

Management Support Officer

Phone: 07 577 3769

DDI: 6509

Website: [www.toiteora.govt.nz](http://www.toiteora.govt.nz)

---

**From:** Robyn Woods **On Behalf Of** Phil Shoemack  
**Sent:** Friday, 13 October 2017 12:03 p.m.  
**To:** 'gamblingpolicy@taupo.govt.nz'  
**Cc:** Gareth Moore-Jones; Hayley Robertson; 'ron.dunham@lakesdhb.govt.nz'  
**Subject:** Gambling and TAB Policy Review

Good Afternoon

Please find attached feedback on the Gambling and TAB Policy Review. If you have any issues opening this document please let me know.

Kind regards

**Robyn Woods**

Management Support Officer

Phone: 07 577 3769

DDI: 6509

Website: [www.toiteora.govt.nz](http://www.toiteora.govt.nz)

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**TOI TE ORA**  
**PUBLIC HEALTH**

*Bay of Plenty + Lakes Districts*

5



Toi Te Ora Public Health  
PO Box 2120  
TAURANGA 3140

13 October 2017

Hilary Samuel  
Tāupo District Council  
Private Bag 2005  
TĀUPO 3377

By email: [gamblingpolicy@taupo.govt.nz](mailto:gamblingpolicy@taupo.govt.nz)

#### **Submission to Class 4 Gambling and TAB Policy Review**

Toi Te Ora Public Health (Toi Te Ora) is the public health unit for the Lakes District Health Board. Our key role is to promote, protect and improve population health, prevent ill health and minimise the risk of disease and injury through population based interventions.

Health begins where we live, learn, work and play. Many of the crucial underlying factors that contribute to improve, promote, and protect the health of people and communities are directly influenced by the decisions and activities of councils. For this reason Toi Te Ora is committed to working more collaboratively with councils and welcomes the opportunity to provide feedback to the Class 4 Gambling and TAB Policy Review.

Toi Te Ora supports policies that prevent and minimise the harm caused by gambling. Toi Te Ora recognises Tāupo District Council's proposed policy cap reduction to 191 machines (from the existing cap of 225 machines) as a step in the right direction. However, we propose the following amendment to the draft policy as per the Options Analysis:

- The implementation of a sinking lid, where the cap would initially fall to 182, this being the number of gambling machines currently operating in the district. Under a sinking lid approach the cap would continue to reduce as venues close (Analysis Options - Gaming Machine Numbers: option 3). A sinking lid policy will mean the number of gaming machines will not increase and if a venue closes, the machines cannot be transferred or replaced elsewhere. This will result in a natural attrition in the number of venues and machines over time, but would not affect existing venues or current community grant funding in the short term as the decline occurs slowly

Phone us on 0800 221 555 • [enquiries@toiteora.govt.nz](mailto:enquiries@toiteora.govt.nz) • [www.toiteora.govt.nz](http://www.toiteora.govt.nz)

- Regardless of the size of the cap adopted, Toi Te Ora also recommends that the policy includes a sensitive land use clause whereby class 4 venues must be a more than a minimum distance from residential areas, schools, marae, and community centres.

Gambling is a public health issue and Class 4 gambling machines are the most harmful cause of problem gambling. Harm from gambling can include economic and job loss, relationship breakdown, depression, suicide and gambling-related crime. Harms often extend beyond gamblers to encompass family members including children, friends, employers and colleagues. At-risk gambling is associated with higher levels of smoking, hazardous alcohol consumption, other drug use, and poorer self-rated health, as well as higher usage of health and allied services. Gambling harm exacerbates inequities within communities, with Māori and Pacific peoples more likely to suffer gambling harm (whether as a result of their own or someone else's gambling)<sup>1</sup>.

The purpose of gambling is not to raise money for the community. In 2015/16 only 16% of gaming machine spending was redistributed back to the Tāupo community by way of grants<sup>2</sup>. Gambling derived funding comes at a very high cost to the community.

Toi Te Ora wishes to be heard on this submission.

Yours sincerely



**Dr Phil Shoemack**  
Medical Officer of Health

---

<sup>1</sup> Ministry of Health (2016). *Strategy to Prevent and Minimise Gambling Harm 2016/17 to 2018/19*. Wellington: Ministry of Health.

<sup>2</sup> Tāupo District Council (July 2017). *Assessing the Social Impact of Gambling in the Tāupo District*.

6

**Carrie Robinson**

---

**From:** Jarrod True <jarrod.true@truelegal.co.nz>  
**Sent:** Friday, 27 October 2017 2:27 p.m.  
**To:** Gambling Policy  
**Subject:** Gambling Venue Policy Submission  
**Attachments:** Class 4 Working Party Submission - Taupo District Council Gambling Venue Policy October 2017.pdf

Please find attached the Class 4 Working Party's submission on the gambling venue policy review.

I would like to make a presentation at the upcoming oral hearing.

**Jarrod True** | Director | True Legal Ltd | truelegal.co.nz | Phone 027 452 7763

TRUE LEGAL

Specialist legal advisors.

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## The Class 4 Working Party's Submission on Taupo District Council's Gambling Venue Policy



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### Contact Persons:

**Bruce Robertson**  
Independent Chair  
Class 4 Working Party  
hospoboss@gmail.com  
027 4400 650

**Jarrod True**  
Counsel  
Class 4 Working Party  
jarrod.true@truelegal.co.nz  
027 452 7763



## The Class 4 Working Party's Submission on Taupo District Council's Gambling Venue Policy

### Introduction

1. The Class 4 Working Party is an association that represents the vast majority of the gaming machine societies that operate in New Zealand. Clubs and venue operators are also represented by the Working Party, via the membership of Clubs New Zealand, The Royal New Zealand Returned and Services' Association, and Hospitality New Zealand. The Working Party wishes to provide council with pertinent information regarding gaming machine gambling to help council to make a balanced, evidence-based decision.

### Summary

2. The Working Party asks council to:
  - Retain the current cap of 225 gaming machines (option 1); and
  - Retain the current relocation policy.

### 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. Approximately \$300 million<sup>1</sup> in grants are made each year from non-casino gaming machines. In addition to the external grants, clubs such as RSAs and Workingmen's Clubs receive approximately \$50 million each year in gaming proceeds to assist with meeting the clubs' operating costs. This funding is crucial.
4. The total authorised purpose funding (including the non-published club authorised purpose payments) received from Taupo-based venues is over \$3.25 million annually. Examples of recent grants include:

\$33,854 to the Philips Search and Rescue Trust towards the costs associated with refitting the Greenlea Rescue Helicopter.



<sup>1</sup> <http://www.gamblinglaw.co.nz/download/Gambits/DIA-Class-4-Sector-Report-2017.pdf>

\$50,000 to the Great Lake Taupo Hockey Club towards the costs of replacing their turf.



\$10,000 to Taupo Tennis towards the costs associated with repair and resurfacing of their hard courts.



\$15,000 to Taupo Primary School for classroom IT.



\$22,365 to Sir Edmund Hillary Outdoors Education Trust for costs associated with replacing outdoor safety equipment.



\$15,500 to Lake Taupo Hospice Trust towards the costs of purchasing a hoist.





5. The total grants amount quoted by the Problem Gambling Foundation is less than the \$3.25m stated above, as the Problem Gambling Foundation's data is gathered from society websites, and not all societies publish their authorise purpose payments. The funds applied and distributed by club societies for example, are not published. Further, if the grant recipient's name does not indicate that it is located within the territorial authority, the amount of that grant is not included in the Problem Gambling Foundation's figures.

#### Revenue Breakdown

6. 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**

	<b>GST Inclusive</b>	<b>GST Exclusive</b>
Government Duty	20%	23%
GST	13.04%	0
Problem Gambling Levy	1.31%	1.5%
DIA Costs	2.2%	2.5%
Gaming Machine Depreciation	9.27%	10.6%
Repairs & Maintenance	2.6%	3.0%
Venue Costs	13.9%	16%
Society Costs	2.03%	2.4%
Donations	35.65%	41%

#### Gaming Machines – Key Facts

7. 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 to Pub Charity on 25 March 1988, over 29 years ago.
8. Gambling is a popular form of entertainment that most New Zealanders participate in. The 2014 National Gambling Study<sup>2</sup> found that 80% of adult New Zealanders had participated in some form of gambling in the previous 12 months.
9. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In June 2017, New Zealand had 15,858 gaming machines. In 2003, the Taupo District had 21 gaming venues and 250 machines. The Taupo District currently has 12 gaming venues and 175 operational machines.
10. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 2 (2013)<sup>3</sup> found the problem gambling rate was 0.5% of people aged 18 years and over (Problem Gambling Severity Index screen). This

<sup>2</sup> [http://www.health.govt.nz/system/files/documents/pages/national\\_gambling\\_study\\_report\\_1.pdf](http://www.health.govt.nz/system/files/documents/pages/national_gambling_study_report_1.pdf)

<sup>3</sup> <http://www.health.govt.nz/system/files/documents/pages/report-national-gambling-study-12-month-final-23-10-15.pdf>

amounts to approximately 16,000 people. The problem gambling rate is for all forms of gambling, not just gaming machine gambling.

11. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$18,500,000 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.
12. 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 Maori, Pacifica 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

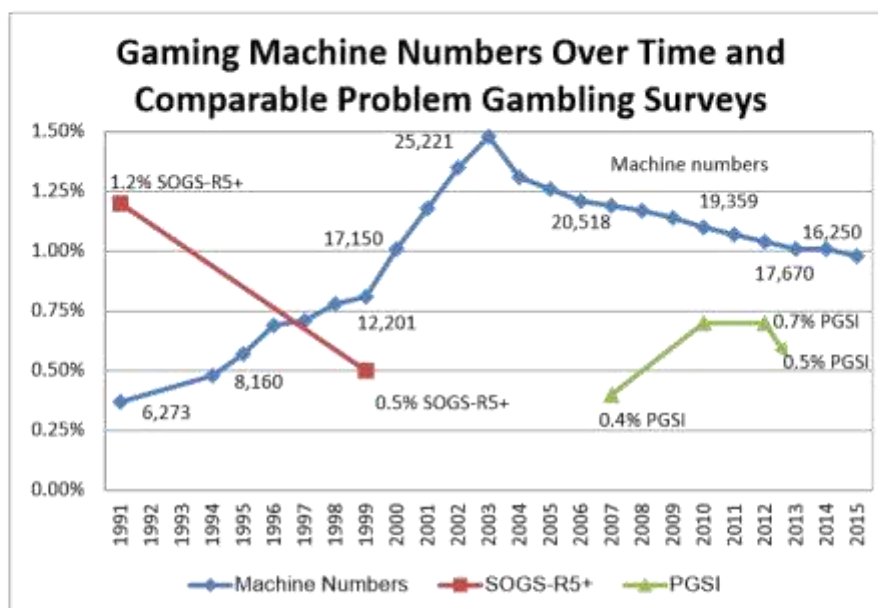
13. The current cap of 225 machines is appropriate given the significant measures that are already in place to minimise the harm from gaming machines.
14. Limits exist on the type of venues that can host gaming machines. The primary activity of all gaming venues must be focused on persons over 18 years of age. For example, it is prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.
15. There is a statutory age limit that prohibits persons under 18 years of age playing gaming machines.
16. 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.
17. 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.
18. Gaming machines in New Zealand do not accept banknotes above \$20 in denomination.
19. ATMs are excluded from all gaming rooms.
20. All gaming venues have a harm minimisation policy.
21. All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
22. 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.

23. All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.
24. Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
25. It is not permissible for a player to play two gaming machines at once.
26. All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
27. 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).
28. It is not permissible to use the word "jackpot" or any similar word in advertising that is visible from outside a venue.

#### The Current Cap is Reasonable

29. A more restrictive cap is not justified in the current environment of high regulation and naturally reducing machine numbers. It is submitted that the status quo cap of 225 machines remain. There has not been any development over the last three years that would justify a change to the current policy.
30. There is no direct correlation between gaming machine numbers and problem gambling rates. The graph below details the machine numbers over time and the problem gambling rate. Between 1991 and 1999 the problem gambling rate declined considerably despite gaming machine numbers doubling and gaming machine expenditure trebling. Between 2006 and 2010 the problem gambling rate increased, despite the number of gaming machines in New Zealand falling considerably in the same period. Between 2010 and 2012 the problem gambling rate stayed the same, despite a continual decline in gaming machine numbers. When viewed as a whole, the survey results confirm that there is no direct correlation between gaming machine numbers and problem gambling rates. The reasons for an increase or decrease in problem gambling are complex and multi-faceted, not simply the direct by-product of an increase or decrease in machine numbers.



31. The 2012 National Gambling Survey<sup>4</sup> 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:

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.

32. 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).

<sup>4</sup> [http://www.health.govt.nz/system/files/documents/pages/national\\_gambling\\_study\\_report\\_2.pdf](http://www.health.govt.nz/system/files/documents/pages/national_gambling_study_report_2.pdf)

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).

33. A more restrictive policy is unlikely to reduce problem gambling, but will reduce the amount of funding available to Taupo-based community groups. 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 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

34. 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.



35. 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.
36. Offshore-based online gambling, however, 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.
37. If a reduction in gaming machines only redirects gamblers to offshore-based internet gambling, there is no harm minimisation advantage in that strategy. In addition, there are further disadvantages in the fact that no community funding is generated for New Zealanders, no tax revenue is generated for the New Zealand Government and no contributions are made via the New Zealand problem gambling levy.

#### The Current Flexible Relocation Provision is Supported

38. The current policy includes a reasonable relocation provision that was adopted following the last full public consultation. There is no evidence to justify the introduction of a new restriction on relocations.
39. The current flexible relocation policy is positive. 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 to the public helps to revitalise business districts, improves the local economy and encourages tourism.
40. The first venue to relocate under the amendments made to the Gambling Act 2003 was the Te Rapa Tavern in Hamilton. The photos below show the old rundown premises and the new modern premises. The redevelopment cost \$3,000,000.



The old Te Rapa Tavern



The new Te Rapa Tavern

41. A venue is sometimes required to relocate to adjacent premises due to its fixed lease coming to an end or public works acquisition. When it is clear that the same business

exists but has simply relocated a short distance, it is fair and reasonable for the policy to permit the venue to continue its current gaming machine operation.

42. Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals. Allowing relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.
43. Enabling relocation permits venues to re-establish after a natural disaster or fire.
44. Enabling relocation enables venues to move out of earthquake-prone buildings.
45. 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.

#### Conclusion

46. It is acknowledged that Council needs to strike a balance between the costs and benefits of gaming machine gambling. It is accepted that a small percentage of people (0.5% of people aged 18 years and over) have a problem with their gambling (all forms of gambling). However, for the vast majority of people, casual expenditure on gaming machines is a form of entertainment that they participate in and enjoy, without any harm being caused. Gaming machines also provide a considerable amount of community funding (over \$3.25 million annually) to local community groups and clubs.
47. Gaming machine numbers are in natural decline, and gaming machine participation is reducing. However, the harm minimisation measures that are now in place have never been higher. In light of the new regulations now in place, the status quo cap of 225 machines is entirely appropriate. The introduction of a more restrictive policy is unlikely to reduce problem gambling, but will inevitably reduce local community funding opportunities and may encourage people to seek out other forms of gambling, including offshore-based internet and mobile phone-based gambling. This form of gambling is very harmful and provides no return to the local community and no contribution to employment, taxation and health services in New Zealand.
48. Council is asked to retain the current relocation provision, which enables operators to move from rundown premises to new, modern, premises, to move out of earthquake-prone buildings, and to re-establish after a fire or natural disaster.
49. Jarrod True, on behalf of the Class 4 Working Party, would like to make a presentation at the upcoming oral hearing.

26 October 2017

**Bruce Robertson**  
Independent Chair  
Class 4 Working Party  
hospoboss@gmail.com  
027 4400 650

**Jarrod True**  
Counsel  
Class 4 Working Party  
jarrod.true@truelegal.co.nz  
027 452 7763

7



Taupo District Council  
PO Box 149,  
Taupo 3351

Re: Submission: Class 4 Gambling and TAB Policy Review

arc Counselling Services supports : Option 3. Implement a sinking lid cap (cap would fall to 182 and continue to sink as venues closed). The impacts of harm (the costs) outweigh the disadvantages identified.

arc Counselling Services is an Addiction Counselling's Service based in Taupō, Turangi and delivers in Mangakino. There is a high level of deprivation in Turangi, Mangakino; these towns are red flagged as high risk, high need.

In the last 6 months our service has become overwhelmed with the number of people needing support or are in crisis from the use of Alcohol, Drugs and Gambling, they are poly addicted. Along with their addiction, clients are complex and come with a raft of issues: homeless, are in debt collection, have notice of eviction, CYF involvement (vulnerable children's act- youth suicide, child abuse, child poverty), Police or Community Corrections involvement, through the use of Alcohol and Drugs and Gambling. Some of our clients are Work and Income clients but also clients who own or have own business but are at a place of losing their business or have lost it all. As stated the impact of harm on people lives outweigh the disadvantages identified.

One of the excuses people use to justify their addiction is, Alcohol and Gambling is legal "I am not breaking the Law", "I am not a Drug Addict" "I am not like them". The end result is the same "addiction is addiction" regardless of your back ground or income.

People who are accessing our service have increased month by month, yet there is limited resource for services in the Mental Health and Addiction sector, the reduction of access to Gambling machines / outlets will certainly go a long way helping; to reduce Alcohol, Drug and Gambling abuse in our community.

I believe that Centre Government has a responsibility to minimise risk and harm by ensuring that Liquor and Gambling outlets are not contributing to the negative social impacts on families (whānau).

I hope you give our submission your earnest consideration.

nga mihi,

Tina Marie Winikerei  
General Manager  
Drug & Alcohol Support Taupō Trust t/a arc Counselling Services  
PO Box 595,  
Taupō 3351



8

**Carrie Robinson**

---

**From:** Eru Loach <eru.loach@pgf.nz>  
**Sent:** Tuesday, 31 October 2017 3:47 p.m.  
**To:** Hilary Samuel  
**Subject:** PGF Gambling Venue Submission - Eru Loach  
**Attachments:** Revised Taupo report PGFNZ - Written July 2017.pdf; PGF TLA Submission - 2017 - Taupo - Final - el.pdf; THE SHAME AND STIGMA OF GAMBLING - Dr Samantha Thomas.pdf

Kia ora Hilary.

Attached is our PGF Submission along with some supporting documentation,.

Here is a couple of research publication links to do with Family Violence and Gambling, along with The Burden of Harm:

<http://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-seeking-populations-co-occurrence-impact-and-coping>

<https://www.health.govt.nz/publication/measuring-burden-gambling-harm-new-zealand>

Both of which I will refer to in my oral submission which obviously I would like to do!

Thanks Hilary

P.S. Text me if you receive this due to the file size of attachments.

Eru ☺



Eru Loach | Bi-Cultural Relationship Manager  
Problem Gambling Foundation of New Zealand  
email: [eloach@pgf.nz](mailto:eloach@pgf.nz) | Ph: 022 125 1733  
0800 664 262 | [www.pgf.nz](http://www.pgf.nz) | [facebook.com/pgfnz](https://www.facebook.com/pgfnz) | [twitter.com/pgfnz](https://twitter.com/pgfnz)

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**PROBLEM GAMBLING FOUNDATION  
OF NEW ZEALAND**

Healthy communities free from gambling harm

**Submission on the  
Taupo District Council  
Gambling Venue Policy**

Eru Loach

Health Promoter

Problem Gambling Foundation of New Zealand

Mobile: 022 125 1733

Email: eloach@pgf.nz

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## EXECUTIVE SUMMARY

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Electronic gambling machines (pokies) are not a harmless product that a few “weak willed” individuals need help with. These machines are designed to addict and are doing significant harm, which is why 2 in 5 regular gambling machine users develop a problem at some point. The 2.5% of our population experiencing direct—and often severe—harm from gambling is just the tip of the iceberg.

Each person with a gambling problem affects about 5-10 others. This means as many as 500,000 people are affected by the significant economic, health, personal, and social costs that gambling problems cause in New Zealand. The harms caused by gambling problems extend beyond individuals, affecting their families, friends, workmates, businesses and our community. For example, a study of gambling machines in Christchurch suggested that gambling machines in the region resulted in lost economic output of \$13 million, lost household income of \$8 million, and lost employment for 630 full-time equivalents.

How do we begin making changes? It’s obvious. We know that gambling machines are the major cause of gambling harm in New Zealand and have been identified as the main gambling mode of problem gambling clients seeking help. We know that a significant amount of the money lost in gambling machines—about 40-60%—is lost at the expense of people with gambling problems. We know these machines are concentrated in low-income areas.

Councils can make a difference. “Sinking lid” policies will help reduce gambling machine venue numbers over time, reducing availability and accessibility to gambling machines, and therefore reducing gambling harm. Seventeen Councils around New Zealand have taken the lead and introduced “sinking lid” policies, backed by majority public opinions that these machines are socially undesirable and that there should be fewer of them.

A “sinking lid” policy is a modest policy that only prevents new venues being allowed gambling machines. The strongest sinking lid policies state that when venues close those machines can’t be re-allocated elsewhere. In the absence of policies that give communities and Councils more power (such as being able to remove existing licences from poor or deprived communities), “sinking lid” policies are the best policies that Councils can introduce to minimise gambling harm in their local area.

It’s also important to remember that just 18% of adults use pub/club gambling machines over a given year. And even fewer people (1.7%) use them on a weekly basis. The vast majority of adults (82%) never use gambling machines.

We’ve assembled the information that follows from a vast body of research. We have included information from government agencies, government-commissioned reports, and peer-reviewed journals so that you have the best body of evidence possible to inform your decision. We have also included some less formal local information that we think you will find valuable.

Please do not hesitate to contact us if you have any questions.

## Recommendations

---

### *Sinking Lid*

- The Problem Gambling Foundation recommends that the Council adopt a "sinking lid" policy: a district wide ban on any additional class 4 gambling venues or machines (reduction in the number of venues and machines over time as a result of existing venues closing and machines not being re-licensed). A "sinking lid" policy would reduce the number of venues over time but would not affect existing venues or current community funding in the short term. A district-wide ban on any new venues or machines would reduce the harm caused by gambling, including the social and economic harm.

### *No Relocation*

- Allowing venues to transfer will not lead to a reduction of venues, and therefore will not reduce harm from gambling in the way that a strong "sinking lid" policy would.

### *A ban on any new venues and machines is preferable to a cap*

- A ban on any new venues and machines is preferable to a cap. It is possible that a cap on machine numbers or venues may result in a greater number of licensed venues and machines being located in poorer communities (i.e. venues shift from more prosperous localities, suburbs and town centres).
- This would mean the Taupo District Council would not support any new TAB Board Venue Policy either. The New Zealand Racing Board does not distribute funding in the same way as Corporate (Gambling) Societies do and the majority of that funding (minimum of 80%) goes back to NZ Racing and the remaining to Amateur Sports (maximum of 20%).

### *Restricting the number of venues is even more crucial than the numbers of machines*

- It is likely that when gambling venues are widely dispersed throughout the community, they pose a bigger hazard for problem gambling than when they are concentrated in a few locations.
- Additionally, the restriction of venues is appropriate in Taupo (Note: Refers to the Taupo District) because there are already a number of accessible machines in the area. Australian research has argued that in this case, venue caps are more effective than machine caps in moderating the accessibility drivers of problem gambling.

## CONTEXT AND SUMMARY OF LOCAL STATISTICS

- Gambling expenditure<sup>1</sup> has expanded rapidly in New Zealand during the last 20 years. Gambling expenditure more than quadrupled from \$482 million in 1990 to \$2,209 billion in FY 2015/16.<sup>2</sup> Of that amount, nearly 40% is lost to non-casino gambling machines, making it the largest of the four main gambling sectors.<sup>3</sup>



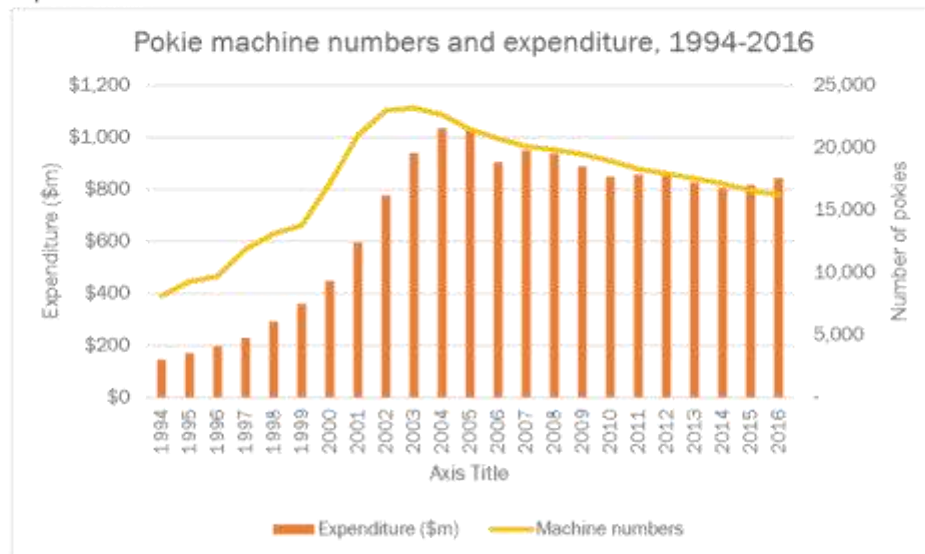
- In the 2015/16 financial year, total gambling expenditure for the four main sectors increased 2.6% from the previous year.

1 Expenditure and Gross Profit are interchangeable terms - they mean the gross amount wagered minus the amount paid out or credited as prizes or dividends. Expenditure is the amount lost or spent by users or the gross profit of the gambling operator.

2 Department of Internal Affairs. (2017). Gambling Expenditure Statistics. Retrieved 13 Mar 2017 from: [http://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics)

3 Amounts in millions. Years indicate close of financial year.

- For the most part, however, a decrease in machines has led to a gradual decrease in expenditure.



- New Zealand lost \$843 million to non-casino gambling machines last year, or \$2.3 million a day.
- This is equivalent to about 55 million minimum wage hours.
- Taupo lost just over \$8,134,795 to non-casino gambling machines in the last year, or \$22,287 per day.
- This means that the average gambling machine in Taupo makes almost twice as much money as the average person living here (based on median income for people aged 15 years and over).
- Taupo currently has a density of 1 machine per 140 people over 18.<sup>4</sup> 91% of those machines are in the poorest 30% of the Council area.

<sup>4</sup> Calculated using DIA gambling expenditure statistics and Statistics NZ 2013 Census data.



- Estimates are that 2.5% of the adult population in New Zealand – one in 40 – are problem gamblers or moderate-risk gamblers<sup>6</sup> at any particular time.<sup>6</sup> Based on these estimates approximately 613 people in Taupo could be problem or moderate risk gamblers.<sup>7</sup>
- There are also a significant number of people who are harmed by someone else's gambling. It is estimated that approximately 5-10 people are adversely affected to varying degrees by behaviour from a person experiencing problem gambling.<sup>8</sup> This could be 1,226 to 4,904 people harmed from others' gambling in Taupo.
- Over 74,000 people in New Zealand (2.4% of the population) would expect to have a better state of mental health if there were no gambling.<sup>9</sup> Of these, 69,500 would benefit from stopping gambling on gambling machines. In Taupo, approximately 860 people would be better off without gambling.
- Submissions by the New Zealand Community Trust and other gambling machine trusts have attempted to down-play the number of local problem gamblers by reporting the number of people who have sought help for gambling within the Council area. There is a difference between the number of people with gambling problems and the number of people who have sought help for those problems; it is a gap we are seeking to close, and

5 The term "problem gambler" refers to someone who scores 8 or more on the Problem Gambling Severity Index, and is defined as "Problem gambling with negative consequences and a possible loss of control." The term "moderate-risk gambler" refers to someone who scores 3-7 on the PGSI, and is defined as "Moderate level of problems leading to some negative consequences". The two terms are often combined when reporting prevalence of problem gambling.

6 Based on the New Zealand 2012 National Gambling Study, which reports that "0.7% of adults (23,504 people) are current (past 12 months) problem gamblers experiencing significant problems, and a further 1.8% (60,440) are moderate-risk gamblers, experience some gambling-related harms and at risk for the development of more serious problems". Source: Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2014). New Zealand 2012 National gambling study: Gambling harm and problem gambling. Wellington: Ministry of Health.

7 Adult population for this district was determined using 2013 census data and the NZ.Stat tool from Statistics New Zealand, found online at <http://nzdotstat.stats.govt.nz/wbos/Index.aspx>.

8 The 2006/2007 New Zealand Health Survey found that "almost 3% of people had experienced problems due to someone's gambling in the previous 12 months, and this is consistent with overseas studies that estimate that between 5 and 10 people are affected by behaviour of a serious problem gambler."

Ministry of Health. 2009. Preventing and Minimising Gambling Harm: Consultation document. Six-year strategic plan; three-year service plan; problem gambling needs assessment; and problem gambling levy calculations. Wellington: Ministry of Health.

The Australian Productivity Commission estimated 5-10 people (average: 7.3) were impacted by problem gambling. Productivity Commission. (1999). Australia's Gambling Industries, Report No. 10, AusInfo, Canberra, Vol 1, p. 7.34

9 Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Auckland: SHORE.



8

it is not a gap any of us can ignore. Those who seek help are just the tip of the iceberg both in terms of those with problem gambling but also in terms of the wide impact that problem gambling has on the community.

## GAMBLING AND PROBLEM GAMBLING

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### Gambling Machines Are the Problem

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- About 18% of adults use pub/club gambling machines over a 12 month period.<sup>10</sup>
- This means that at any given time in New Zealand, there is a ratio of 36 possible gambling machine users to any 1 machine.
- This means the \$808 million that gambling machines took last year doesn't add up from many people putting in a few coins. This figure would require each gambling machine user to spend—and lose—an average of over \$1,400.<sup>11</sup>
- Even fewer people use gambling machines on a regular basis (1.7% weekly or more often). The vast majority of adults (82%) never use gambling machines.<sup>12</sup>
- Furthermore, the Council may find it helpful to know that the number of people who gamble on non-casino gambling machines is small compared to the number of people who find that form of gambling socially undesirable.<sup>13</sup>
- While 18% may not seem like a lot, this number means much bigger problems; there is a serious concern for the 18% of the population that uses non-casino gambling machines

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10 Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2014). New Zealand 2012 National gambling study: Overview and gambling participation. Wellington: AUT.

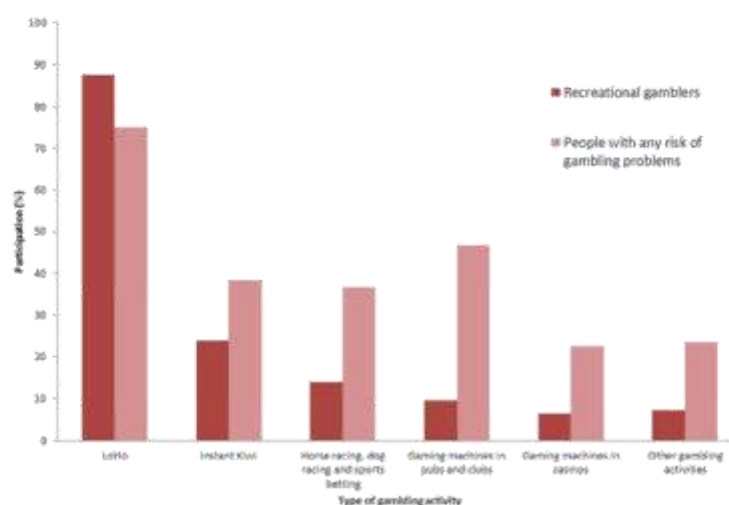
11 Adult population for this district was determined using 2013 census data and the NZ.Stat tool from Statistics New Zealand, found online at <http://nzdotstat.stats.govt.nz/wbos/Index.aspx>.

12 Abbott, M., Bellringer, M., Garrett, N., & Mundy-McPherson, S. (2014). New Zealand 2012 National gambling study: Overview and gambling participation. Wellington: AUT.

13 Department of Internal Affairs (2008). Peoples participation in, and attitudes to, gambling, 1985-2005. Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/GamblingParticipationSurvey1985-2005.pdf/\\$file/GamblingParticipationSurvey1985-2005.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/GamblingParticipationSurvey1985-2005.pdf/$file/GamblingParticipationSurvey1985-2005.pdf)

because of the risk involved with gambling machine use.<sup>14</sup>

Proportion participating in various forms of gambling: recreational gamblers compared to gamblers at any risk of gambling problems



- Gambling machines are no ordinary commodity; it is estimated that:
  - 2 in 5 (40%) of regular gambling machine users (participates weekly or more) report experiencing a problem at some point.<sup>15</sup>
  - 1 in 5 (20%) of regular gambling machine users have current problems.<sup>16</sup>
- Non-casino gambling machines are the major cause of gambling harm in New Zealand (to individuals as well as the community). Non-casino gambling machines are the main gambling mode of problem gambling clients seeking help. In the most recently published Gambling Helpline report<sup>17</sup>:

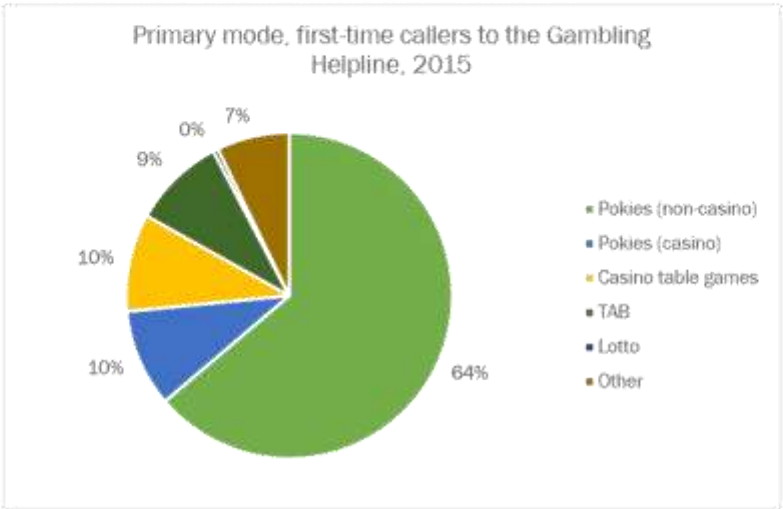
14 Ministry of Health (2012). Problem Gambling in New Zealand: Preliminary Results from the New Zealand Health Survey. Wellington: Ministry of Health. Retrieved 29 January 2013 from <http://www.health.govt.nz/publication/problem-gambling-new-zealand-preliminary-results-new-zealand-health-survey>

15 Devlin, M. & Walton, D. (2012). The prevalence of problem gambling in New Zealand as measured by the PGSI: adjusting prevalence estimates using meta-analysis. *International Gambling Studies*, 10.1080/14459795.2011.653384. Retrieved 31-May 2012 from <http://www.tandfonline.com/doi/abs/10.1080/14459795.2011.653384>

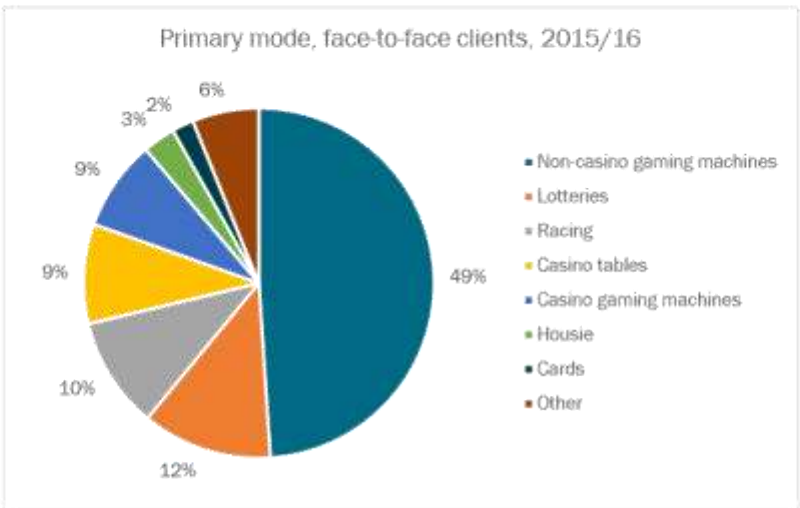
16 Department of Internal Affairs (DIA). (2009) Problem gambling in New Zealand – a brief summary. Retrieved 29 January 2013 from [http://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/\\$file/ProblemGamblingFactsFinal.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/$file/ProblemGamblingFactsFinal.pdf)

17 Ministry of Health. (2012). Gambling Helpline report for national statistics to 31 December 2011. Wellington: MOH.

- 64% of first-time callers to gambling helpline counselling services cited non-casino gambling machines as their primary mode of gambling.



- 49% of gambler clients attending face-to-face counselling cited non-casino gambling machines as their primary mode of gambling, and a further 9% cited casino gambling machines.<sup>18</sup>



18 Ministry of Health (2017). Retrieved 2 Oct 2017 from <http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data>

## How Gambling Machines Work

- Gambling machines are not a simple or harmless form of entertainment. A modern gambling machine is a subtle and sophisticated media experience, designed to keep people using the machine as long as possible.<sup>19</sup>

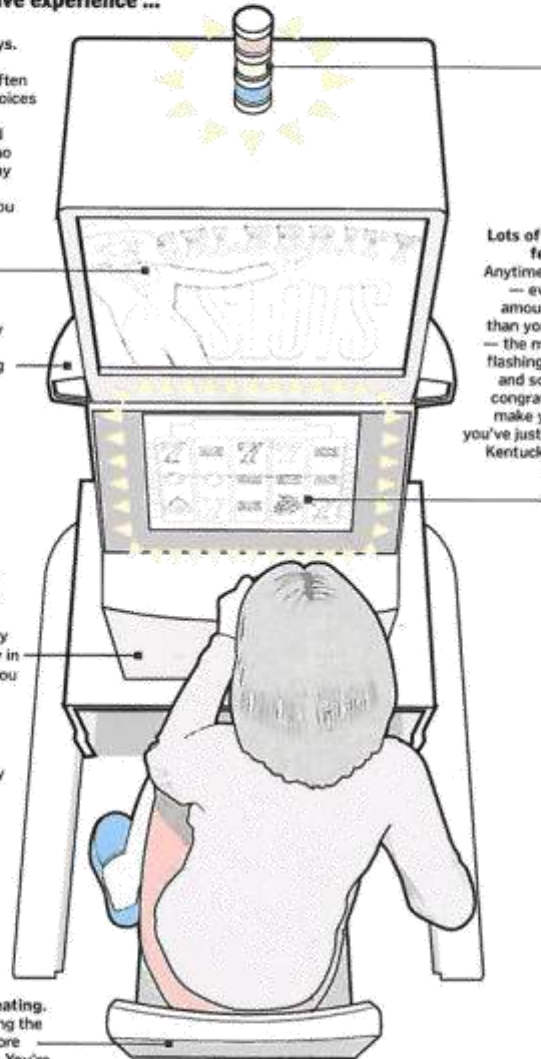
### An immersive experience ...

**Snazzy displays.** Animated, entertaining, often including the voices of beloved TV and movie stars who goad you to play more and congratulate you when you win.

**Directional speakers.** They bathe you in sound, blocking out the noises from the room around you.

**Easy payment plans.** The new machines don't display dollar amounts — they deal exclusively in "credits" that you cash out later. This serves to separate you from the idea that it's actually money you're losing.

**Comfortable seating.** The higher paying the machine, the more comfy the chair. You're supposed to sink in and never want to get up.



**Lots of positive feedback.** Anytime you win — even if the amount is less than your wager — the machine's flashing screens and screaming congratulations make you think you've just won the Kentucky Derby.

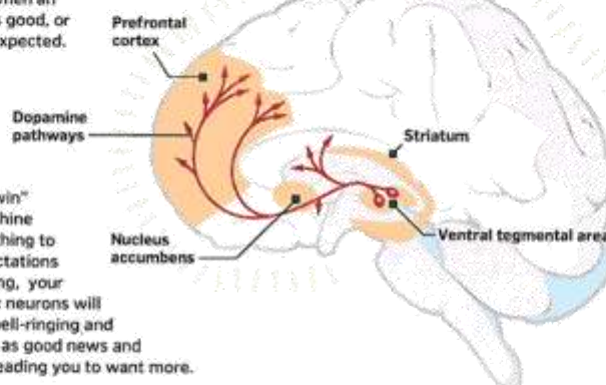
<sup>19</sup> Mangels, J. and W. Neff (2011 May 15). How the machine works on you [infographic]. The Plain Dealer. Cleveland, OH.

### ... that has a profound effect

All this stimulation plays havoc with the reward centers of the human brain: those areas that are wired to anticipate some good result — such as the learning of a new skill — and make you feel good when it happens.

This reaction is fueled, in part, by the neurotransmitter dopamine. Special neurons in certain areas of your brain produce this chemical, which “rewards” the brain with a feeling of satisfaction when an outcome is as good, or better, than expected.

Although a “win” on a slot machine may have nothing to do with expectations or skill-learning, your dopaminergic neurons will take all that bell-ringing and light-flashing as good news and reward it — leading you to want more.



SOURCE: Luke Clark, University of Cambridge

JORDI MANGELS, WILLIAM NEFF | THE PLAIN DEALER

- Gambling products use psychological tricks which take advantage of some of the faulty ways that we all, as human beings, think.
  - You haven't won all night, so the big win is on the way: This is not true. Gambling exploits our human misunderstanding of statistical probability and our ingrained belief in luck (even though statistics always prove us wrong).
  - The near-miss effect: Gambling machines exploit this, because a near-miss will trigger your brain in the same areas as if you had really won. These are also the same areas which are involved in drug addiction. This is why problem gamblers crave gambling and have compulsive thoughts about it. Machines will be programmed to show as many near-misses as they can get away with (most countries legislate how many times they can do this).
  - Creating immersive environments: Gambling machines make you forget the outside world through clever design. Dark backgrounds and deep but bright jewel-like colours attract and stimulate the brain. Spot-lit areas draw your focus in. Sound and light at random times both disorients the user and stimulates the brain at the same time.
  - Brain stimulation: The anticipation of gambling causes excitement, raised heart-rate, shallow breathing, and other nervous system responses. Winning and losing cause even greater responses, which are tied directly into our brain's reward centres. The design of modern gambling amplifies these even more. The reward

areas of your brain take all the bell-ringing and light-flashing as good news and reward your neurons with large hits of dopamine. This happens even when you are losing, and is why gambling can operate just like a drug or alcohol addiction.

### Gambling Numbers

- Before 1988 there were no legal electronic gambling machines in New Zealand. At the end of 2016 there were 16,148 machines.<sup>20</sup>



- A New Zealand study acknowledged that there are many forces of work at play that can reduce problem gambling prevalence, including public health work, adaptation (when no new machines are introduced) and policy. The report found strong support for the “access thesis,” which says that increases of non-casino gambling machines lead to an increase in problem gambling prevalence. **Specifically, the study found that there is an increase in problem gambling by nearly one person per each new machine.**<sup>21</sup>
- The report went so far as to state in its conclusion that, “**from the perspective of public policy, and particularly harm minimisation, holding or reducing EGM [electronic gambling machine] numbers would appear to be prudent based on our findings,**

<sup>20</sup> Department of Internal Affairs (DIA). (2014). Society, Venue and Gaming Machine Numbers: 31 March 2014. Retrieved 30 June 2014 from [http://www.dia.govt.nz/Pubforms.nsf/URL/Stats\\_31%20March%202014.pdf/\\$file/Stats\\_31%20March%202014.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/Stats_31%20March%202014.pdf/$file/Stats_31%20March%202014.pdf)

<sup>21</sup> Abbott, M., Storer, J., & Stubbs, J. (2009 December). Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australia and New Zealand with respect to concentration of electronic gaming machines. *International Gambling Studies*, 9 (3), 225 – 244.



**and is likely to lead to reduced harm both through reduced availability and by enabling adaptation processes.”**

- The same study supported the view that **restricting the per capita density of gambling machines leads to a decrease in gambling harm.**<sup>22</sup>
- In submissions to Councils, Jarrod True of the TAB challenged the findings of this study. Mr. True explains that “after reading the full study and reading the research data it does not appear that any strong correlation exists [between gambling machine access and problem gambling].” This claim should be disregarded for two obvious reasons.
- Mr. True’s analysis is contrary to conclusions articulated in the very abstract of the article, which states that **“strong statistically meaningful relationships were found for an increase in prevalence with increasing per capita density of EGMs, consistent with the access hypothesis and supported by no evidence of plateauing of prevalence with increasing density of EGMs.”**
- The assertions put forth by Mr. True carry less authority than that of three well-respected and qualified researchers, who almost unarguably are more qualified to interpret statistics and judge research. Mr. True’s assertions are also contrary to those accepted by the peer-review team that accepted the article for publication in the interdisciplinary journal where it appeared (a journal that was launched by a team of international experts with a commitment to the highest scholarly standards).
- The industry has, in the past, claimed that a decrease in gambling machine numbers will lead to an increase in other forms of gambling, but there is no need to be concerned that a sinking lid would have any such impact. **There is no evidence that a decrease or removal of non-casino gambling machines leads to a “transfer” to other types of gambling.**<sup>23</sup>

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<sup>22</sup> Ibid, p.241.

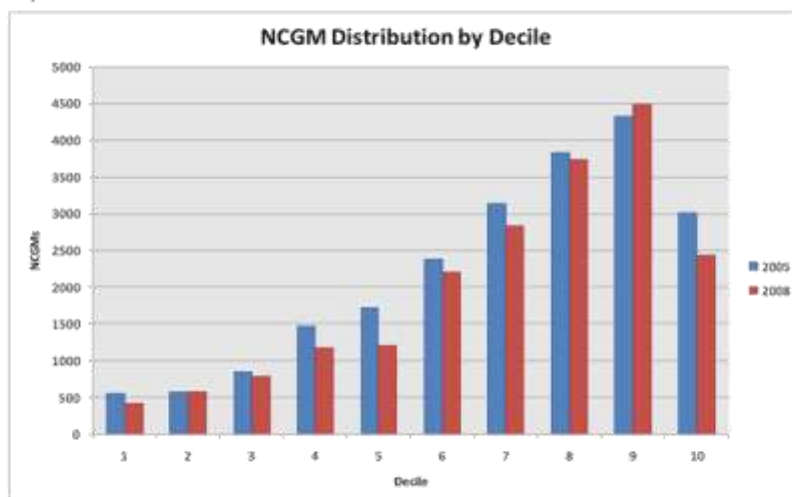
<sup>23</sup> Lund, I. (2009 March 26). Gambling behaviour and the prevalence of gambling problems in adult EGM gamblers when EGMs are banned: A natural experiment. *Journal of Gambling Studies*, 25:215-225.

Abbott MW. Do EGMs and problem gambling go together like a horse and carriage? *Gambling Research*. 2006;8(1):7–38.



### Gambling Machine Density and Location

- Studies and data from New Zealand<sup>24</sup> and Australia<sup>25</sup> indicate that there are significantly more venues and electronic gambling machines in low-socio economic communities.
- Across New Zealand there is a clear trend in the concentration of machines across deprivation areas: electronic gambling machines are more likely to be found in the more deprived areas of New Zealand.<sup>26</sup>



- Another way of interpreting this data is to consider that in wealthy areas, the ratio of gambling machines to people is 1 to 465. In poorer areas, the ratio of gambling machines to people is 1 to 75. This means that a young person growing up in a poorer area will have 6 times more gambling machines in their community than a better-off peer.<sup>27</sup>

24 Francis Group. (2009). Informing the 2009 problem gambling needs assessment: Report for the Ministry of Health. Wellington: MOH.

Huriwai, T., Rigby, J. E., & Wheeler, B.W. (2006) Pokies and poverty: Problem gambling risk factor geography in New Zealand. *Health and Place*, 12 (1): 86-96.

25 Livingston, C., & Woolley, R. (2008). The relevance and role of gaming machine games and game features on the play of problem gamblers: Report for the Independent Gambling Authority (IGA). Adelaide, South Australia: IGA.

Doughney, J. (2007). Ethical blindness, EGMs and public policy. *Journal of Mental Health Addiction*, 5, 311-319.

26 Francis Group. (2009). Informing the 2009 problem gambling needs assessment: Report for the Ministry of Health. Wellington: MOH.

27 Wheeler, B., Rigby J., & Huriwai T. (2006). Pokies and poverty: problem gambling risk factor geography in NZ. *Health & Place*. 12(1)

- The key drivers for the comparative over-abundance of non-casino gambling machine venues in disadvantaged areas and areas with high proportions of “at risk” groups are unclear. On the demand side, there may be greater incentives to allocate machines in areas where they will be used more intensively and potential returns are highest. However, another explanation for the location may be in the distribution of venues, such as hotels and taverns. Affluent areas have a greater ability to resist the location of hotels and taverns in their communities; communities with high rates of home ownership tend to take a more long term view of planning and zoning issues.
- Whatever the explanation, the location of venues tends to concentrate the social costs in communities that are less able to bear them.<sup>28</sup>

### Vulnerability

- Certain population groups are more vulnerable to gambling problems in New Zealand. One major demographic factor is ethnicity.<sup>29</sup>
  - Māori populations comprise 36.1% of intervention service clients<sup>30</sup> and 17.9% of Helpline callers<sup>31</sup>, but make up only 15% of the population<sup>32</sup>.

28 Hancock, L. & O’Neil, M. (2010, August). Risky business: Why the commonwealth needs to take over gambling legislation (Alfred Deakin Research Institute). Retrieved 29 January 2013 from <http://www.deakin.edu.au/alfred-deakin-research-institute/assets/resources/publications/workingpapers/adri-working-paper-11.pdf>

Francis Group. (2009). Informing the 2009 problem gambling needs assessment: Report for the Ministry of Health. Wellington: MOH.

Ministry of Health. (2008) Raising the odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand. Wellington: MOH. Retrieved 29 January 2013 from <http://www.health.govt.nz/system/files/documents/publications/raising-the-odds-may08.pdf>

29 Ministry of Health. (2009). Preventing and minimising gambling harm: Consultation document; six-year strategic plan; three-year service plan; problem gambling needs assessment; and problem gambling levy calculations. Wellington: Ministry of Health. Retrieved 29 January 2013 from <http://www.health.govt.nz/our-work/preventative-health-wellness/problem-gambling/strategic-direction-overview/strategic-plans>

30 For the most recently reported period, July 2013-June 2014. Ministry of Health (2015). Intervention Client Data. Retrieved 11 May 2015 from <http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/intervention-client-data#ethnicity>

31 For the most recently reported period, 2011. Ministry of Health (2012). Gambling Helpline client data. Retrieved 2 July 2014 from <http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/gambling-helpline-client-data>

32 Statistics New Zealand (2014). 2013 Census – Major ethnic groups in New Zealand. Retrieved 2 July 2014 from <http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/infographic-culture-identity.aspx>

- There has been a rise in the number of Māori women seeking help for gambling problems. Māori women seeking help for their gambling problems almost exclusively (85.6% in 2008) cite non-casino gambling machines as their problematic mode of gambling.<sup>33</sup>
  - Pacific populations comprise 19.8% of intervention service clients<sup>34</sup> and 6.2% of Helpline callers<sup>35</sup>, but make up only 7% of the population<sup>36</sup>.
  - Overall, Māori and Pacific adults are approximately four times more likely to be problem gamblers compared to the population.<sup>37</sup>
- Another major demographic factor in problem gambling is location in a highly deprived socio-economic area.<sup>38</sup>
- Although there has been a reduction in the number of non-casino gambling machines since 2005, they continue to be concentrated in more deprived areas.
  - Census area units with a deprivation decile rating of 8 or above accounted for 56% of all non-casino gambling machine expenditure.
  - Māori and Pacific peoples are over-represented in these deciles, which may make them more vulnerable.
- Other demographic factors of vulnerable populations include age (35-44) and lack of educational qualifications, as well as workforce status (unemployed or out of workforce).<sup>39</sup>

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33 Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Auckland: SHORE. Retrieved 29 January 2013  
[http://www.shore.ac.nz/projects/Gambling\\_impacts\\_Final%2010\\_02\\_09.pdf](http://www.shore.ac.nz/projects/Gambling_impacts_Final%2010_02_09.pdf)

34 For the most recently reported period, July 2013-June 2014. Ministry of Health (2015). Intervention Client Data. Retrieved 11 May 2015 from <http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/intervention-client-data#ethnicity>

35 For the most recently reported period, 2011. Ministry of Health (2012). Gambling Helpline client data. Retrieved 2 July 2014 from <http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/gambling-helpline-client-data>

36 Statistics New Zealand (2014). 2013 Census – Major ethnic groups in New Zealand. Retrieved 2 July 2014 from <http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/infographic-culture-identity.aspx>

37 Ministry of Health (2009). A focus on problem gambling: results of the 2006/07 New Zealand Health Survey. Wellington: Ministry of Health.

38 Ibid.

39 Ibid.

- Problem gambling is more common in individuals with major depression, anxiety, and personality disorders.<sup>40</sup>
- Substance abusers have a 2-10 fold increased risk for problem gambling.<sup>41</sup>
- There is increasing concern around the vulnerability of youth populations to gambling as well; youth and young adults have high rates of problem gambling.<sup>42</sup>

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40 Ibid

Petry, N.M., Stinson, F.S. & Grant, B.F. (2005). Comorbidity of DSM-IV pathological gambling and psychiatric disorders: Results from the National Epidemiologic Survey on Alcohol and Related Conditions. *The Journal of Clinical Psychiatry*, 66, 564-574.

41 Ministry of Health (2009). *A focus on problem gambling: results of the 2006/07 New Zealand Health Survey*. Wellington: Ministry of Health.

42 C. Messerlian, J. Derevensky & R. Gupta (2005) Youth gambling problems: a public health perspective. *Health Promotion International* 20 (1): 6-79.

## HOW GAMBLING HURTS TAUPO

### Personal and Social Costs

*"For many people and their families, however, gambling has harmful consequences, and the negative effects on the community are far-reaching. The social costs of gambling are out of proportion to the number of problem gamblers."<sup>43</sup>*

- Though the number of problem gamblers in your community may seem small, the impact is serious and affects us all.
- Problem gambling imposes:
  - Personal costs (on the problem gambler).
  - Social costs (on family members, friends, co-workers, those with whom he or she has business relationships, and the general public as well).



Adapted from Australian Productivity Commission Report 1999

43 Ministry of Health. 2010. Preventing and Minimising Gambling Harm: Six-year strategic plan 2010/11–2015/16. Wellington: Ministry of Health.

- The “personal costs” can include: **depression and anxiety; suicide** (either thoughts or attempts<sup>44</sup>); financial indebtedness; **bankruptcy**, arrest, imprisonment, **unemployment, divorce**, and poor physical and mental health.<sup>45</sup>
- The “social costs” can include: impacts on the families of people experiencing gambling harm (through **family violence**<sup>46</sup>, household stress, poor parenting, and family break-up); impacts on employers (through lost production, **fraud and theft**); impacts on the government (through **costs to the police, the criminal justice system, and the social welfare system**).<sup>47</sup>
- A 2008 study found that “those who had higher levels of participation in gambling activities (based on time spent and losses relative to income) reported experiencing significantly **worse physical health, worse mental health**, and poorer feelings about self and **lower satisfaction with life**”.<sup>48</sup>
- Recent research confirms that the proportion of New Zealanders experiencing broader gambling harms is much higher than the prevalence for problem gambling. **One in six New Zealanders say a family member has gone without something they needed or**

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<sup>44</sup> Séguin, M., Boyer, R., Lesage, A., McGirr, A., Suissa, A., Tousignant, M., & Turecki, G. (2010). Suicide and gambling: Psychopathology and treatment-seeking. *Psychology of Addictive Behaviors*, 24(3), 541., and Wong, P. W., Chan, W. S., Conwell, Y., Conner, K. R., & Yip, P. S. (2010). A psychological autopsy study of pathological gamblers who died by suicide. *Journal of Affective Disorders*, 120(1), 213–216., both found higher rates of personality disorders and lower rates of mental health service utilisation among problem gamblers who had committed suicide.

<sup>45</sup> Abbott, M. W. (2001, June). What do we know about gambling and problem gambling in New Zealand? Report number seven of the New Zealand gaming survey. Wellington: Department of Internal Affairs. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/Report7.pdf/\\$file/Report7.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/Report7.pdf/$file/Report7.pdf)

<sup>46</sup> Dowling, N., Suomi, A., Jackson, A., Lavis, T., Patford, J., Cockman, S., ... others. (2014). Problem Gambling and Intimate Partner Violence A Systematic Review and Meta-Analysis. *Trauma, Violence, & Abuse*, 1524838014561269; and Bellringer, M., Palmer du Preez, K., Pearson, J., Garrett, N., Koziol-McLain, J., Wilson, D., & Abbott, M. (2016). Problem Gambling and Family Violence in Help-Seeking Populations: Co-occurrence, Impact and Coping. Wellington: Ministry of Health.

<sup>47</sup> Abbott, M. W. (2001, June). What do we know about gambling and problem gambling in New Zealand? Report number seven of the New Zealand gaming survey. Wellington: Department of Internal Affairs. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/Report7.pdf/\\$file/Report7.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/Report7.pdf/$file/Report7.pdf).

South Australian Centre for Economic Studies with the Department of Psychology, University of Adelaide. (2005, November). Problem gambling and harm: Towards a national definition. Victoria: Department of Justice. Retrieved online 29 January 2013 from <http://www.adelaide.edu.au/saces/gambling/publications/ProblemGamblingAndHarmTowardNationalDefinition.pdf>

<sup>48</sup> Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Auckland: SHORE. Retrieved 29 January 2013 from [http://www.shore.ac.nz/projects/Gambling\\_impacts\\_Final%2010\\_02\\_09.pdf](http://www.shore.ac.nz/projects/Gambling_impacts_Final%2010_02_09.pdf)



**a bill has gone unpaid because of gambling.**<sup>49</sup> This percentage was higher among Māori (38%) and Pacific (28%), and among those in more deprived (deciles 8-10) neighbourhoods.

### Problem Gambling and Children

- When parents have problems with gambling, it is often children who suffer most. Young children can miss out on basic essentials if a parent has gambled away household money. Gambling can lead to broken homes, damaged relationships, physical and emotional harm, and a higher risk of the children becoming problem gamblers themselves. A single person's harmful gambling can affect five to ten people, and children are vulnerable when it's their parent or other close relative.
- A North American study found that children are often aware that their parents cannot provide them with items such as presents, school trips and even food not because of a lack of money but as a direct result of gambling behaviour.<sup>50</sup>
- If children's needs are not being met, they can suffer from health problems due to poor nutrition or malnutrition, and the responsibility of meeting these needs may fall on extended family, schools and social services. This can cause those children to feel that they are not cared for – or cared about – by their parents.<sup>51</sup>
- For children of problem gamblers, feelings of neglect can be a daily struggle. The parent may spend a great deal of time gambling, move out due to arguments about their gambling, or just disappear unpredictably.
- Losses can be emotional too. The parent's personality can become unrecognisable to their children, who feel gambling has become more important than family. Their relationship with their child or children can be damaged as they become more secretive, unreliable and prone to breaking promises.<sup>52</sup>

49 Abbott, M.W., Gray, R.J., & Walker, S.E. (2012 April). Knowledge, views, and experiences of gambling and gambling-related harms in different ethnic and socio-economic groups in New Zealand. *Australian and New Zealand Journal of Public Health*, 36, 2 (153-159).

50 McComb, J., B. Lee and D. Sprenkle (2009). "Conceptualizing and treating problem gambling as a family issue." *Journal of Marital & Family Therapy* 35(4): 415-431.

51 Dyall, L., Y. L. Thomas and D. Thomas (2009). "The impact of gambling on Māori." *Ngā Pae o te Māramatanga*

52 Ibid.

Darbyshire, P., C. Oster and H. Carrig (2001). "The experience of pervasive loss: Children and young people living in a family where parental gambling is a problem." *Journal of Gambling Studies* 17(1).



- Children are more likely to suffer physical violence or abuse if they have parents with problem gambling, especially when combined with other problems such as alcohol abuse.<sup>53</sup> One study found that six out of 10 communities had increases in reported domestic violence (including spousal and partner abuse) after casinos were introduced in the area.<sup>54</sup>
- Problem gambling, especially when it is present alongside other disorders such as alcohol and drug abuse,<sup>55</sup> can increase the risk of children developing unhealthy behaviours. Alcohol abuse, educational difficulties, emotional disorders and suicidal tendencies are more likely when a parent gambles.<sup>56</sup> Other associated problems include eating disorders, trouble sleeping<sup>57</sup>, asthma, allergies, and gastrointestinal disorders.<sup>58</sup>
- Of all the studies done on children of problem gamblers, one of the most consistent findings is that they are far more likely to become problem gamblers themselves. Children with a family history of problem gambling are between 2 and 10 times more likely to develop gambling problems later in life. If the person in their life who gambled was their father, it may be as much as 14 times more likely.<sup>59</sup>
- A study of gambling in Māori communities outlines a model of how children are at risk if gambling is a part of their young lives. When exposed to gambling activities from an early age, in the form of housie games at home or Marae fundraising activities played by their parents or whānau, children grow up seeing gambling as a normal activity and central to social life. They may be allowed – even encouraged – to participate from a young age. Dysfunction at home, in the form of financial problems or domestic violence

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53 Lesieur, H. and J. Rothschild (1989). "Children of Gamblers Anonymous members." *Journal of Gambling Behavior* 5(4): 269-281.

54 Shaw, M., K. Forbush, J. Schlinder, E. Rosenman and D. Black (2007). "The effect of pathological gambling on families, marriages and children." *CNS Spectrums* 12(8).

55 Rossen, F., R. Butler and S. Denry (2011). "An exploration of youth participation in gambling & the impact of problem gambling on young people in New Zealand." Ministry of Health.

56 Shaw, M., K. Forbush, J. Schlinder, E. Rosenman and D. Black (2007). "The effect of pathological gambling on families, marriages and children." *CNS Spectrums* 12(8).

57 Lesieur, H. and J. Rothschild (1989). "Children of Gamblers Anonymous members." *Journal of Gambling Behavior* 5(4): 269-281.

58 Horvath, V. and R. Pierce (2002). *Pathological gambling and child neglect: A cause for concern. The Downside: Problem and Pathological Gambling.* J. J. Marotta, J. A. Cornelius and W. R. Eadington. Carson City, Institute for the Study of Gambling and Commercial Gaming.

59 Dowling, N., A. Jackson, S. Thomas and E. Frydenberg (2010). "Children at risk of developing problem gambling." The Problem Gambling Research and Treatment Centre.

increases the risk that they will look to gambling for an escape. As they grow their gambling may become more intense until it has become problematic. From there, debt may spiral out of control, relationships may erode, and their children may be neglected.<sup>60</sup>

- Children of problem gamblers face higher likelihoods of having some of the following disorders at some point in their life as compared to the general population.<sup>61</sup>
  - Alcohol disorders (31% vs 4%)
  - Major depression (19% vs 7%)
  - Drug use disorders (5% vs 2%)
  - Antisocial personality disorder (5% vs 0%)
  - Generalised anxiety disorder (8% vs 0%)
  - Any psychiatric disorder (50% vs 11%)

## Crime

***Problem gamblers are at high risk of committing crimes in order to finance their gambling activities.***

- Gambling-related crime has received considerable public attention in recent years.
- Offending by gamblers has been investigated in a number of New Zealand and international studies. Despite difficulties in determining the extent of gambling-related crime and the causal pathways, it appears that problem gamblers are at high risk of committing crimes in order to finance their gambling activities.<sup>62</sup>

60 Dyall, L., Y. L. Thomas and D. Thomas (2009). "The impact of gambling on Māori." Ngā Pae o te Māramatanga.

61 Data based on a study of problem gamblers' family members vs a control group. Shaw, M., K. Forbush, J. Schlinder, E. Rosenman and D. Black (2007). "The effect of pathological gambling on families, marriages and children." *CNS Spectrums* 12(8).

62 Wheeler, S., Round, D. and Wilson, J. (2010). "The Relationship between crime and gaming expenditure in Victoria", Melbourne: Department of Justice, Victoria.

Abbott, M., Bellringer, M., Brown, R., Coombes, Dyall, L., R., McKenna, B., & Rossen, F. (2009). Problem gambling: Formative investigation of the links between gambling (including problem gambling and crime in New Zealand). Auckland: Auckland University of Technology, report prepared for the Ministry of Health. Retrieved 29 January 2013 from [http://www.aut.ac.nz/resources/research/research\\_institutes/niphmhr/report\\_final\\_gambling\\_and\\_crime.pdf](http://www.aut.ac.nz/resources/research/research_institutes/niphmhr/report_final_gambling_and_crime.pdf)  
South Australian Centre for Economic Studies (SACES) (2009), Social Impacts of Gambling: A Comparative Study. Report commissioned by the South Australian Independent Gaming Authority, April. Adelaide: South Australian Independent Gaming Authority. Retrieved 29 January 2013 from <http://www.iga.sa.gov.au/pdf/research/SocialImpactsofGamblingAComparativeStudyApril2009-PublishedVersion.pdf>

- In 2008 a New Zealand study found that 25% of those engaged in criminal activity would not have done so if it had not been for their gambling. This suggests that just below a third of the relevant population—10,000 people—committed illegal activities because of gambling.<sup>63</sup>
- Problem gambling has been linked to criminal activity and studies have suggested that much of the crime goes unreported.<sup>64</sup> Apart from the financial cost of gambling-related crime to organisations and individuals directly involved, there are often financial and other costs for people experiencing problem gambling who are convicted, as well as for their families.<sup>65</sup>
- A 2009 New Zealand study found that “gamblers and significant others believe that a relationship exists between gambling and crime” and that “there is substantial unreported crime, a large proportion of which is likely to be related to gambling and that there are a large range of crimes committed in relation to gambling (particularly continuous forms of gambling), and not just financial crimes”.<sup>66</sup> They suggest that 10% of people experiencing problem gambling and 2/3 of those receiving counselling for gambling-related issues have committed a crime because of their gambling.

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Ministry of Health. (2008). *Raising the Odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand*. Wellington: MOH.

May-Chahal, C. et al. (2007), *Scoping Study for a UK Gambling Act: 2005 Impact Assessment Framework*, London: Department for Culture, Media, and Sport. Retrieved 29 January 2013 from [http://www.culture.gov.uk/images/research/scopingstudy\\_ga05iaf.pdf](http://www.culture.gov.uk/images/research/scopingstudy_ga05iaf.pdf)

63 Centre for Social and Health Outcomes Research and Evaluation. (2008). *Assessment of the social impacts of gambling in New Zealand*. Auckland: SHORE. Retrieved 29 January 2013 from [http://www.shore.ac.nz/projects/Gambling\\_impacts\\_Final%2010\\_02\\_09.pdf](http://www.shore.ac.nz/projects/Gambling_impacts_Final%2010_02_09.pdf)

64 Abbott, M., Bellringer, M., Brown, R., Coombes, D., Dyall, L., McKenna, B., & Rossen, F. (2009). *Problem gambling: Formative investigation of the links between gambling (including problem gambling and crime in New Zealand)*. Auckland: Auckland University of Technology, report prepared for the Ministry of Health. Retrieved 29 January 2013 from [http://www.aut.ac.nz/resources/research/research\\_institutes/niphmhr/report\\_final\\_gambling\\_and\\_crime.pdf](http://www.aut.ac.nz/resources/research/research_institutes/niphmhr/report_final_gambling_and_crime.pdf)

65 Australian Productivity Commission. (2010). *Gambling: Inquiry Report*. Canberra: Commonwealth of Australia. 16, 231, 280.

Department of Internal Affairs (DIA). (2009) *Problem gambling in New Zealand – a brief summary*. Retrieved 29 January 2013 from [http://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/\\$file/ProblemGamblingFactsFinal.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/$file/ProblemGamblingFactsFinal.pdf)

66 Abbott, M., Bellringer, M., Brown, R., Coombes, D., Dyall, L., McKenna, B., & Rossen, F. (2009). *Problem gambling: Formative investigation of the links between gambling (including problem gambling and crime in New Zealand)*. Auckland: Auckland University of Technology, report prepared for Ministry of Health. Retrieved 29 January 2013 from [http://www.aut.ac.nz/resources/research/research\\_institutes/niphmhr/report\\_final\\_gambling\\_and\\_crime.pdf](http://www.aut.ac.nz/resources/research/research_institutes/niphmhr/report_final_gambling_and_crime.pdf)

## Economic Degradation

- There is limited data and analysis regarding the economic impact of gambling in New Zealand. Still, New Zealand and international research have pointed out the losses that offer a sharp contrast to the often celebrated economic gains the gambling industry produces. Money for gambling is diverted from savings and/or other expenditure, and can have a negative impact on local businesses and the economic health and welfare of whole communities.<sup>67</sup>
- A recent report noted that jobs and economic activities generated by gambling expenditure would exist elsewhere if that money was spent outside the gambling industry.<sup>68</sup>
- Employment, normally considered a standard business cost, is framed within the gambling industry as a special benefit to the community. Even if gambling does create employment opportunities, a comparison of gambling and retail in terms of jobs created for every million dollars spent shows that gambling creates about half as many jobs as retail.<sup>69</sup>
- The Christchurch City Council May 2009 study *Economic Impacts of NCGMs on Christchurch City* suggests that over the course of a year, gambling machines in Christchurch result in lost economic output of \$13 million, additional GDP of \$2 million, lost employment for 630 full-time equivalents, and lost household income of \$8 million.<sup>70</sup>

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67 Harrison, B. (2007). Casinos and regeneration: the story so far, briefing paper no. 1. London: IPPR (Institute for Public Policy Research, UK). Retrieved 29 January 2013 from <http://www.eukn.org/dsresource?objectid=146582>

68 Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Auckland: SHORE. Retrieved 29 January 2013 from [http://www.shore.ac.nz/projects/Gambling\\_impacts\\_Final%2010\\_02\\_09.pdf](http://www.shore.ac.nz/projects/Gambling_impacts_Final%2010_02_09.pdf)

69 Per million dollars spent, gambling generates approximately 3.2 jobs while retail produces approximately 6.3. South Australian Centre for Economic Studies with the Department of Psychology, University of Adelaide. (2005, November). Problem gambling and harm: Towards a national definition. Victoria: Department of Justice. Retrieved online 29 January 2013 from [http://www.gamblingresearch.org.au/CA256902000FE154/Lookup/GRA\\_Reports\\_Files1/\\$file/FinalReportPrinter.pdf](http://www.gamblingresearch.org.au/CA256902000FE154/Lookup/GRA_Reports_Files1/$file/FinalReportPrinter.pdf)

70 Colegrave, F. & Simpson, M. (2009 May). The economic impacts of NCGMs on Christchurch City: Prepared for Christchurch City Council. Auckland: Covec, Ltd.

## REDUCING GAMBLING HARM IN TAUPO

*Increased availability of opportunities to gamble is associated with more gambling and more problem gambling.*

- Although it is sometimes difficult to determine whether gambling *causes* problems, or is merely *associated* with them, there is evidence that problem gambling harms can be reversed.<sup>71</sup> This means that at the least, there is the potential to reduce the prevalence of problem gambling, and at most, the prevalence of many other problems as well.
- A key question has been whether gambling machine supply contributes to problem gambling. Research has signalled that indeed restricting accessibility of gambling venues and machines would help curb problem gambling.
- A recent New Zealand Ministry of Health survey found some significant associations between gambling accessibility and gambling behaviour. Gambling behaviour, they state, is strongly associated with the distance to the nearest gambling venue.<sup>72</sup> The more gambling venues there are within 5kms of a person's neighbourhood the more likely that the person would have gambled at the gambling venue in the last year.
- A range of other studies have also indicated a link between the availability of some types of legal gambling and problem gambling. The evidence for the availability hypothesis has been considered by official review bodies in New Zealand<sup>73</sup>, Australia<sup>74</sup>, the United

71 Winters, K. C., Stinchfield, R. D., Botzet, A., & Slutske, W. S. (2005). Pathways of youth gambling problem severity. *Psychology of Addictive Behaviors*, 19(1), 104-107.

Abbott, M., Bellringer, M., Reith, G., & Volberg, R. (2004). A review of research on aspects of problem gambling: Final report. Auckland: Auckland University of Technology, report prepared for Responsibility in Gambling Trust, UK.

72 Ministry of Health. (2008) Raising the odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand. Wellington: MOH. Retrieved 29 January 2013 from <http://www.health.govt.nz/system/files/documents/publications/raising-the-odds-may08.pdf>

73 Ibid.

Day, P., Hiscock, R., Mason, K., & Pearce, J. (2008). A national study of neighbourhood access to gambling opportunities and individual gambling behaviour [Abstract]. *Journal of Epidemiology and Community Health*, 26, 849, 862-868.

Abbott, M., Clarke, D., Townsend, S., & Tse, S. (2006, July). Key indicators of the transition from social to problem gambling. *Journal of Mental Health and Addiction* 3, 29-40.

74 Hancock, L. & O'Neil, M. (2010, August). Risky business: Why the commonwealth needs to take over gambling legislation (Alfred Deakin Research Institute). Retrieved 29 January 2013 from <http://www.deakin.edu.au/alfred-deakin-research-institute/assets/resources/publications/workingpapers/adri-working-paper-11.pdf>

Bates, G., Jessop, G., Kyrios, M., Meredyth, D., Moore, S., & Thomas, A. C. (2009, November) Gambling and the multidimensionality of accessibility: More than just proximity to venues [Abstract]. *International Journal of Mental*



States<sup>75</sup>, and Canada<sup>76</sup>. Each concluded that increased availability of opportunities to gamble was associated with more gambling and more problem gambling.

- A recently produced report, cited in a previous section, conducted a meta-analysis from numerous key Australian and New Zealand studies and found a strong statistically meaningful relationship between the increases in gambling prevalence with increased per capita gambling machine density. It also found that contrary to previous studies, there was no evidence for plateau of gambling prevalence with increased density of machines.<sup>77</sup>
- A later study in the UK acknowledged that decreases in gambling-related problems are a complex process involving not only social adaptation, but also the implementation of public health policies and the provision of specialist services. The adaptation process also seems to be inconsistent across communities; different groups of people are affected differently by the process.<sup>78</sup>
- Most reliable research would indicate that there is no single cause which triggers problem gambling. The phenomenon is a result of the combination of several factors, some of which have been outlined in the following diagram.<sup>79</sup> Several of these factors can be influenced by the Council.

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Health and Addiction. Retrieved 29 January 2013 from <http://www.springerlink.com/content/9712354144832410/>  
 Doughney, J. (2006). The poker machine state in Australia: A consideration of ethical and policy issues. *International Journal of Mental Health and Addiction*, 4, 351-368.

75 Barnes, G. M., Hoffman, J. H., Tidwell, M. C. O., Wieczorek, W. F., & Welte, J. W. (2007). Type of gambling and availability as risk factors for problem gambling: A Tobit regression analysis by age and gender. *International Gaming Studies*, 7(2), 183-198.

76 Ontario Problem Gambling Research Centre. (2010). Problem Gambling Framework. Retrieved 29 January 2013 from Ontario Problem Gambling Research Centre Web site:  
<http://www.gamblingresearch.org/content/default.php?id=2007>

Robitaille, E., & Herjean, P. (2008). An analysis of the accessibility of video lottery terminals: the case of Montréal. *International Journal of Health Geographics*, 7(2).

Cantinotti, M., Jacques, C., Ladouceru, R., & Sevigny, S. (2008). Links between casino proximity and gambling participation, expenditure, and pathology. *Psychology of Addictive Behaviors*, 22(2), 295-301.

77 Abbott, M., Storer, J., & Stubbs, J. (2009). Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australia and New Zealand with respect to concentration of electronic gaming machines. *International Gambling Studies*, 9, 225-244.

78 Griffiths, M.D. (2007). *Gambling addiction and its treatment within the NHS*. London: British Medical Association. Retrieved 29 January 2013 from [http://www.bma.org.uk/images/gambling\\_tcm41-146741.pdf](http://www.bma.org.uk/images/gambling_tcm41-146741.pdf)

79 Productivity Commission. (1999). *Australia's Gambling Industries*, Report No. 10, Ausinfo, Canberra, Vol 1, p. 323. Retrieved 29 January 2013 from [http://www.pc.gov.au/\\_data/assets/pdf\\_file/0004/82552/gambling1.pdf](http://www.pc.gov.au/_data/assets/pdf_file/0004/82552/gambling1.pdf)





## ETHICS OF GAMBLING FUNDING

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### How Gambling Machine Trusts Work

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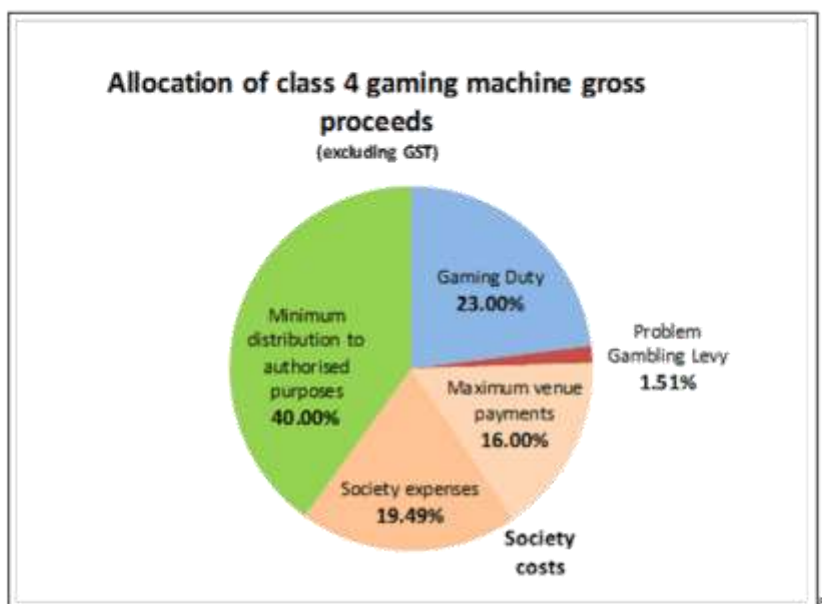
- Gambling trusts were established under the Gambling Act 2003 in an attempt to off-set some of the harm caused by gambling by returning some of the gambling expenditure to the people in the form of community grants. **Although the purpose of the trusts is to distribute money to the community, the purpose of gambling is not to raise money for the community, and it should not be perceived as such.**
- Gambling machines are licensed to operate in pubs, clubs and TAB Board Venues only as a form of community fundraising.<sup>80</sup> Licence holders must distribute their net proceeds to the community by way of grants.
- They are currently required to distribute a minimum of 40% of their GST exclusive gross proceeds for each of its financial years (Gambling (Class 4 Net Proceeds) Regulations 2004. Part 2 Section 9 (1) and 10).<sup>81</sup>
- Legislation dictates that each dollar of gross proceeds (i.e., turnover [aggregate stakes] minus user wins) must be distributed in accordance with the pie chart shown in the figure below.<sup>82</sup> These include the fixed amounts towards gambling duty and the problem gambling levy.

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<sup>80</sup> Clubs are permitted to be societies and to operate their own machines in their own clubrooms. They are not required to make grants to other community organisations but can do so.

<sup>81</sup> Government also receives tax revenue from gambling taxes and levies which it redistributes for public purposes. NCGM gambling machines are the largest source of tax revenue: 20 percent tax rate, 1.1 percent problem gambling levy and GST (Inland Revenue 2006).

<sup>82</sup> Ministry of Health. 2009. Problem Gambling Resource for Local Government. Wellington: Ministry of Health. Retrieved 29 January 2013 from <http://www.health.govt.nz/system/files/documents/publications/problem-gambling-resource-local-government.doc>



- In 2005 (the last time DIA completed an analysis of grants), gambling machine societies allocated \$317 million to authorised purposes. 47% of that went to sports and physical activities, the single largest category of recipient in 2005. **In 2005 almost 8% (over \$20 million) went to horse racing, mostly for stake money for races.**<sup>84</sup>
- While the grants made by community funding bodies like the New Zealand Lottery Grants Board are well documented, no comparable aggregate statistics are readily available for the allocation to authorised purposes of the profits of non-casino gambling machines.<sup>85</sup>
- The Problem Gambling Foundation believes that we need a more open, lower cost, and transparent system to end the rorts, the lack of compliance, and the illegal activity

83 Chart originally published by the DIA in the document "Pokies in New Zealand: A guide to how the system works", downloaded from <http://www.dia.govt.nz/Services-Casino-and-Non-Casino-Gaming-Gambling-in-Pubs-and-Clubs-%28Class-4%29>

84 Department of Internal Affairs. (2007). Where do gaming profits go? A survey of the allocation for authorized purposes of non-casino gaming machine profits in 2005. Page 33. Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/GamingMachineProfits\\_2005.pdf/\\$file/GamingMachineProfits\\_2005.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/GamingMachineProfits_2005.pdf/$file/GamingMachineProfits_2005.pdf)

85 Ibid.

associated with the current gambling machine trusts system.<sup>86</sup> We also want greater transparency around who does and doesn't get grants and why.

- The current gambling machine trust system (around 37 gambling machine trusts) is inefficient as there is much duplication of roles and resources. (Society expenses are approximately 19.49%<sup>87</sup>, over \$150 million).
- Gambling generates significant funding for community purposes. However, gambling funding raises revenue at a very high cost. International and New Zealand studies have identified that gambling is sharply regressive. Income is effectively being redistributed away from low income communities.<sup>88</sup>
- One attraction of using gambling to collect public funding is that it appears to be "painless" or "voluntary". The "painless voluntary donation" view has been criticised on grounds that it is highly regressive and exploits the false hopes or financial risk-taking of those on lower incomes. It is also argued that many of the gamblers contributing are, at the time of making their contribution, affected by drugs, alcohol, and possibly mental illness. **In other words, for a problem gambler, the contribution is not a voluntary one.**<sup>89</sup>
- **A significant amount of the money generated from gambling comes at the expense of people with gambling problems.** A 2000 study in New Zealand estimated that

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86 There have been a steady stream of media stories in recent years highlighting rorts and illegal activity surrounding pokie trusts and the pokie grant system. PGF has these documented in its online library and they can be made available on request.

87 Department of Internal Affairs. (2007). Where do gaming profits go? A survey of the allocation for authorized purposes of non-casino gaming machine profits in 2005. Page 33. Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/GamingMachineProfits\\_2005.pdf/\\$file/GamingMachineProfits\\_2005.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/GamingMachineProfits_2005.pdf/$file/GamingMachineProfits_2005.pdf)

88 Hancock, L. & O'Neil, M. (2010, August). Risky business: Why the commonwealth needs to take over gambling legislation (Alfred Deakin Research Institute working paper 11). Retrieved 29 January 2013 from <http://www.deakin.edu.au/alfred-deakin-research-institute/assets/resources/publications/workingpapers/adri-working-paper-11.pdf>

Uniting Care Australia (2009), Submission to the Productivity Commission Inquiry into Australia's Gambling Industries. Page 50. Retrieved 29 January 2013 from [http://www.unitingcare.org.au/images/stories/submissions/sub\\_productivity\\_com\\_gambling\\_may09.pdf](http://www.unitingcare.org.au/images/stories/submissions/sub_productivity_com_gambling_may09.pdf)

89 Bostock, W. (2005) Australia's gambling policy: motivations, implications and options. Journal of Gambling Issues, 13. Retrieved 29 January 2013 from <http://jgi.camh.net/doi/full/10.4309/jgi.2005.13.4>

problem gamblers account for about 20% of gambling expenditure.<sup>90</sup> **A 2010 report in Australia said figures could be as high as 40-60% for gambling machine gambling.**<sup>91</sup>

- Studies involving cost benefit analysis have argued that the benefits from gambling for the majority of people gambling are individually very small relative to the costs borne by the minority of people experiencing gambling harm.<sup>92</sup>
- Lower-income households spend proportionately more of their money on gambling than higher-income households.<sup>93</sup> People who are already socially and economically disadvantaged are most susceptible to gambling problems.<sup>94</sup> This can concentrate the negative impact of gambling in areas which are already deprived, and thereby increase inequalities in our communities.
- Furthermore, the revenue generated by gambling within a community is often spent in a more affluent community.<sup>95</sup> A 2004 study examining distribution of community benefit funding from six major EGM trusts found that more affluent areas (such as Central

90 Abbott, M. W. and Volberg, R. A. (2000), Taking the Pulse on Gambling and Problem Gambling in New Zealand: A Report on Phase One of the 1999 National Prevalence Study, Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Our-Research-and-Reports-New-Zealand-Gaming-Survey?OpenDocument#ph1](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Our-Research-and-Reports-New-Zealand-Gaming-Survey?OpenDocument#ph1)

91 Australian Productivity Commission. (2010). Gambling: Inquiry Report. Canberra: Commonwealth of Australia. 16. Retrieved 29 January 2013 from [http://www.pc.gov.au/\\_data/assets/pdf\\_file/0010/95680/gambling-report-volume1.pdf](http://www.pc.gov.au/_data/assets/pdf_file/0010/95680/gambling-report-volume1.pdf)

92 Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Auckland: SHORE. Retrieved 29 January 2013 from [http://www.shore.ac.nz/projects/Gambling\\_impacts\\_Final%2010\\_02\\_09.pdf](http://www.shore.ac.nz/projects/Gambling_impacts_Final%2010_02_09.pdf)

93 McMullan, J.L. (2005). The Gambling Problem and Problem Gambling. Conference conducted at the 4th Annual Alberta Conference on Gambling Research, Public Policy Implication of Gambling Research, University of Alberta, Canada. Retrieved 29 January 2013 from <https://dspace.ucalgary.ca/bitstream/1880/47421/13/mcmullan.pdf>

94 Abbott, M., Landon, J., Page, A., Palmer, K., Thorne, H. (2010). Focused literature review for the problem gambling programme: Final report for the Health Sponsorship Council. Auckland University of Technology, Auckland. Retrieved 29 January 2013 from <http://www.hsc.org.nz/sites/default/files/publications/HSC-PG-ReviewFinal-Sept2010.pdf>  
 Doughney, J., & Kelleher, T. (2008/09). Victorian and Maribyrnong gambling: a case of diverted consumer spending. An Unconscionable Business: TheBusiness: The Ugly Reality of Electronic Gambling: a Selection of Critical Essays on Gambling Research, Ethics and Economics. Cited in Borrell, J. (2009). Submission to the productivity commission gambling inquiry. Kildonan Uniting Care: Whittlesea, Melbourne. Retrieved 29 January 2013 from [http://www.pc.gov.au/\\_data/assets/pdf\\_file/0006/87630/sub163.pdf](http://www.pc.gov.au/_data/assets/pdf_file/0006/87630/sub163.pdf)

95 Adams, P.J., & Rossen, F.V. (2005). The ethics of receiving funds from the proceeds of gambling. Centre for Gambling Studies, University of Auckland: Auckland.

Auckland and the North Shore) were receiving considerably more funding per capita than the lower income areas (such as Manukau City).<sup>96</sup>

### Impact of Proposed Policy on Community Funding

- There are concerns that a reduction in gambling machines will cause a reduction in gambling machine income to societies which will have the flow on effect of cutting the level of grants made to local community groups.
- While gambling machine revenue is declining, recent years have still seen record gambling machine grants to the community.<sup>97</sup>
- Gambling machine trusts often insinuate that many community groups would not survive without gambling machine money. While it's true that some groups would suffer, **gambling machine trusts account for only 10.2% of charitable giving in New Zealand; as a comparison, personal giving accounts for 58% of charitable giving in New Zealand.**
- Existing gambling machine venues are not affected by a "sinking lid" policy. A "sinking lid" only prevents new venues from being granted a licence, so the decline in venues and machines happens gradually. Therefore, a "sinking lid" policy should not have an immediate or significant impact on community funding.
- Some groups have even argued that gambling machine handouts actually weaken community groups and that traditional fundraisers are much better at building community spirit and keeping sports and other groups strong.<sup>98</sup>

96 Adams, P., Brown, P., Brown, R., Garland, J., Perese, L., Rossen, F., & Townsend, S. (2004) Gambling Impact Assessment for Seven Auckland Territorial Authorities. Part One: Introduction and Overview. Centre for Gambling Studies, University of Auckland. Retrieved 29 January 2013 from [http://www.fmhs.auckland.ac.nz/soph/centres/cgs/\\_docs/2004adams2\\_overview.pdf](http://www.fmhs.auckland.ac.nz/soph/centres/cgs/_docs/2004adams2_overview.pdf)

97 Department of Internal Affairs. (2010). Gambling Expenditure Statistics 1986-2010. Retrieved 29 January 2013 from: [http://www.dia.govt.nz/pubforms.nsf/URL/Expendstats1986-2010.pdf/\\$file/Expendstats1986-2010.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/Expendstats1986-2010.pdf/$file/Expendstats1986-2010.pdf)  
 Department of Internal Affairs. (2007). Where do gaming profits go? A survey of the allocation for authorized purposes of non-casino gaming machine profits in 2005. Page 33. Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/GamingMachineProfits\\_2005.pdf/\\$file/GamingMachineProfits\\_2005.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/GamingMachineProfits_2005.pdf/$file/GamingMachineProfits_2005.pdf)

98 Gamblefree Day prompts call for funding boycott. (2011 September 1). ONE News. Retrieved 29 January 2013 from <http://tvnz.co.nz/national-news/gamblefree-day-prompts-call-funding-boycott-4378621>

Inglis, S. (2011 August 20). Editorial: Gambling much bigger problem. Bay of Plenty Times. Copy available upon request.

de Graaf, P. (2010 July 18). Pub: Ditching pokies worth the gamble. Northern Advocate. Retrieved 29 January 2013 from <http://www.northernadvocate.co.nz/local/news/pub-ditching-pokies-worth-the-gamble/3917450/>

Thomas, A. (2009 February 16). Rugby – 'crisis meeting' resuscitates Mangakahia. Northern Advocate Retrieved 29

- When it comes to raising money through gambling, a 2007 survey indicated 51% of people felt that it did more harm than good. Only 26% felt that it did more good than harm.<sup>99</sup>
- Very few people (12%) support the current gambling machine trust system of distributing gambling machine funding. People were most supportive of a system similar to the Lottery Grants Board.<sup>100</sup>

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January 2013 from <http://www.northernadvocate.co.nz/sport/news/rugby-crisis-meeting-resuscitates-mangakahia/3795053/>

McNeilly, H. (2008 July 31). Giving up pokie funding right call: Mission. Otago Daily Times. Retrieved 29 January 2013 from <http://www.odt.co.nz/news/dunedin/15633/giving-pokie-funding-right-call-mission>

99 National Research Council. (2007). 2006/07 Gaming and betting activities survey: New Zealanders' knowledge, views and experiences of gambling and gambling related harm. Commissioned by the Health Sponsorship Council. National Research Council: Auckland.

100 Ibid.

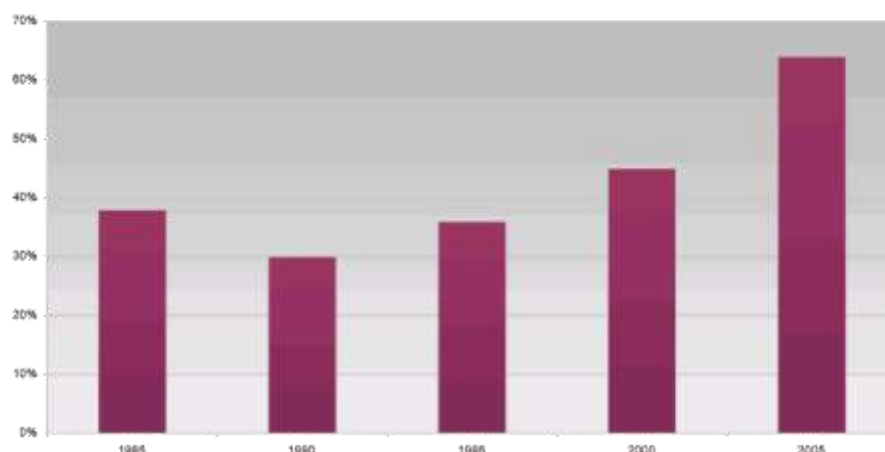


## PUBLIC ATTITUDES

*The majority of people consider gambling machines socially undesirable.*

- The Department of Internal Affairs' national surveys of gambling conducted in 1985, 1990, 1995, 2000 and 2005 provide some indication of public attitudes over time.<sup>101</sup>
- Over the period surveyed, New Zealanders had become increasingly concerned about the negative social impacts of gambling. There had been a steady increase in public awareness about problem gambling and the adverse impacts on individuals and the community.
- Those widely available forms most strongly linked to problem gambling in New Zealand (gambling machines, track betting and casino gambling) are also the forms of gambling that increasing proportions of adults regard as undesirable.
- In particular, the surveys found that the majority of respondents (64%) considered class 4 gambling machines to be socially undesirable.<sup>102</sup>

**DIA Survey: Respondents' views on socially undesirable activities:  
Non-casino gambling machines**



<sup>101</sup> Department of Internal Affairs (2008) Peoples participation in, and attitudes to, gambling, 1985-2005. Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/GamblingParticipationSurvey1985-2005.pdf/\\$file/GamblingParticipationSurvey1985-2005.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/GamblingParticipationSurvey1985-2005.pdf/$file/GamblingParticipationSurvey1985-2005.pdf)

<sup>102</sup> Department of Internal Affairs (2008) Peoples participation in, and attitudes to, gambling, 1985-2005. Wellington: DIA. Retrieved 29 January 2013 from [http://www.dia.govt.nz/Pubforms.nsf/URL/GamblingParticipationSurvey1985-2005.pdf/\\$file/GamblingParticipationSurvey1985-2005.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/GamblingParticipationSurvey1985-2005.pdf/$file/GamblingParticipationSurvey1985-2005.pdf)



- Only 1% of adults said that there were any additional forms of gambling that they would like to see in New Zealand. Nearly half of respondents (46%) felt that the number of gambling venues in their area was about right, a further 41% thought there were too many places, and only 1% thought there were not enough places to gamble in the area they lived in.
  - Most of the 41% of respondents who thought that there were too many places to gamble in their area said that there were too many gambling machine venues (87%), followed by TABs (20%), Lotto/Keno/Instant Kiwi outlets and casinos (both 14%).
  - Over three-quarters of adults said that there should be special laws controlling gambling.
  - Over half said preventing criminal activity was a relevant consideration.
  - Over a third mentioned restricting opportunities to gamble.
  - 72% of people believed the role of Government in addressing gambling harm should be extensive.
- Community perception studies undertaken by other territorial authorities also indicate that communities generally hold negative views on gambling, with specific concerns that communities are being seriously damaged by the growth of the gambling industry.<sup>103</sup>
  - A recent Napier survey of residents (October 2009) shows that 82% think there are too many gambling machines.<sup>104</sup> A public survey in Nelson demonstrated overwhelming support for Councils having stronger powers to control the location and number of gambling machines.
  - Similarly, a 2010 referendum of 14,386 people in Wanganui resulted in 11,491 people (80%) supporting a reduction of gambling machines.

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<sup>103</sup> E.g. Nelson, Wanganui, Hastings, amongst others.

Support for tougher control on pokies. (2011 January 18). The Nelson Mail. Retrieved 29 January 2013 from <http://www.stuff.co.nz/nelson-mail/news/4552424/Support-for-tougher-controls-on-pokies>

Final results of referendum 10. (2010 October 9). Wanganui District Council Website. Retrieved 29 January 2013 from <http://www.wanganuireferendum.govt.nz/Results.asp>

McCracken, H. (2010 September 15). \$100,000 a day lost on pokies. Hawke's Bay Today. Retrieved 29 January 2013 from <http://www.hawkesbaytoday.co.nz/local/news/100000-a-day-lost-on-pokies/3922735/>

<sup>104</sup> Napier City Council. (2009). Social Impact Assessment: Class 4 and TAB venues in Napier. Copy available upon request.

- Seventeen councils now have adopted a "sinking lid" policy; twenty-three have adopted a sinking lid or a district-wide cap that is below their existing number of venues and machines.<sup>105</sup>

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<sup>105</sup> The strongest sinking lid policies have been adopted by councils such as Auckland, Christchurch City and Kawerau; these policies ban new venues, new machines, and transfers of existing venues or machines. Weak sinking lids (sinking lids that don't explicitly forbid transfers of pokie machines) exist in Far North, Gisborne, Gore, Hamilton, Gisborne, Hastings, Horowhenua, Invercargill, Kaipara, Otorohanga, South Waikato, Thames-Coromandel, Waiora, Wanganui, and Whangarei.

It is also worth noting that in effect, Central Hawkes Bay, Hauraki, Lower Hutt, Rotorua, Tararua, and Whakatane are currently practicing sinking lid policies; the caps they have set are lower than the current number of pokies in their council areas.

## CONCLUSION

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### Suggested Policy

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As stated at the beginning of this report, the Problem Gambling Foundation recommends that Taupo District Council adopt a "sinking lid and no relocation" policy.

### National Outcomes

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- The Ministry of Health Six-Year Strategic Plan (2010-2016)<sup>106</sup> has not changed significantly since the first strategic plan for problem gambling (2004-2010). A sinking lid policy would be consistent with the first four of the ten Ministry objectives to minimise the harms of problem gambling:
  - To reduce health inequalities related to problem gambling
  - That people participate in decision-making about local activities that prevent and minimise gambling harm in their communities
  - That healthy policy at the national, regional, and local level prevents and minimises gambling harm
  - That government, the gambling industry, communities, family/ whānau and individuals understand and acknowledge the range of harms from gambling that affect individuals, families/whānau and communities.

### Community Outcomes

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- Given the link between availability and accessibility of gambling and problem gambling (and its associated health and crime impacts), a "sinking lid policy" would be more consistent with the Taupo District Council's Community Outcomes:
  - Economy** – our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities
  - Environment** – a shared responsibility for places we are proud of
  - Engagement** – Council is connected with its communities, advocating for their social and cultural well-being

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<sup>106</sup> Ministry of Health. (2009) Preventing and minimising gambling harm 2010-2016 (Revised Final Draft): Consultation document; Six-year strategic plan; three-year service plan; problem gambling needs assessment; and problem gambling levy calculations. Wellington: MOH.

### Closing Thoughts

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- Gambling machines are not a harmless bit of fun for everyone. Gambling machines are addictive and dangerous machines, with harms that have dire consequences in Taupo. The monetary benefits from gambling are small relative to the high social and health costs which affect communities, families/whānau and individuals.
- Given that access to gambling is necessary for the development of problem gambling, reducing access is key to a public health approach. From a public health perspective, there are already too many gambling machines in Taupo. The Problem Gambling Foundation urges that the Taupo District Council adopts a “Sinking Lid with No Relocation” policy as an important beginning step for the gradual reduction of gambling machine harm in Taupo.

## APPENDIX – REBUTTALS TO INDUSTRY CLAIMS

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- With estimates that 2.5% of adults in New Zealand are experiencing direct harm from gambling, the industry often asks why Council should worry about such a small number of people. The fact is small numbers don't mean small problems. Though only one in 40 adults fall into this group, they have families and friends who feel the repercussions of the harm they experience.
- Only .003% of the population were killed or injured in traffic accidents in 2009, but Central and Local Government take the issue seriously because that minority affects us all: drink drivers, violence, costs on the health and justice system, not to mention emotional distress. The same is true of problem gambling—the social and economic impacts of problem gambling affect us all and need to be taken seriously.
- The industry frequently claims that the “best evidence” of a relationship between gambling accessibility and gambling harm is to look at the correlation between machine numbers and problem gambling prevalence rates because “these factors are known.” At best, this argument has oversimplified the issue, and at worst, it has misrepresented it.
- They present a strange graph, with inconsistently spread dates on the X-axis, and no citation indicating where their prevalence rates for problem gambling come from making one of the “known factors” devoid of clarity and possibly applicability.
- Failing to cite or define “prevalence” makes this graph meaningless. The industry does say whether the figure is based on estimates of actual problem gambling prevalence, or on the prevalence of people seeking help. Plus, we know the impact of strong public health work and social marketing (i.e. television campaigns) can influence the numbers of people seeking help.
- The industry has also told other Councils that they ought to consider other problems, such as obesity, cocaine, or methamphetamine addiction, and focus on those instead. However, this policy review is about gambling and not these other issues, so it is meant to be the focus. A strong gambling policy won't prevent other community issues from being addressed.

- The industry breaks down the distribution of their funds in a way that conceals how much people lose. The image below implies that people only lose 8 cents for every dollar put into a machine.



Figure A

- Gambling machines involve large amounts of repetition, and when this is clearly understood then the losses suggested in this diagram are magnified. Take an example where a user is on a machine with a 5-second spin rate (which is not even the minimum). If the user is betting 9 lines on a 5-cent machine with the maximum of 5 credits per line, the \$2.25 they wager every bet adds up to \$1,620 per hour.<sup>107</sup> If we actually apply what this diagram says, the numbers are less innocent than they initially appear.
- The industry has made recommendations based on what's best—for "community funds." However the gambling policy in New Plymouth is not about what's best for these funds—it's about what's best for people.



Figure B

- In the "FAQ" section of their website, when Pub Charity is asked where their funding comes from, they state, "Pub Charity licensed gaming machines."<sup>108</sup> Where the money

<sup>107</sup> GamblingWatch. (2004). Pokies: Know the Facts Before You Spin.

<sup>108</sup> Pub Charity. (2011). Frequently asked questions: Where do the donation funds come from? Retrieved 19-January 2012 from <http://www.pubcharity.org.nz/index.php/faqs>



actually comes from is people, and a significant amount of that money (an estimated 40-60%) comes from people with gambling problems.

- No one wants to deny that organisations accepting gambling machine funding are doing valuable work, but it is Council's responsibility to seriously reflect on where that money is coming from. **A sinking lid policy takes a courageous stance against the harms caused by gambling machines with only a gradual impact on the availability of gambling machine funding.**
- Studies cited earlier that used cost benefit analysis have argued that the benefits from gambling are individually very small relative to the costs borne by people experiencing gambling harm.<sup>109</sup>
- As mentioned previously in this document, many of the people governed by the Council recognise the harms of gambling machines. In fact, a 2007 survey indicated that only 26% of people felt raising money through gambling did more good than harm.<sup>110</sup>
- The industry has tried to frame the gradual decrease in non-casino gambling machine expenditure as a threat to community funding.



Figure C

- The Lion Foundation figure above illustrates an uncomfortable truth about the return on a community's investment in gambling—for every \$3 lost to a gambling machine, only

109 Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Auckland: SHORE. Retrieved 29 January 2013 from [http://www.shore.ac.nz/projects/Gambling\\_impacts\\_Final%2010\\_02\\_09.pdf](http://www.shore.ac.nz/projects/Gambling_impacts_Final%2010_02_09.pdf)

110 National Research Council. (2007). 2006/07 Gaming and betting activities survey: New Zealanders' knowledge, views and experiences of gambling and gambling related harm. Commissioned by the Health Sponsorship Council. National Research Council: Auckland.



about \$1 is returned to the community. It is more sustainable to prevent that money being lost from the community in the first place.

- The industry has also tried to assert that the decrease in non-casino gambling machine expenditure has led to an increase in other forms of gambling. This is an unfounded claim, and it detracts from the real issue.



Figure D

- The gambling machine industry is attempting to establish a causal relationship between these two trends. This supposed relationship has not been verified in any research.
- The gambling machine industry has ignored the Department of Internal Affairs' explanation for this trend; the DIA attributed the 2009/2010 increase in sports betting to the FIFA World Cup, and the lotteries increase to two unusually large jackpot draws.<sup>111</sup>
- While we should be concerned about the growth of online gambling, Councils are advised to bear in mind that this is not the issue at hand; Councils have no policy role to regulate online gambling.
- Online gambling also only represents a small fraction of people experiencing harm, compared with a majority of people experiencing harm from gambling machines. This policy review gives the Council an opportunity to reduce the extensive harm caused by non-casino gambling machines.

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<sup>111</sup> Department of Internal Affairs (DIA). (2010). Gamblers spent a little less in 2009/10. Retrieved 19-January 2012 from <http://www.dia.govt.nz/press.nsf/d77da9b523f12931cc256ac5000d19b6/8bdb1e0c7308dcb6cc2577ed0081c1a5!OpenDocument>

- The industry wants the council to feel that gambling restrictions will not have a meaningful impact on harm. They have attempted to use help-seeking statistics to demonstrate this.<sup>112</sup>



Figure E

- While there is a correlation between gambling machine numbers and problem gambling, there is no significant correlation between machine numbers and help seeking. This graph implies that as gambling venue numbers decline, so too should help seeking. However, the number of people *seeking help* for problem gambling is not directly related to the number of gambling venues.
- The industry themselves have inadvertently acknowledged this. For instance, when Dunedin reviewed their gambling policy in 2010, gambling machine trusts such as Pub Charity argued that the increase in help-seeking that year was unrelated to the existing gambling policy.
- The industry also claims “the best problem gambling solution is based on education, prevention, and treatment.” It is indeed such public health efforts (particularly the increase in radio and television ads promoting awareness of gambling harm, and other awareness-raising activities in the community) that have increased the number of people with gambling problems seeking help regardless of the number of venues.
- Still, research has indicated that regulating the accessibility of gambling plays an important role in reducing gambling and its harms. **The Council has the power to do this swiftly and effectively by implementing a “sinking lid” policy.**

<sup>112</sup> The Lion Foundation. (2011). Submission to the Invercargill City Council.

- Numerous industry submissions claim that 98% of people are not “adversely affected” by gambling. This is a non-sequitur. People with gambling problems do not exist in a vacuum; their partners, children, and whanau are impacted by problem gambling, as are their workplaces and communities. Furthermore, the relationship between gambling and harms such as crime and economic degradation suggest that we are all in some way adversely affected by problem gambling.
- The Jarrod True (TAB) submission also criticises the Problem Gambling Foundation, saying, “What the Problem Gambling Foundation doesn’t mention in their submissions is that when Professor Max Abbott looked only at the New Zealand data in 2006 he concluded that a sinking lid policy or a cap on machine numbers will have little (if any) impact on problem gambling.”
- It’s strange that the TAB submission would reference another Max Abbott study, since it previously attempted to discredit the statistical analysis that Professor Abbott and his colleagues completed together. The TAB submission doesn’t seem to mind this inconsistency, however.
- The TAB submission also skews the findings of this report, which does not actually “look only at New Zealand data.” Professor Abbott looks at a decade of international findings in order to convey the complexity of problem gambling issues, and the challenges surrounding the establishment of causation and the interplay of a variety of other factors. Abbott goes on to say that “it is apparent that future research, apart from refining the measurement of EGM exposure at macro and micro levels, will need to pay greater attention to the roles that other environmental and individual factors play in problem development and cessation.” This contemplative paper and call for additional research, if anything, should urge us to carefully consider and monitor gambling policy and its outcomes.
- Since the release of this paper, a later (2009) Abbott study found that for every new machine in a community, there is an increase of about 1 (.8) problem gamblers; the same study supported the view that restricting the per capita density of gambling machines leads to a decrease in gambling harm.<sup>113</sup> These sorts of causal impacts can have very real impacts on our communities.

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113 Abbott, M., Storer, J., & Stubbs, J. (2009 December). Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australia and New Zealand with respect to concentration of electronic gaming machines. *International Gambling Studies*, 9 (3), 225 – 244.



## Problem Gambling and Family Violence in Help-Seeking Populations: Co-occurrence, Impact and Coping

Published online: 15 May 2017

### Summary

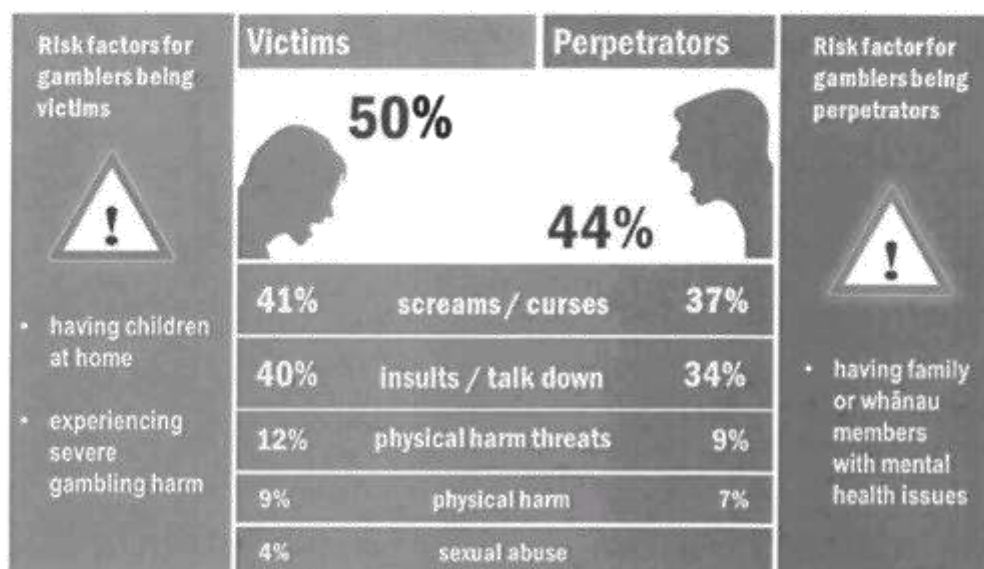
Four hundred and fifty-four clients of problem gambling treatment services took part in a short survey on gambling and family/whānau violence and abuse. There were 370 gamblers and 84 affected others (e.g. partners, other family members and friends). The survey took place from June 2013 to March 2015.



The purpose of the research was to identify the level of family/whānau violence and abuse in people seeking help for problem gambling, and to increase our understanding of these issues. A wide definition of family/whānau violence was used, which included physical violence and coercive control (most often thought of as violence), as well as psychological and emotional abuse (more often thought of as conflict), and sexual abuse.

### Family violence risk factors for gamblers

<http://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-see...> 8/11/2017



For confidential help or advice with family violence contact SHINE on 0508 744 633 or visit the Shine website (<http://www.2shine.org.nz/>)

Overall, half (50%) of the participants were victims of physical, psychological, emotional, verbal or sexual abuse in the past 12 months. Slightly less than half (44%) of the participants committed violence or abuse at least once in the past 12 months. Note that the frequency of the violence (how often it occurred in the past 12 months) was not captured.

The most common abuse was verbal:

- 37% 'screamed or cursed at' another person and 41% were victims of this
- 34% 'insulted or talked down to' another person and 40% were victims of this.

Physical abuse was less common:

- 7% caused physical harm and 9% were victims of physical harm
- 9% threatened physical harm and 12% were threatened with physical harm.

No participants reported sexually abusing someone but 4% had been sexually abused.

<http://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-see...> 8/11/2017



More affected others reported committing and being victims of violence and abuse than gamblers:

- 57% of affected others committed violence/abuse compared with 41% of gamblers
- 66% of affected others were victims of violence/abuse compared with 47% of gamblers.

About three-quarters of the family/whānau violence and abuse was to, or from, a current or ex- partner; the other family members were sons or daughters, and other family/whānau members.

Of the 454 participants, 208 (166 gamblers, 42 affected others) agreed to take part in a second, more detailed survey with a researcher. Results from this second survey indicated that affected others were more likely to think that the violence/abuse was caused by the gambler's gambling, compared with gamblers:

- 46% of affected other victims thought this compared with 21% of gambler victims
- 54% of affected other perpetrators thought this compared with 33% of gambler perpetrators.

Gamblers were more likely to commit financial abuse; affected others were more likely to be victims of financial abuse. Financial abuse related to being concerned about money, valuables or property going missing; having money taken from a purse/wallet or bank account without permission; being asked or forced to sign papers about money; or being forced to gamble for another person.

Major risk factors for gamblers being victims of family/whānau violence or abuse were having children living at home, and experiencing some of the greatest negative effects from problem gambling.

The major risk factor for gamblers committing family/whānau violence or abuse was having family/whānau members with a mental health issue.

Gamblers underestimated the negative effects of their gambling on family/whānau members, children and home life, which included financial problems, reduced quality of relationships, relationship strain and break-up, negative health effects, negative emotions, social deprivation and neglect.

<http://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-see...> 8/11/2017

Family/whānau members used various strategies to cope with the other person's gambling, which included becoming emotional with the gambler, explaining their feelings to the gambler, helping the gambler to sort out financial problems, pretending that everything was fine, and putting the interests of other family/whānau members ahead of the gambler.

This research has shown that family/whānau violence and abuse is common in people seeking help for their own or for someone else's gambling. The research also showed that the short screen used in the study (which is called the HITS scale) is simple and practical to use by people who are not family violence experts. If this simple screening tool were to be used together with existing procedures to identify family violence amongst people who are affected by gambling problems, this could improve the outcomes for those people. However, before such processes are put into place, appropriate training would be required for staff on how to screen for, and to assess risk of, family/whānau violence and abuse, as well as to make sure that support mechanisms and safety processes are in place for people who disclose violence and serious risk to themselves or others.

The research was conducted by Auckland University of Technology, Gambling and Addictions Research Centre and Interdisciplinary Trauma Research Centre in association with three national problem gambling treatment providers. Three family violence organisations provided advice to the research team and assisted in supporting safe research processes and referrals for participants. The study was funded by the Ministry of Health. The research team comprised Dr Maria Bellringer, Katie Palmer du Preez, Janet Pearson, Dr Nick Garrett, Dr Jane Koziol- McLain, Dr Denise Wilson and Dr Max Abbott.

## Downloads

- **Problem Gambling and Family Violence in Help-Seeking Populations: Co-occurrence, Impact and Coping (docx, 753 KB)**  
(<http://www.health.govt.nz/system/files/documents/publications/problem-gambling-family-violence-in-help-seeking-populations-may17.docx>)
- **Problem Gambling and Family Violence in Help-Seeking Populations: Co-occurrence, Impact and Coping (pdf, 2.6 MB)**  
(<http://www.health.govt.nz/system/files/documents/publications/problem-gambling-family-violence-in-help-seeking-populations-may17.pdf>)
- **Problem gambling summary sheet (docx, 218 KB)**  
(<http://www.health.govt.nz/system/files/documents/publications/aut-problem-gambling-summary.docx>)

<http://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-see...> 8/11/2017



> **Problem gambling summary sheet** (pdf, 254 KB)

(<http://www.health.govt.nz/system/files/documents/publications/aut-problem-gambling-summary.pdf>)

## Publishing information

<b>Date of publication:</b>	15 May 2017
<b>ISBN:</b>	978-1-98-850254-0
<b>HP number:</b>	6603
<b>Citation:</b>	Auckland University of Technology. 2017. Problem Gambling and Family Violence in Help-Seeking Populations: Co-Occurrence, Impact and Coping. Wellington: Ministry of Health.
<b>Ordering information:</b>	Only soft copy available to download
<b>Copyright status:</b>	Third-party content. Please check the document or email the Web Manager ( <a href="mailto:info@moh.govt.nz?subject=Copyright%20query">mailto:info@moh.govt.nz?subject=Copyright%20query</a> ) to find out how to obtain permission to re-use content.

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<http://www.health.govt.nz/publication/problem-gambling-and-family-violence-help-see...> 8/11/2017



## Measuring the Burden of Gambling Harm in New Zealand

*Published online: 06 July 2017*

The Ministry of Health engaged Central Queensland University's (CQU) Experimental Gambling Research Laboratory and Auckland University of Technology's (AUT) Gambling and Addictions Research Centre to develop a framework and a methodology for understanding and measuring gambling-related harm in the New Zealand population.

The aim of the project was to systematically investigate gambling-related harm in New Zealand, and assess the aggregate 'Burden of Harm' caused by gambling with reference to different levels of problem gambling, and other comparable conditions. This improved understanding of the quality and quantity of harm will help to better target efforts to prevent or reduce the potential negative consequences of problematic gambling.

### Key findings

- The study estimates that the total burden of harms occurring to gamblers is greater than common health conditions (such as diabetes and arthritis) and approaches the level of anxiety and depressive disorders.
- Both qualitative and quantitative results suggest that this burden of harm is primarily due to damage to relationships, emotional/psychological distress, disruptions to work/study and financial impacts.
- The most critical result from the research is regarding absolute scale of harms from gambling to the New Zealand population. There was an estimated 161,928 years of life lost to disability as a result of harms from gambling in 2012. Within this number 67,928 years were attributed to gamblers themselves and 94,729 to people who were effected by someone else's gambling. This represents a substantial level of harm compared to other issues. In addition this calculation does not include harms experienced beyond a 12 month period, meaning that it is likely to be conservative.
- Although some of this 'burden of harm' was concentrated in problem gamblers, the results suggested that at a population level the majority of harm is accruing to those who are not necessarily problem gamblers.

### Downloads

- > **Measuring the Burden of Gambling Harm in New Zealand (docx, 4.3 MB)**  
([https://www.health.govt.nz/system/files/documents/publications/measuring\\_the\\_burden\\_of\\_gambling\\_harm\\_in\\_new\\_zealand\\_0.docx](https://www.health.govt.nz/system/files/documents/publications/measuring_the_burden_of_gambling_harm_in_new_zealand_0.docx))
- > **Measuring the Burden of Gambling Harm in New Zealand - public information sheet (docx, 1.3 MB)**  
([https://www.health.govt.nz/system/files/documents/publications/measuring\\_the\\_burden\\_of\\_gambling\\_harm\\_-\\_information\\_sheet\\_0.docx](https://www.health.govt.nz/system/files/documents/publications/measuring_the_burden_of_gambling_harm_-_information_sheet_0.docx))

<https://www.health.govt.nz/publication/measuring-burden-gambling-harm-new-zealand> 8/11/2017

**Publishing information**

<b>Date of publication:</b>	06 July 2017
<b>ISBN:</b>	978-1-98-850273-1 (online)
<b>HP number:</b>	6659
<b>Citation:</b>	Central Queensland University and Auckland University of Technology. 2017. Measuring the Burden of Gambling Harm in New Zealand. Wellington: Ministry of Health.
<b>Ordering information:</b>	Only soft copy available to download
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8

GAMBLING REPORT

WITH GRANTS & ANALYSIS

TAUPO TLA

**PGFNZ Data - January 2014 – May 2017**



**PROBLEM GAMBLING FOUNDATION  
OF NEW ZEALAND**

Healthy communities free from gambling harm

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## INTRODUCTION

**Disclaimer:** - The information within this report is based on figures collected by the Problem Gambling Foundation of New Zealand (PGFNZ) over the 2014 to 2017 period plus grants published by the contributing Pokie Trusts, statistics released by the DIA and the 2013 Census. Every effort has been made to ensure this information is accurate. However, the data given is only as accurate as its' original source and PGFNZ holds no responsibility for errors in published information. Additionally, although every effort is made to make this an all-inclusive list of grants, PGFNZ can't guarantee that all grants that have been made under the Class IV legislation, have been found and included in the list. Therefore, the grants should be taken as an overview only.

## REQUESTED REPORT

This Gambling Report with grants and analysis for the **Taupo** TLA was requested for a hearing at the Taupo Council for their review on gambling policies.

The dates chosen for this analysis are **January 2014 – May 2017**

Not all contributing Pokie Trusts had their grants published to May 2017, so allowances need to be made for missing data. Every care has been taken to get this demarcation as accurate as possible but information on some sites can be patchy. Some information from Pokie Trusts is lacking in detail although information has improved over recent months. The author has endeavoured to be as accurate as possible given the information published. This report was written by Donna Aitken - Media/Data Analyst, PGFNZ.

## FORMAT OF REPORT

All grants in this report are gathered from the Problem Gambling Foundation (PGF) database.

At the time of writing this report, PGFNZ had **80,178** separate grants for the **January 2014 to May 2017 period** in the database throughout New Zealand.

The author has used the PGF Grants database for analysis together with figures from the DIA's (Department of Internal Affairs) Electronic Monitoring System (EMS), which is monitoring pokies in Pubs and Clubs.

Population numbers are taken from the 2013 Census information and are taken as the usual population as opposed to the number of people present in the TLA on the night.

[http://www.dia.govt.nz/diawebsite.NSF/wpg\\_URL/Resource-material-Information-We-Provide-Gaming-Statistics?OpenDocument](http://www.dia.govt.nz/diawebsite.NSF/wpg_URL/Resource-material-Information-We-Provide-Gaming-Statistics?OpenDocument)

## TERMS AND ABBREVIATIONS

The following are terms and abbreviations that are mentioned in this Hawkes Bay report.

- **PGF** – Problem Gambling Foundation (of NZ)
- **DIA** – Department of Internal Affairs. This organisation provides statistics on pokie expenditure, venues and pokie numbers in each TLA
- **TLA** – Territorial Local Authority. There are 67 TLAs in New Zealand.



- **EMS** – Electronic Monitoring system. This is the DIA's database for pokie revenue.
- **GMP** – Gross Machine Proceeds. These figures represented gamblers' net loss - the total amount wagered minus any winnings or payouts.
- **Shared Grants** – These are pokie grants that involve the population of more than one TLA. Normally they are combined sports Clubs or Search and Rescue organisations.
- **Adult population** – This refers to those 18 years and over.

#### DETERMINING ALLOCATION OF GRANTS BETWEEN TAUPO TLA ORGANISATIONS AND 'SHARED' TLA'S

Readers should be aware that many grants are shared with more than one TLA. (Territorial authority). For example, Taranaki Search & Rescue organisations and National Heart Foundation. These organisations will include Taupo but also parts of Rotorua or even Waikato for example. The information re division of these funds to each TLA within these shared areas is never given, so the author concentrates on those that are believed to be specifically allocated to just the Taupo TLA.

#### THE EXPLANATION OF RETURNS FROM POKIE MONEY

There are two key percentages that are distinct:

1. **Theoretical Return to Player (RTP).** EGMs must return a certain percentage back to the player over time. This is known as theoretical RTP and is measured against turnover. There is an upper limit here of 92%, although some games are set to return slightly lower. Note that this is highly variable in the short term, but represents an average across the life of the gaming machine. On average, for every dollar gambled, the patron can expect to win back \$0.92 if the RTP is set to 92%.
2. **Rate of Return.** Societies, Trusts, and Clubs must return a certain percentage back to the community by way of grants or applied funding. For Non-Club Societies, this is currently 40% of Total Proceeds (Gaming Machine Proceeds and other income such as interest).

#### HOW TO CALCULATE LOSS PER HEAD OF POPULATION

Loss per head is calculated by taking the population 18 years and over and dividing it by the latest expenditure figures published by the DIA. The population figures come from the 2013 census and the expenditure for the period is taken from the most recent DIA statistics (**March 2017**)

At the time of writing this report the June expenditure had not been published by the DIA.

#### DESCRIPTION OF ORGANISATIONAL TYPES

All data is sorted into organisational types. Readers will find that in sports some have been identified specifically. This is because some sports were frequent recipients of grants and it was decided to watch these categories for excessive amounts at the cost of others. Sports Clubs usually cover a number of different sports and therefore have been put under the '**Other Sports**' category. However, if a sports club names the sport the grant has gone to, then that grant goes against the specific sport. **Kindergartens** have been combined with Childcare, Toy Libraries, and Plunkett. **Racing** is Horse or greyhound racing only. (Mainly horse racing)

#### NATIONWIDE POKIE AND VENUE NUMBERS

Quarter	Venues	Pokies
Mar-17	1197	16031
Dec-16	1206	16148
Sep-16	1214	16221
Jun-16	1220	16250
Mar-16	1224	16274
Dec-15	1238	16393

## NATIONWIDE LOSS TO POKIE MACHINES MARCH QUARTER 2017

Gross Machine Proceeds (GMP) for Taupo TLA for the March quarter 2017 was \$2,080,802.44 (That is the money left after paying out prizes) Taupo has the **13th highest** loss to pokie machines for the March quarter of 2017 out of a possible **67 TLAs**.

Area	Loss per head	Area	Loss per head
1 Kawerau District	\$ 126.49	34 New Plymouth District	\$ 65.67
2 Thames-Coromandel District	\$ 125.09	35 Timaru District	\$ 63.10
3 Wairoa District	\$ 119.63	36 Buller District	\$ 63.10
4 Rotorua District	\$ 109.41	37 Westland District	\$ 61.46
5 Napier City	\$ 100.44	38 Ashburton District	\$ 60.32
6 Opotiki District	\$ 98.25	39 Auckland City	\$ 59.92
7 Invercargill City	\$ 92.48	40 Wellington City	\$ 59.86
8 Tauranga City	\$ 90.79	41 Rangitikei District	\$ 58.85
9 Whakatane District	\$ 90.18	42 Matamata-Piako District	\$ 58.82
10 Lower Hutt City	\$ 87.47	43 South Wairarapa District	\$ 58.46
11 Waitomo District	\$ 86.41	44 Kaikoura District	\$ 58.46
12 Hauraki District	\$ 85.68	45 Waitaki District	\$ 56.17
13 <b>Taupo District</b>	<b>\$ 84.86</b>	46 Masterton District	\$ 55.90
14 Far North District	\$ 82.85	47 Kapiti Coast District	\$ 54.60
15 Horowhenua District	\$ 81.79	48 Hamilton City	\$ 53.71
16 Gisborne District	\$ 81.78	49 Waipa District	\$ 53.63
17 Hastings District	\$ 80.86	50 Kaipara District	\$ 51.30
18 Gore District	\$ 80.75	51 Waimakariri District	\$ 51.07
19 Ruapehu District	\$ 79.48	52 Tasman District	\$ 49.46
20 Grey District	\$ 78.09	53 Central Hawke's Bay District	\$ 46.48
21 Porirua City	\$ 77.78	54 Waikato District	\$ 46.02
22 Upper Hutt City	\$ 77.16	55 Carterton District	\$ 44.42
23 Mackenzie District	\$ 76.84	56 Stratford District	\$ 43.01
24 Palmerston North City	\$ 75.02	57 Hurunui District	\$ 42.59
25 Wanganui District	\$ 74.76	58 Dunedin City	\$ 41.97
26 Central Otago District	\$ 74.08	59 Clutha District	\$ 40.94
27 South Waikato District	\$ 73.48	60 Western Bay of Plenty District	\$ 40.79
28 Tararua District	\$ 73.47	61 Queenstown-Lakes District	\$ 36.69
29 Marlborough District	\$ 69.74	62 Waimate District	\$ 35.75
30 Chatham Islands Territory	\$ 68.66	63 Manawatu District	\$ 34.86
31 Nelson City	\$ 67.39	64 South Taranaki District	\$ 34.65
32 Whangarei District	\$ 65.95	65 Otorohanga District	\$ 32.73
33 Christchurch City	\$ 65.82	66 Southland District	\$ 30.76
		67 Selwyn District	\$ 28.27

**QUICK STATISTICS TAUPŌ - CENSUS 2013**

- 32,907 people usually live in Taupo District. This is an increase of 486 people since the 2006 Census.
- The adult population was calculated as 24,519
- Its population ranks 30th in size out of the 67 districts in New Zealand.
- Taupo District has less than one percent of New Zealand's population.
- 76.9 percent of people in Taupo District belong to the European ethnic group, compared with 74.0 percent for New Zealand as a whole.
- 29.0 percent of people in Taupo District belong to the Māori ethnic group, compared with 14.9 percent for all of New Zealand.
- Maori population - 9,030 Maori usually live in Taupo District.
- This is an increase of 384 people, or 4.4 percent, since the 2006 Census.
- Its Maori population ranks 19th in size out of the 67 districts in New Zealand.
- 1.5 percent of New Zealand's Maori population usually live in Taupo District.

[http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-a-place.aspx?request\\_value=14184&tabname=](http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-a-place.aspx?request_value=14184&tabname=)

**TAUPO TLA VENUES IN DEPRIVATION MEASURED BY THE PROXY OF NEAREST PRIMARY SCHOOL**

(Index: 1= deprived 10 = well-off)					
Society Name	Venue Name	Venue Physical Address	Number of Gaming Machines	Nearest Primary School	Deprivation Index (Education)
THE LION FOUNDATION (2008)	elbar	22-26 TUWHARETOA STREET TAUPO TAUPO DISTRICT 3351	18	Taupo	5
YOUTHTOWN INCORPORATED	FINN MACCUHALS	CORNER TONGARIRO AND TUWHARETOA STREETS TAUPO TAUPO DISTRICT 3351	18	Taupo	5
YOUTHTOWN INCORPORATED	LUCKY LIZARD	32 RICHMOND AVENUE TAUPO TAUPO DISTRICT 3330 NEW ZEALAND	18	Waipahihi	8
THE SOUTHERN TRUST	MULLIGAN'S PUBLIC HOUSE	15 TONGARIRO STREET TAUPO TAUPO DISTRICT 3351	9	Taupo	5
GRASSROOTS TRUST LIMITED	Pick Sports Bar	38-40 TUWHARETOA STREET TAUPO TAUPO DISTRICT 3351	9	Taupo	5
YOUTHTOWN INCORPORATED	PUB N' GRUB	4 ROBERTS STREET TAUPO TAUPO DISTRICT 3351	14	Taupo	5
New Zealand Racing Board	TAB TAUPO	36 TUWHARETOA STREET TAUPO TAUPO DISTRICT 3351	9	Taupo	5
TAUPO COSMOPOLITAN CLUB INC	TAUPO COSMOPOLITAN CLUB	5 TANIWAH STREET TAUPO TAUPO DISTRICT 3351	18	Taupo	5
TAUPO RETURNED AND SERVICES ASSN INC	TAUPO RSA	87 HOROMATANGI STREET TAUPO TAUPO DISTRICT 3351	18	Taupo	5
Tokuanu-Turangi Districts Memorial RSA (Inc)	TOKUANU-TURANGI & DISTRICTS MEMORIAL RSA	KATOPIU PLACE TURANGI TAUPO DISTRICT 3334 NEW ZEALAND	11	Tongariro	2
TONGARIRO CHARTERED CLUB INC	TONGARIRO CHARTERED CLUB	KATAPO STREET TURANGI TAUPO DISTRICT 3353	15	Tongariro	2
FIRST SOVEREIGN TRUST LIMITED	Turangi Tavern	17 CHUANGA ROAD TURANGI TAUPO DISTRICT 3353	18	Tongariro	2
<b>44 machines in Deprivation 2 zones</b>			<b>175</b>		

**POKIE MACHINE NUMBERS AND VENUES FOR TAUPO MARCH 2016 - MARCH 2017**

Quarter	Venues	Pokies
Mar-17	12	175
Dec-16	12	175
Sep-16	14	190
Jun-16	13	177
Mar-16	14	188

[https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Statistics-2016-17/\\$file/Gaming-Machines-venues-and-numbers-by-region-at-31-March-2017.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Gambling-Statistics-2016-17/$file/Gaming-Machines-venues-and-numbers-by-region-at-31-March-2017.pdf)

**THE SIX TOP POKIE TRUSTS CONTRIBUTING TO TAUPO TLA WITH CUT OFF DATES**

The contributors to the Taupo TLA for the Jan 2014 to May 2017 period have different cut off periods for their grants data.

Pokie Trust	Data Cut off
Lion Foundation (2008)	May-17
First Sovereign Trust	Dec-16
Southern Trust	Mar-17
Youthtown	Dec-15
Grassroots Trust Grants	Mar-17
NZ Racing Board (TAB)	Jul-16
NZ Community Trust	Apr-17

*NB - These different dates need to be considered when analysing this data.*

[https://www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-All-Venues-and-Numbers-by-Territorial-AuthorityDistrict](https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-All-Venues-and-Numbers-by-Territorial-AuthorityDistrict)

8

## LOSS PER HEAD OF ADULT POPULATION TO POKIE MACHINES

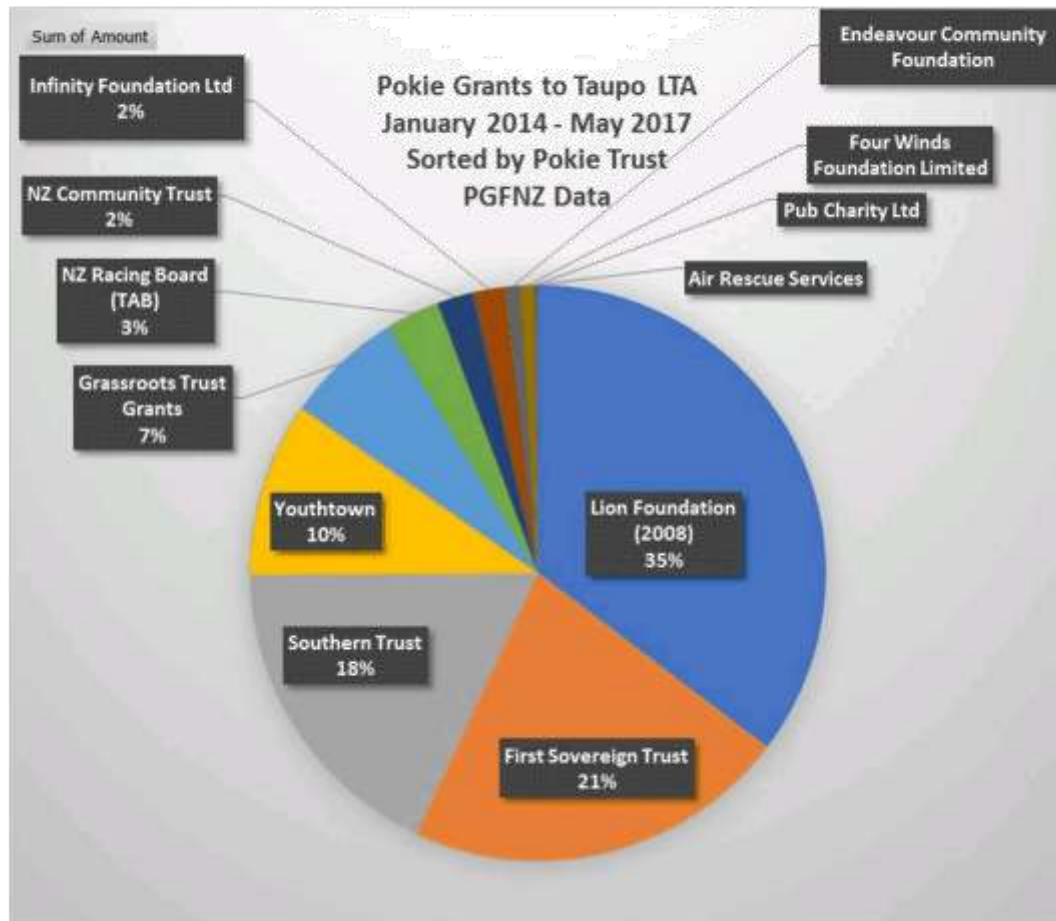


Loss per head is calculated by taking the quarterly expenditure and dividing by adult population (24,519).

Quarter	Expenditure	Pop
Mar-17	\$2,080,802.44	24519
Dec-16	\$2,007,060.95	24519
Sep-16	\$1,976,984.99	24519
Jun-16	\$2,137,403.12	24519
Mar-16	\$2,108,603.40	24519

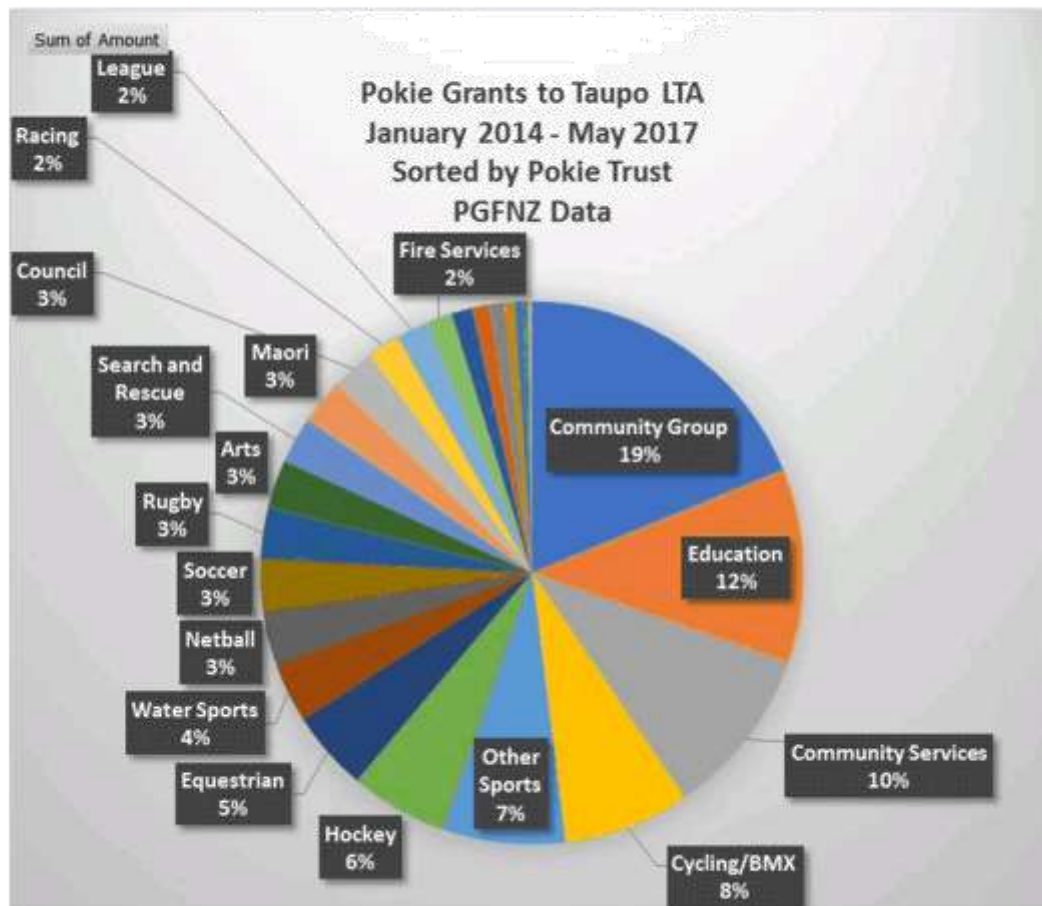


## POKIE GRANTS TO THE TAUPO TLA - SORTED BY POKIE TRUSTS



Lion Foundation (2008)	\$ 872,311.00
First Sovereign Trust	\$ 532,241.99
Southern Trust	\$ 443,279.00
Youthtown	\$ 241,482.71
Grassroots Trust Grants	\$ 162,248.04
NZ Racing Board (TAB)	\$ 75,626.00
NZ Community Trust	\$ 50,650.00
Infinity Foundation Ltd	\$ 44,393.00
Endeavour Community Foundation - Now closed	\$ 21,000.00
Four Winds Foundation Limited	\$ 20,000.00
Pub Charity Ltd	\$ 2,526.62
Air Rescue Services	\$ 1,470.00
<b>Grand Total</b>	<b>\$ 2,467,228.36</b>

## POKIE GRANTS TO THE TAUPO TLA - SORTED BY TYPE



Type	Grant Amount	Type	Grant Amount
Community Group	\$ 463,849.91	Maori	\$ 67,275.01
Education	\$ 285,296.46	Council	\$ 62,000.00
Community Services	\$ 250,442.04	Racing	\$ 48,550.00
Cycling/BMX	\$ 185,264.50	League	\$ 46,192.00
Other Sports	\$ 180,827.27	Fire Services	\$ 38,567.35
Hockey/Ice Hockey (Excludes Inline Hockey)	\$ 143,000.00	Kindergartens/Childcare/Plunkett	\$ 31,258.00
Equestrian/Pony Clubs	\$ 117,870.08	Racquets	\$ 24,615.14
Water Sports (Sailing, Swimming, Fishing, Water Polo)	\$ 88,730.17	Gym Sports (includes weightlifting/Boxing/Wrestling)	\$ 21,840.00
Netball	\$ 78,321.38	Health Related	\$ 15,221.00
Soccer	\$ 77,771.35	Cricket	\$ 12,000.00
Rugby	\$ 74,856.01	Scout Groups/Girls Brigade/Sea Scouts	\$ 7,449.00
Arts	\$ 70,855.72	Basketball	\$ 5,000.00
Search and Rescue (excludes Surf Clubs)	\$ 69,175.97	Athletics/Marathons	\$ 1,000.00
		<b>Grand Total</b>	<b>\$ 2,467,228.36</b>

## SUMMARY

*Although every step has been taken to make this report as accurate as possible, PGFNZ acknowledges that demarcation of organizations into TLAs is open to discrepancies due to a lack of detailed information from some of the Pokie Trusts. In addition, at the time of writing this report there was no firm ruling on just when and how often Pokie Trusts need to publish their grants. Consequently, there is no uniformity in the release of the data. However, it is the only data available to date. Therefore, this should be taken as an **overview only**.*

Grants analysed in this report were grants believed to be made **just** to the **Taupo TLA**. Those grants that are given to a wide organisation such as National Heart Foundation or other organisations that cover a wide region such as Search and Rescue, are not included. The reason being that the author has no way of knowing what percentage of the grants goes specifically to Taupo TLA.

This report is based on the DIA (Department of Internal Affairs) publications on gambling statistics for the **March 2017 quarter**, the **2013 Census results** (usual residents) plus the database of pokie grants gathered over the past several years by The Problem Gambling Foundation of New Zealand. (PGFNZ)

The period chosen for the grants analysis is from **January 2014 – May 2017**

PGFNZ had on its database **344** individual grants allocated to Taupo TLA for the nominated period.

The **adult population (usually resident)** in the Taupo TLA has been calculated as **24,519** (2013 Census). Adult population means 18 years and over.

The loss per head to pokies machines was calculated from the expenditure figures released on the DIA site for **March 2017 quarter** divided by the **adult population** (24,519). The Taupo TLA lost **\$84.86** head for the 2017 March quarter. This is the **13th highest loss** out of the **67 TLAs**.

The Taupo TLA has **12 pokie venues** housing **175 pokies**. (DIA – March 2017)

The main contributor to Taupo TLA was **Lion Foundation (2008)** with grants amounting to **\$872,311.00** for the nominated period. These were grants the author understands to be **just for the Taupo TLA**. This amounted to **35%** of all grants given for the January 2014 – May 2017 period. The **Lion Foundation (2008)** has **18 pokies** in just **one venue** called **DBAR**. It has grants published to May 2017.

The next biggest contributing Trust is the **First Sovereign Trust** and it also has just **one venue** in Taupo housing **18 pokies**. This Trust had their grant data published to December 2016. It contributed **\$532,241.99** to the Taupo TLA. Third Highest contributor was **Southern Trust** granting **\$443,279.00**. (See page 10). Interestingly **Youth Town Inc** has the most pokies in the region standing at **50**. However, their contribution was a quarter of Lion Foundations (2008) contribution to the area. This could be that the last data published by this organisation the author could find was December 2015 and so a large part of grants is missing.

'**Community Group**' received the most grants **\$463,849.91** for the January 2014 to May 2017 period.

(see page 11). '\$60,000 went to 100% Lake Taupo Charitable Trust, Taupo Budget Advisory Service Inc (\$54,645.16), Lake Taupo Hospice (\$48,000.00) and Taupo Family Centre Inc (\$37,969.00) to mention a few.

The next highest grants were made to '**Education**' at **\$285,296.46** These grants were made up of grants to Hilltop School, Tauhara College, Tauhara Primary School, Taupo Combined Schools, St Patricks School – Taupo,

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Mountview Primary School, Mangakino Area School, Kuratau School, Taupo Intermediate School, Taupo Nui A Tia College, Taupo Primary School, Tongariro School, and Whakamaru School.

Pokie Venues in the Taupo TLA were sorted into deprivation areas. This was measured by the proximity of the nearest primary school to the Venue and taking their Decile number as a reference. Under the NZ educational system, **Index: 1= deprived and 10 = well-off**. In Taupo, there were **44 pokie machines in Deprivation 2 Zone**.  
*(See Page 7)*





## THE SHAME AND STIGMA OF GAMBLING

Article in *'The Hoopla'* By Dr Samantha Thomas – 15 July 2014

Over the years people have regularly asked me why I have focused most of my research on gambling. It is definitely not an area for the faint-hearted.

It is highly political, dominated by powerful industries that are highly resistant to comprehensive reform, concerning individuals who are stigmatised and held responsible for their own lack of control, and governments who focus on soft policies that repeatedly put the ambulance at the bottom of the cliff rather than the fence at the top.

But my answer is always that after hearing the stories of people who have been impacted by problem gambling, many more of us should be seeking to shine a spotlight on this increasingly important public health issue.

Australia has been dubbed the 'gambling capital of the world'. About \$19billion was spent on gambling in Australia in 2008-9, with Australians gambling and losing more money per capita than any other nation. Under the shine of promised employment and tourism from new Casino licenses, is easy to forget that problem gambling either directly or indirectly impacts between 5 and 10 million people in our community. Yet the stories of those who have experienced problems with gambling are almost completely hidden from Australia's gambling narrative.

One of the reasons for this is that problem gamblers experience immense stigma. In a research study that I conducted in 2010, participants referred to problem gamblers as "lower class", "low-income", "unemployed" and "uneducated", "lazy", that they lacked "self-control", and were "greedy" and "selfish".

These public attitudes are perhaps unsurprising when we consider that many of the so-called solutions for problem gambling are based on personal responsibility rather than a comprehensive approach to harm prevention. This includes governments and industry acting responsibly to minimise and prevent the harm caused by gambling products to individuals and communities.

It is also unsurprising that only one in 10 people who experience a problem with gambling feel that they can seek help. Take for example the following ex-problem gambler who spoke to us about how public perception of problem gambling had impacted on his life:

"I think the... general public attitude towards problem gamblers is that it's almost as if it's a choice that they're choosing to go and spend money and they're choosing to blow it and they're choosing to do all these things. There's certainly a lot of stigma associated with being a problem gambler. There is a perception that gamblers, unlike other addicts, gamblers are in control. That's one of the reasons I think people don't stop, why people don't talk about it, because you know they risk the scorn of the world on your shoulders. I know I certainly felt that way. I felt I couldn't say anything because there was nothing lower than a problem gambler in the eyes of society."

Another stated that he believed and was told, that he should have taken personal responsibility for his gambling.

"There were stages there where I was thinking, 'If this gets worse and I just can't stop I might need to seek help.' But I never did, and it didn't quite get there... There's that little bit of shame I suppose, just telling people that you've allowed a problem to get out of control, out of your own control."

In our research, gamblers have stressed the importance of early intervention for those who experience problems with gambling, as well as a comprehensive approach to preventing gambling harm.

Gamblers who had sought help often described the significant "gap" between recognising that they were developing a problem with gambling, and when they actually sought help. They described how it was important to try to identify ways to address this recognition-to-treatment gap to encourage individuals to seek help sooner.

One of the biggest improvements in treatment provision that I have seen over the last five years is the range of different services that are available to those who have experienced gambling problems. These services are free and confidential and include face-to-face to phone support, financial counselling, online services and support, and tools to help those who have experienced a problem with gambling, their family members and friends.

But if we are to encourage people to use these services then we must also recognise the need to tackle stigma.

And as more people feel able to tell their story about problem gambling, we hope that governments will finally recognise the need to implement interventions which prevent the harm caused by gambling to our communities.

*\* This post is sponsored by Victorian Responsible Gambling.*



*\* Samantha is Associate Professor of Public Health at School of Health and Society, University of Wollongong, Australia. After graduating with a PhD in Community Health from the University of Auckland, Samantha worked internationally at the World Health Organisation (Geneva), King's College London, and Monash University (Melbourne). In 2009 she was chosen as one of Australia's Top Ten Emerging Leaders in Health by the Weekend Australian newspaper, and in 2010 received a prestigious 3 year Australian Davos Future Leader Award.*

*Samantha's research focuses on complex public health issues and public health advocacy. She has conducted research with unaccompanied refugee children; military populations; people who experience mental health problems; prisoners; and individuals who experience the harm associated with gambling.*

*Samantha's most recent research has explored the impact of industry strategies on the health and wellbeing of individuals, communities, and populations.*

*In gambling, she has conducted research into gamblers conceptualisations of risks; how parents and children interact with gambling advertising campaigns; the causes of gambling stigma, and the strategies used by the gambling industry to promote their products and services.*

*Samantha has provided invited testimony to the Australian Parliamentary Committee on Gambling Reform, has advised government and community organisations on public health approaches to gambling reform, and comments regularly in the Australian media.*

*She most recently was awarded an Australian Research Council Discovery Grant to investigate the marketing strategies used by the sports betting industry in Australia.*

*You can find her on Twitter @doc\_samantha.*

*<http://thehoopla.com.au/shame-stigma-gambling/>*



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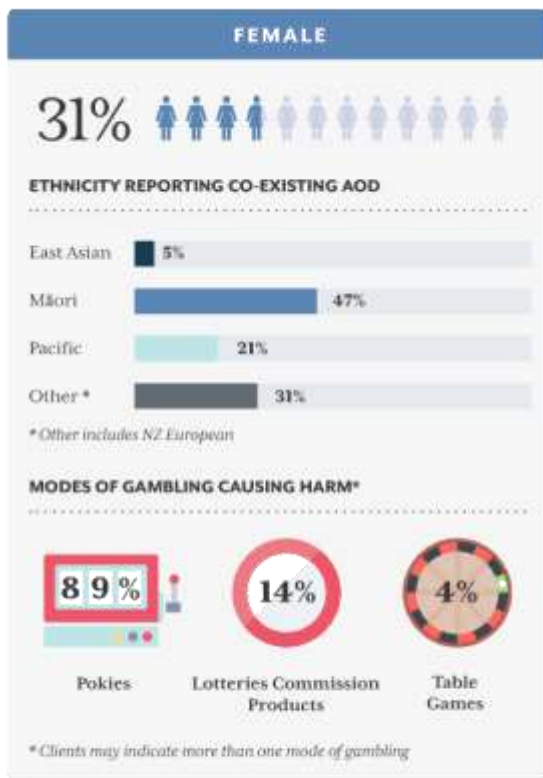


## PROBLEM GAMBLING AND CO-EXISTING PROBLEMATIC ALCOHOL AND DRUG USE

### Clients receiving treatment during 2016

NSAD (New Zealand Society on Alcohol and Drug Dependence) believes that the right information about the addiction sector and beyond results in better services. By sharing this analysis we hope to promote the conversation about effective service delivery to those in need.

In 2016 over 5,900 people received assistance for their own gambling problems through brief and full interventions. This page provides a snapshot of the 2050+ who were screened for co-existing problematic or risky Alcohol or Other Drug (AOD) use. On the reverse is a regional breakdown of all those that received treatment for their gambling problems.



Contact us:  
14 Wakefield House  
90 The Terrace, Wellington  
info@nsad.org.nz | 04 901 9530  
www.nsad.org.nz

Source data provided by Ministry of Health.  
Disclaimer: NSAD compiles data from other entities. Although care has been taken to assure the accuracy, completeness and reliability of the information provided, NSAD assumes no liability or responsibility therefore.



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## ALL CLIENTS SEEKING TREATMENT FOR THEIR PROBLEM GAMBLING IN 2016

### Clients throughout New Zealand

PROBLEMATIC AOD USE	ETHNICITY	GENDER	AVERAGE AGE	UNIQUE CLIENTS
 45%	Māori 31% Pacific Peoples 14% East Asian 11% Other 44%	 40%  60%	 42	5,890

## NORTHLAND



## AUCKLAND



## WAIKATO



## BAY OF PLENTY / GISBORNE



## MANAWATU / WHANGANUI / TARANAKI



## MARLBOROUGH / NELSON / TASMAN



## HAWKE'S BAY



## WEST COAST / CANTERBURY



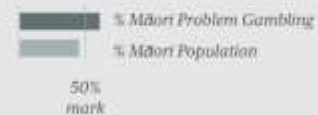
## WELLINGTON



## OTAGO / SOUTHLAND



Comparison of Māori clients treated for problem gambling with Māori in the general population





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Cnr Rifle Range & Taupo View Rd  
Taupo 3330  
Ph 07 378 9275  
office@taupobaptist.org.nz  
www.taupobaptist.org.nz  
Office Hours:  
Mon-Thurs 8.30am-1.30pm  
Fri 9am-12.30pm

Submission re: Taupo District Council's Class 4 Gambling and TAB Policy proposed amendments.

#### Greetings

The leadership and congregation of Taupo Baptist Church oppose the current and proposed approach to gaming machines in the Taupo District of reducing the cap of gaming machines to 191 while allowing one more venue to open.

We strongly recommend the Council reconsider Option 3 of the options analysis. Option 3 would implement a sinking lid cap (cap would fall to 182 gaming machines and continue to sink as venues closed.)

As the Taupo District Council's own Social Impact Assessment states *"Harm from gambling can include, among other things, relationship breakdown, depression, suicide, reduced work productivity, job loss, financial problems (including debt and bankruptcy), and various types of gambling-related crime (including family violence, crime to finance gambling, and using gambling to launder the proceeds of crime)."*

*Research also indicates harms have a ripple effect and usually extend beyond gamblers to encompass family members (especially children), whānau, friends, employers, colleagues and whole communities. Harm is also incredibly persistent, and usually continues for years.*

*An analysis of problem gambling in New Zealand and Australia found that there is an increase in problem gambling of nearly one person for each new machine. This study found that restricting the density of gaming machines leads to a decrease in gambling harm."*

The entertainment value, the income, the employment opportunities and the grant monies available as a result of gambling machines do not outweigh the possible future harm as a result of gambling that would be done to the members of our community, particularly the negative social impact it would most certainly have on children and young people in our district.

**As a church, we strongly support any measures to reduce the damage done to lives in our community and we strongly encourage the Council to reduce the number of gambling machines and venues in our district.**

Attached are 42 signatories from our congregation.

I would love the opportunity to present our submission in person on behalf of our congregation at the hearing on Tuesday 21<sup>st</sup> November 2017.

#### Blessings

Ps. Bryce Millar  
Taupo Baptist Church  
bryce@taupobaptist.org.nz  
07 378 9275





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Cnr Rifle Range & Taupo View Rd  
Taupo 3330  
Ph 07 378 9275  
office@taupobaptist.org.nz  
www.taupobaptist.org.nz  
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Mon-Thurs 8.30am-1.30pm  
Fri 9am-12.30pm

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NAME *STEPHEN FOX*  
ADDRESS *11 TAMATEA ROAD*

NAME *Aletta Lamprecht*  
ADDRESS *1/42 Taupo View Rd.*

NAME *Elsie Shelton*  
ADDRESS *51 Tremaine Ave  
Taupo*

NAME *Margaret Hall*  
ADDRESS *11 Woburn Place  
Taupo.*

NAME *Jeanne Goodchild*  
ADDRESS *20 Rokino Rd.  
Taupo.*

NAME *Paul Pettigrew*  
ADDRESS *134 Richmond Ave  
Taupo*

NAME *Ian Bayes*  
ADDRESS *93A Woodward Street.  
Taupo*

9



Cnr Rifle Range & Taupo View Rd  
Taupo 3338  
Ph 07 378 9275  
office@taupobaptist.org.nz  
www.taupobaptist.org.nz  
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Fri 9am-12.30pm

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NAME Marilyn LeComte  
ADDRESS 14B Korimako Rd - Taupo

NAME John LeComte  
ADDRESS 14B Korimako Road, Waipāhiti

NAME Stuart Crossbie  
ADDRESS 9 Pukemahu Rd., Taupo

NAME Jacqui Crossbie  
ADDRESS 9 Pukemahu Rd Taupo.

NAME Kevin Short  
ADDRESS 13 Kapua Pl. Taupo

NAME Carol Millar  
ADDRESS 137a Rickit Street, Taupo

NAME Wendy Easley  
ADDRESS 4 Rahui St, Taupo.

9



Cnr Rifle Range & Taupo View Rd  
Taupo 3330  
Ph 07 378 9275  
office@taupobaptist.org.nz  
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NAME *EDITH RUSSELL*

ADDRESS *216 Taharepa Rd, Taupo.*

NAME *Romelene Barthorst*

ADDRESS *2/7 Karamu St., Taupo*

NAME *Dorcas Campbell*

ADDRESS *82 Wharewaka Pt. Twp.*

NAME *Mary-Anne Short*

ADDRESS *13 Kapua Place, Taupo.*

NAME *ROBYN CLAY*

ADDRESS *8 CLODERS PL, TAPO*

NAME *NEVILLE CLAY*

ADDRESS *8 CLODERS PL, TAPO*

NAME *DAVE CARTNER*

ADDRESS *67 FOREST RD, RD4, TAPO*



9



Cnr Rifle Range & Taupo View Rd  
Taupo 3330  
Ph 07 376 9275  
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NAME Gail Pierce  
ADDRESS 113 SH1, Waitahanui, Taupo

NAME Elwin Lois Hockly  
ADDRESS 778 Acacia Bay Rd.  
Taupo 3330

NAME Trevor Pierce  
ADDRESS 113 St 1 Waitahanui Taupo

NAME Barry Leamas.  
ADDRESS 58/2 WHAREWAKA RD TAUPU.

NAME JAN CHRISTINE CAREY  
ADDRESS 18 WILLIAMS ST, TAUPU

NAME BRIAN STEWART CAREY  
ADDRESS 18 WILLIAMS ST, TAUPU

NAME JACKY GARTNER  
ADDRESS 67 FOREST RD, ROL, TAUPU.



9

Cnr Rifle Range & Taupo View Rd  
Taupo 3330

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**As a church, we strongly support any measures to reduce the damage done to lives in our community and we strongly encourage the Council reduce the number of gambling machines and venues in our district.**

**NAME** Brent Carbine

**ADDRESS** 9 Acacia Bay Rd, Taupo

**NAME** Russell Hayes

**ADDRESS** 82 Taupahi Rd, Turangi

**NAME** Raewin Hayes

**ADDRESS** 82 Taupahi Rd, Turangi

**NAME** [Illegible]

**ADDRESS** [Illegible]

**NAME** Thomas Brand

**ADDRESS** 17 Golders Pl, Taupo

**NAME** Lorna Chinn

**ADDRESS** 31 The Grove, Taupo

**NAME** Deanna Forsyth

**ADDRESS** 78 Taupo View Rd, Taupo



9

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Taupo 3330

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NAME Steve Jolly

ADDRESS 81 Rokino Rd, Taupo

NAME Peter Kahui

ADDRESS 2/198 Rifle Range  
Rd. Taupo

NAME

ADDRESS Mel Tapine 6 W. Heretia  
Rd. Taupo

NAME

ADDRESS Vanda Green

NAME Leigh Devlin

ADDRESS 1/29 Scannell St

NAME Lynne Bold

ADDRESS 3 Karamu St. Taupo

NAME Mary Quigley

ADDRESS 92 Harvey St, Taupo

**10**

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Andrew Hill <Andrew.Hill@beca.com>  
Thursday, 2 November 2017 10:07 a.m.  
Hilary Samuel  
Ministry of Education Submission on Taupo District Council Draft Class 4 Gambling and TAB Policy  
NZ1-14810202-Ministry of Education Submission on Taupo District Council Draft Class 4 Gambling and TAB Policy.pdf

Hello Hilary

I cannot recall whether we sent this through, last week was hectic, please find attached the Ministry of Education Submission on Taupo District Council Draft Class 4 Gambling and TAB Policy, apologies if it is late.

**Andrew Hill**

Planner  
Beca  
Phone +64 7 577 3938 Fax +64 7 578 2968  
[andrew.hill@beca.com](mailto:andrew.hill@beca.com)  
[www.beca.com](http://www.beca.com)

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25 October 2017

Hilary Samuels  
Taupo District Council  
Private Bag 2005  
Taupo 3377

#### Review of Taupo District Council Draft Class 4 Gambling and TAB Venue Policy

##### Background:

The Ministry of Education is the Government's lead advisor on the New Zealand education system, shaping direction for education agencies and providers and contributing to the Government's goals for education. The Ministry has responsibility for all education property owned by the Crown. This involves managing the existing property portfolio, upgrading and improving the portfolio, purchasing and constructing new property to meet increased demand, identifying and disposing of surplus State school sector property and managing teacher and caretaker housing. The Ministry is therefore a considerable stakeholder in terms of activities that may impact on educational facilities and assets in the Taupo District area.

##### The Ministry's submission

Taupo District Council is reviewing its Class 4 Gambling and TAB Venue Policy. The Ministry of Education supports the proposed Class 4 Gambling and TAB Venue Policy, in particular the proposed reduction from 225 gaming machines to 191. The Ministry also supports the current application requirements, including the following:

*12.1.6 evidence of the distance to any education facility, community facility, place of worship, residential buildings or other Class 4 or TAB venues*

However, the Ministry of Education is concerned with the access and exposure of students to gambling and we feel the proposed application standards are inadequate and request that the application requirements and the Taupo Gaming Policy Area are amended.

**Relief Sought:** The Ministry of Education requests that the following additional requirements are added to the proposed policy. The suggested wording is provided below (under lined and in red).

##### 12. Application for consent

*12.1.7 No Council consent to class 4 gambling licences shall be issued for any premises which is located within 100 metres of Taupo Primary School and within 200 metres of any other legal site boundary of an existing school or early childhood education centre or site designated for an education facility or early childhood education centre.*

*12.1.8 Where an application for a class 4 gambling venue is located closer than 500 metres to an existing school or early childhood education centre or site designated for an education facility or early childhood education centre then the applicant shall provide a copy of the application directly to these facilities or the Ministry of Education, which shall be considered as affected parties to the application.*

Should you have any more queries please do not hesitate to contact the undersigned as the consultant to the Ministry.

Andrew Hill, Planner (Beca Ltd) P: 07 577 3938 E: andrew.hill@beca.com

Adopted:	
Next review date:	December 2020
Document number:	A2014485
Sponsor/Group:	Group Manager: Finance and Strategy



## Draft Class 4 Gambling and TAB Venue Policy

### 1. Application

#### 1.1 This policy applies to:

- venues granted a venue licence after 17th October 2001, and
- venues that have not held a venue licence within the last six months, and
- societies proposing to increase the number of gaming machines that may be operated at a Class 4 venue by way of amendment to a Class 4 venue licence.

#### 1.2 This policy does not apply to venues that held a venue licence on 17 October 2001.

- 1.1 This policy applies to Class 4 and TAB Venues.

### 2. Objectives of the policy

- 2.1 To control the growth of gambling in the Taupō District within the legislative means available.
- 2.2 To minimise the harm to the community caused by gambling while allowing those who wish to participate to do so.
- 2.3 To ensure that the council and the community has influence over the location of new Class 4 and TAB venues in the Taupō District.
- 2.4 To facilitate community access to information about the funds produced and distributed from Class 4 venues within the Taupō District.

### 3. Revocations

- 3.1 The Taupō District Council Class 4 Gaming and TAB Venue Policy effective from December 2014 is revoked when this policy comes into force on XX December 2017.

### 4. Definitions

authorised purpose	For Class 4 gambling is a charitable purpose, a non-commercial purpose that is beneficial to the whole or a section of the community, or promoting, controlling and conducting race meetings under the Racing Act 2003.
Class 4 gambling	means gambling that utilises or involves a gaming machine (as defined in the Gambling Act 2003).
Class 4 venue club	means a place used to conduct Class 4 gambling. means a voluntary association of persons combined for a purpose other than personal gain.
corporate society	means a society that is: <ul style="list-style-type: none"> <li>• incorporated under the Incorporated Societies Act 2003; or</li> <li>• incorporated as a board under the Charitable Trusts Act 1957; or</li> <li>• a company incorporated under the Companies Act 1993 that;               <ul style="list-style-type: none"> <li>○ does not have the capacity or power to make a profit; and</li> <li>○ is incorporated and conducted solely for authorised purposes;</li> </ul>               or             </li> <li>• a working men's club registered under the Friendly Societies and Credit Unions Act 1982.</li> </ul>



existing venue	means a venue granted a Class 4 venue licence after 17 October 2001 and before the 19 September 2003.
family	means any group that includes children under the age of 18 years.
gaming machine	as defined in the Gambling Act 2003, is a device, whether totally or partly mechanically or electronically operated, that is adapted or designed and constructed for use in gambling.
new venue	means a venue granted a Class 4 venue licence on or after 19 September 2003.
operator's licence	means a Class 4 operator's licence issued by the Secretary for Internal Affairs.
primary activity	means the activity primarily associated with and promoted by the venue.
society	means an association of persons established and conducted entirely for purposes other than commercial purposes.
TAB venue	means premises that are owned or leased by the New Zealand Racing Board and where the main business carried on at the premises is providing racing betting or sports betting services.
territorial authority consent	means a consent granted by a territorial authority under section 100 of the Gambling Act 2003.
venue licence	means a Class 4 venue licence issued by the Secretary for Internal Affairs.

## **5. Where Class 4 Gambling and TAB venues may be established**

- 5.1 New venues may be established within the Taupō, Turangi and Mangakino Town Centres (as defined on the maps in this policy), subject to meeting the other conditions of this policy.
- 5.2 An existing venue may continue to operate at the site where it was located on 23 March 2004, subject to meeting the other conditions of this policy.
- 5.3 If a venue that was granted a Class 4 venue licence on or before the 17 October 2001 is sold, it may continue to operate a maximum of 18 gaming machines at the site where it was located on 23 March 2004.

## **6. Number of gaming machines to be allowed**

- 6.1 The total number of gaming machines in the Taupō District shall not exceed 225191.
- 6.2 Venues for which a Class 4 venue licence was granted after 17 October 2001 must not operate more than 9 gaming machines.
- 6.3 If two or more clubs merge, the merged venue may operate 30 gaming machines or the sum of the number of gaming machines licensed to operate at those sites, whichever is the lesser.

## **7. Relocation of existing Class 4 gambling venues**

- 7.1 An existing Class 4 venue may relocate provided it is relocating to or within the Taupō, Turangi and Mangakino Town Centres (as defined on the maps in this policy).
- 7.2 Class 4 venues that relocate may be allowed up to the maximum number of gaming machines approved at the time of closing of the former venue, subject to meeting the other conditions of this policy.

## **8. Primary activity of Class 4 gambling venues**

- 8.1 The primary activity of any Class 4 venue shall be for one or more of the following:
  - 8.1.1 sporting activities or
  - 8.1.2 private club activities or
  - 8.1.3 the sale of liquor, or for the sale of liquor and food, for consumption on the premises or
  - 8.1.4 racing and sports betting services.

- 8.2 The primary activity of the venue shall not be an activity associated with family or children's activities, and is generally expected that patrons would be restricted to persons 18 years or older.

## **9. Primary activity of TAB venues**

- 9.1 The primary activity of any TAB venue shall be for providing racing betting and sports betting services.

## **10. Consent requirements for Class 4 gambling venues**

- 10.1 The venue shall not be part of a place where another Class 4 venue is located.
- 10.2 The venue is not to be used mainly for operating gaming machines.
- 10.3 The venue shall not have a separate entrance, separate name, or otherwise seem to be separate from the primary activity of the venue.
- 10.4 The venue must have an on-licence, club licence or charter for the sale of liquor for consumption on the premises (TAB venues are exempt from this requirement).
- 10.5 The venue must have a statement of how it proposes to minimise the risks of problem gambling and underage gambling at the venue.
- 10.6 The applicant must meet the application and fee requirements.

## **11. Consent requirements for TAB venues**

- 11.1 The venue shall not be part of a place where another TAB is located.
- 11.2 The venue must have a statement of how it proposes to minimise the risks of problem gambling and underage gambling at the venue.
- 11.3 The applicant meeting application and fee requirements.

## **12. Application for consent**

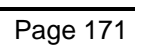
- 12.1 Applications for territorial authority consent must provide:
- 12.1.1 name and contact details of the applicant, and
  - 12.1.2 a description of the proposed Class 4 or TAB venue and its location, and
  - 12.1.3 a profile of the venue manager and the venue operator including details of their experience in gambling, character, and qualifications, and
  - 12.1.4 the number of gaming machines to be located at the Class 4 venue, and
  - 12.1.5 evidence that the Class 4 venue will not be used mainly for operating gaming machines, and
  - 12.1.6 evidence of the distance to any education facility, community facility, place of worship, residential buildings or other Class 4 or TAB venues.
- 12.2 A statement of how the applicant proposes to minimise the risks of problem gambling and underage gambling at the venue.
- 12.3 Evidence of the liquor licence(s) applying to the proposed Class 4 gambling venue.
- 12.4 Any other information requested by the Council.

## **13. Fees**

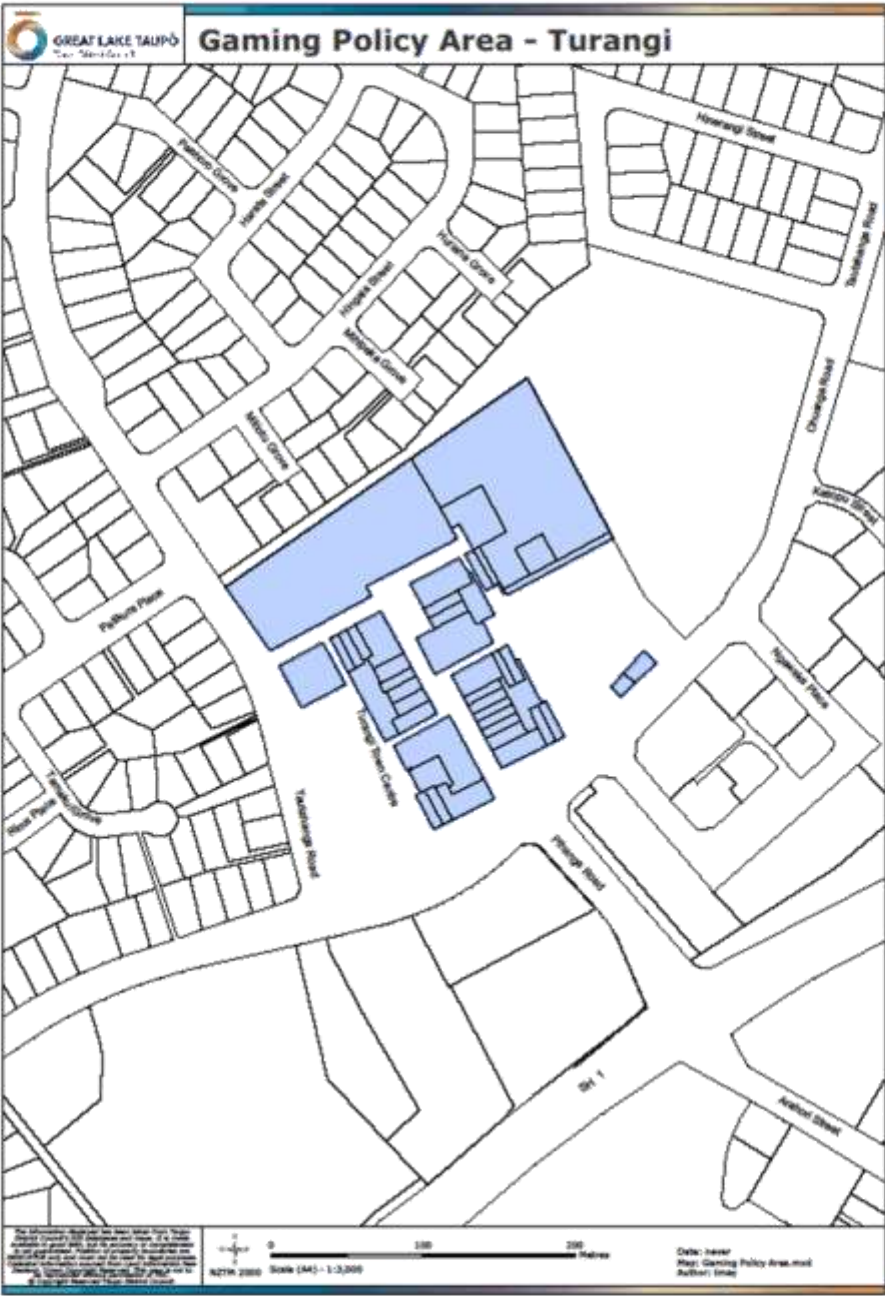
- 13.1 Fees shall be set from time to time by Council resolution in accordance with s150 of the Local Government Act 2002.

## **14. Policy review**

- 14.1 The policy will be reviewed from time to time as required by the Gambling Act 2003 and the Racing Act 2003.









### Assessing the Social Impact of Gambling in the Taupō District July 2017

#### Background

The Gambling Act 2003 (Gambling Act) requires all territorial authorities to have a class 4 gambling policy, while the Racing Act 2003 (Racing Act) requires a policy on standalone TAB venues. These two policies, which have been combined by Taupō District Council into one policy, must be reviewed every three years. The last review took place in 2014.

The nature of a review should start with an assessment of the social impact of gambling and how this may have changed over the years, particularly since the last review. This report reviews:

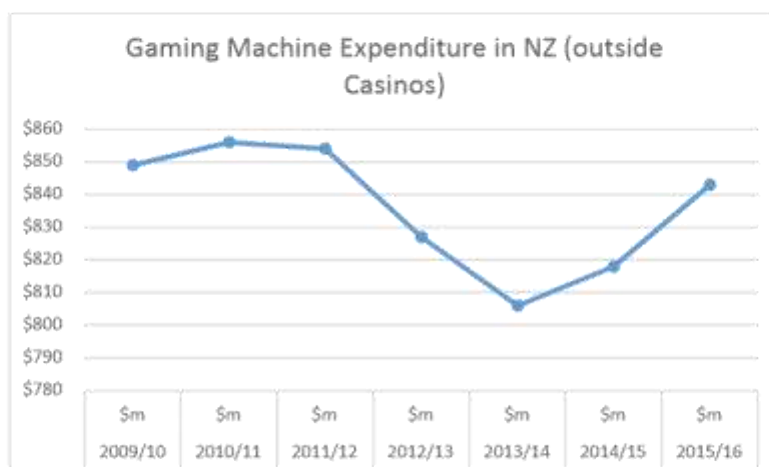
- gambling at the national level
- gambling machine and gambling venue trends at the local level
- the social benefits from gambling machines, and
- the social costs from gambling machines.

#### Gambling at the National Level

In New Zealand there are 12,87 class 4 gambling venues, 16,717 non-casino pokies, 6 casinos, 199 casino gambling tables and 2826 casino gaming machines. New Zealanders lose over \$2 billion annually to gambling, which is 5.7 million per day, including \$2.2 million to non-casino pokies (per day).

Gamblers in New Zealand spent \$2,209 million dollars on the four main forms of gambling in the 2015/16 financial year, \$118 million more than the previous year. They spent more in all categories of gambling including casinos, on non-casino pokies, racing and sports betting and Lottery products.

The following table shows annual national expenditure on gaming machines in New Zealand.



Adjusting for the effects of both inflation and changes to New Zealand's adult population (18 years and older), gambling expenditure increased by 2.6 per cent, from an average of \$601 per person in 2015 to \$616 per person in 2016.

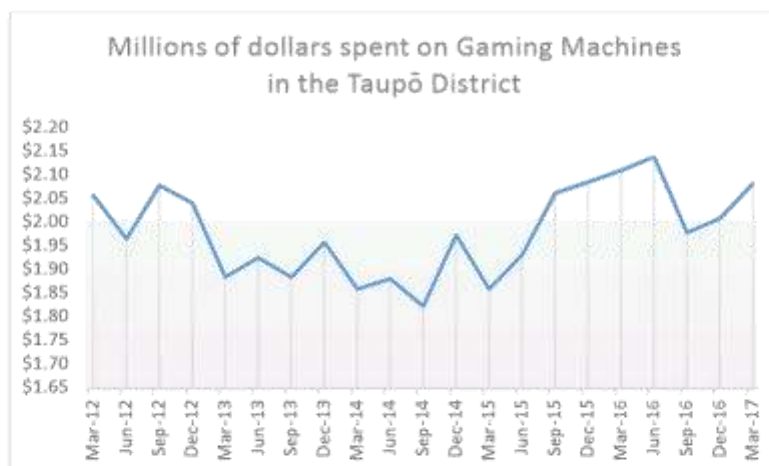
From 2010 to 1 July 2016, the number of gaming machines nationally decreased by 15 percent from 19,115 to 16,250.



### Local Trends in Gambling

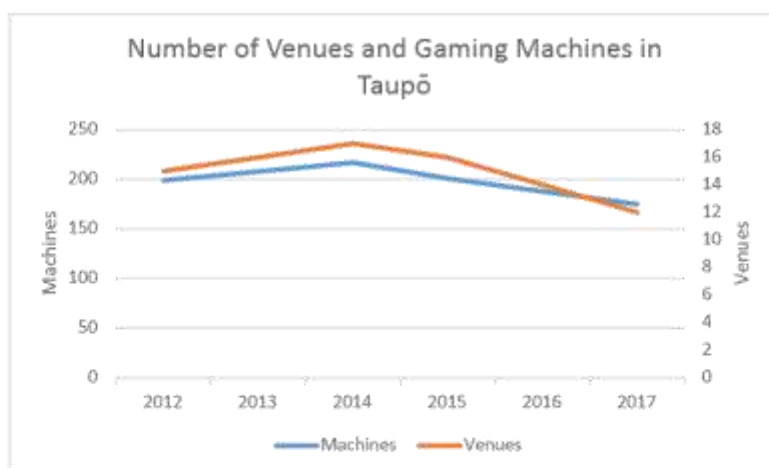
Of the \$843 million spent by gamblers nationally on gaming machines in the 2015/16 financial year, \$8.23 million was spend in the Taupō District. This is 0.97% of the national expenditure. Taupō (as at June 2016) had 0.77% of the population. This means that expenditure per person in the Taupō District is higher than the average expenditure per person nationally.

The following graph shows the quarterly spend on gaming machines in the Taupō District. There appeared to be a downward trend in expenditure 2012-2014, however throughout 2015-2017 expenditure appears to be increasing again.



The Taupō District had the 17th highest loss to gaming machines for the March quarter of 2017 out of 67 Territorial Authorities. Per head of population this equated to almost \$85 (March-June 2017).

As at 31 March 2017 the Taupō District had 175 machines located within 12 venues. This is a decrease in venues and machines since the 2014 review. At that time there were 16 venues and 208 machines. This number represents 1.09% of the number of machines in New Zealand (this is down from 1.21% of machines in 2014). The following graph shows the general decline in both numbers of machines and venues in the Taupō District in the past 5 years.



The following table shows the location and numbers of gaming machines (GMs) in the Taupō District:

Society Name	Venue Name	GM Count
First Sovereign Trust Limited	Turangi Tavern	18
Grassroots Trust Limited	Pitch Sports Bar	9
New Zealand Racing Board	TAB Taupō	9
Taupō Cosmopolitan Club Inc	Taupō Cosmopolitan Club	18
Taupō Returned And Services	Taupō RSA	18
The Lion Foundation (2008)	Dbar	18
The Southern Trust	Mulligan's Public House	9
Tokaanu-Turangi Districts Memorial RSA (Inc)	Tokaanu-Turangi Districts Memorial RSA	11
Tongariro Chartered Club Inc	Tongariro Chartered Club	15
Youthtown Incorporated	Finn Maccahals	18
Youthtown Incorporated	Lucky Lizard	18
Youthtown Incorporated	Pub 'n' Grub	14

Note that the Tongariro Chartered Club and Pub and Grub can increase to 18 machines without Taupō District Council's approval.

#### **Social Costs from Gambling Machines**

Harm from gambling can include, among other things, relationship breakdown, depression, suicide, reduced work productivity, job loss, financial problems (including debt and bankruptcy), and various types of gambling-related crime (including family violence, crime to finance gambling, and using gambling to launder the proceeds of crime).

Research also indicates harms have a ripple effect and usually extend beyond gamblers to encompass family members (especially children), whānau, friends, employers, colleagues and whole communities. Harm is also incredibly persistent, and usually continues for years.

An analysis of problem gambling in New Zealand and Australia found that there is an increase in problem gambling of nearly one person for each new machine. This study found that restricting the density of gaming machines leads to a decrease in gambling harm.

There is evidence that Māori and Pacific peoples are more likely to suffer gambling harm (whether as a result of their own or someone else's gambling) and more likely to be at risk of future harm than people in other ethnic groups. Some specific Asian populations and subgroups also seem to be more likely to suffer gambling harm. Given that the Taupō District has a Māori population of nearly double the national average, this could mean there is more harm caused in the Taupō District compared to other comparatively sized districts.

Interventions are when people have contacted an intervention service for psychosocial support either by phone or face to face in the Taupō District. It is noted that those who seek help represent only a small subset of those who experience harm. The graph below shows the increase in the number of interventions, although it is difficult to know if this increase is related to more issues being caused by problem gambling or more accessible help and awareness of problem gambling.

The economic benefits of gambling machines can be used as justification for the social costs, however recent research completed in Tasmania has found that the money spent on gambling is money not spent on other things. Even the most conservative estimate of 50% of gambling losses being diverted directly back into the community would far exceed the funds which come back to the community via grants.



### Benefits of Gaming Machines

The fact that people pay money to gamble (rather than spending the money on some other commodity or service) suggests that there is entertainment value derived from gambling. A Department of Internal Affairs ('DIA') survey, People's Participation in and Attitudes to Gambling 1985- 2005 found that around two-thirds of participants had gambled on gambling machines as a form of entertainment, with participants also saying this was a way to be with people or to get out of the house.

The Gambling Act provides for Class 4 gambling to be permitted only where it is used to raise funds for community purposes. Gaming machine societies are required under the Gambling Act and the Gambling (Class 4 Net Proceeds) Regulations 2004 to distribute a minimum amount of 40 per cent of their proceeds to the community. However, there is difficulty in tracking these funds, and no requirement for these funds to go back into the local communities where they came from. Of the \$8.23 million spent on gaming machines in the Taupō District in 15/16, approximately \$1.3 million was returned to the local community (around 16%).

All gaming machine societies are required to allocate all profits from their gaming machines to authorised purposes. Clubs tend to apply their gaming machines profits to their own purposes, typically their club operating costs. Public societies generally distribute their profits to the wider community by way of grants. There is no aggregate data easily available that shows the distribution of gaming machine profits to various parts of the community and voluntary sector.

The Department of the Internal Affairs most recently completed a survey of how funds were distributed to community groups in 2011. The following table shows the results of the 2011 funding and where it was allocated:

**Table 1 – Public societies' allocations of gaming machine profits by type of recipients NZ wide**

Recipient organisations	2011			
	No. of grants	Average grant size	Total grant funding	% of total grant funding
Culture, sport and recreation	13,565	\$10,286	\$139,524,744	55%
Education and research	4,651	\$7,329	\$34,085,721	14%
Social services	1,911	\$14,992	\$28,650,268	11%
Health	1,682	\$12,557	\$21,121,405	8%
Development and housing	1,517	\$13,529	\$20,523,571	8%

Recipient organisations	2011			
	No. of grants	Average grant size	Total grant funding	% of total grant funding
Environment	188	\$14,113	\$2,653,307	1%
Religion	201	\$7,577	\$1,522,986	1%
Grant making, fundraising and voluntarism promotion	150	\$8,755	\$1,313,285	1%
Law, advocacy and politics	112	\$9,202	\$1,030,622	<1%
Business and professional associations, unions	62	\$5,345	\$331,407	<1%
International	1	\$3,000	\$3,000	<1%
Not elsewhere classified (residual category)	87	\$13,945	\$1,213,235	<1%
<b>Total</b>	<b>24,127</b>	<b>\$10,444</b>	<b>\$251,973,552</b>	<b>100%</b>

The Problem Gambling Foundation has started collecting data on gaming machine grants over the past several years. For the period between Jan 2014 and May 2017 grants were allocated to the following sectors in Taupō:

**Table 2 – Grants allocated in the Taupō District**

Type	Grant Amount	Type	Grant Amount
Community Group	\$ 463,849.91	Maori	\$ 67,275.01
Education	\$ 285,296.46	Council	\$ 62,000.00
Community Services	\$ 250,442.04	Racing	\$ 48,550.00
Cycling/BMX	\$ 185,264.50	League	\$ 46,192.00
Other Sports	\$ 180,827.27	Fire Services	\$ 38,567.35
Hockey/Ice Hockey (Excludes inline Hockey)	\$ 143,000.00	Kindergartens/Childcare/Plunkett	\$ 31,258.00
Equestrian/Pony Clubs	\$ 117,870.08	Racquets	\$ 24,615.14
Water Sports (Sailing, Swimming, Fishing, Water Polo)	\$ 88,730.17	Gym Sports (includes weightlifting/Boxing/Wrestling)	\$ 21,840.00
Netball	\$ 78,321.38	Health Related	\$ 15,221.00
Soccer	\$ 77,771.35	Cricket	\$ 12,000.00
Rugby	\$ 74,856.01	Scout Groups/Girls Brigade/Sea Scouts	\$ 7,449.00
Arts	\$ 70,855.72	Basketball	\$ 5,000.00
Search and Rescue (excludes Surf Clubs)	\$ 69,175.97	Athletics/Marathons	\$ 1,000.00
		<b>Grand Total</b>	<b>\$ 2,467,228.36</b>

Grants analysed in this report were grants believed to be made just within the Taupō District. Those grants that are given to a wide organisation such as National Heart Foundation or other organisations that cover a wide region such as Search and Rescue, are not included. The reason being that there is no way of knowing what percentage of the grants goes specifically to Taupō TLA.

## Conclusion

Under the Gambling Act and the Racing Act local authorities have limited powers to regulate the number and location of venues and gambling machines through the Class 4 Gambling Venue and TAB Policies. The main "tool" that the Council has under the Policy is either a cap on the number of machines (as per the current policy) or and sinking lid policy so that once machines are shut down they cannot be replaced.

The current 2014 Taupō Class 4 Gambling and TAB Policy:

- Establishes a 'cap' of 225 gaming machines.
- Sets a cap of nine machines per venue for those venues which were granted a licence after 17 October 2001.
- Sets a relocation policy which means venues can only relocate within the existing Taupō, Turangi or Mangakino town centres.

Since the last review the number of venues and gaming machines has reduced from 16 to 12 venues and 208 to 175 machines. The Taupō District is also showing some "above average" statistics in gambling spend and an increase in numbers seeking psychosocial support for problem gambling support.

Taking into account the information within this social impact assessment regarding the social costs of gambling in Taupō it is an ideal time to consider any adjustments to the current Policy. Adjustments that can be considered include a change in the current cap of 225 machines or applying a sinking lid cap.

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