# Collated Submissions



Rangitīkei District Council 🧧 Gambling Policies



# Oral hearing Schedule

Submission Number	Name	Organisation	Page Number
#01	Justin Adams	N/A	#3
#02	Madelaine Cullen	Problem Gambling	#13
		Foundation	
#03	Jarrod True	Gaming Machine	#27
		Foundation of NZ	
#04	Cath Healey	Te Rangihaeta Oranga	#50
#05	Karen Kennedy	N/A	#54
#06	Jeena Bains	N/A	#56
#07	Jason Jones	N/A	#58
#08	John McGifford	Central Football	#60
#09	Cath Healey	Te Kāhui Mokoroa	#62
#10	Justin Adams	Hunterville Community	#66
		Committee	
#11	Emma Williams	Te Whatu Ora Health NZ	#68
#12	Jo Salisbury	NZCT	#75
#13	Hong Yuan	Asian Family Services	#85
#14 (Late)	Hera Day	Te Oranganui	#96

From:

Submissions

From: Justin Adams
Sent: Monday, 27 January 2025 1:56 pm
To: Submissions <Submissions@rangitikei.govt.nz>
Subject: Submission on Gambling Policies

Hi,

Please find attached my submission on the RDC Gambling Policies.

I would like to make an oral submission in support of my written submission.

Thanks,

**Justin Adams** 

# Submission on Proposed Gambling Policies for the Rangitikei District Council

# Introduction

I appreciate the opportunity to present this submission on the proposed gambling policies for the Rangitikei District Council. In an era where technology has revolutionized numerous aspects of our lives, it is crucial that our policies adapt to these transformative changes. This submission addresses the impracticality of restricting physical gambling locations and champions the principles of openness and freedom that define our society. By providing a detailed analysis, this submission aims to offer a comprehensive perspective on the modern realities of gambling and the need for a more nuanced regulatory approach.

# The Reality of Modern Gambling

Gambling, once confined to physical establishments, has significantly evolved with the advent of digital technology. The omnipresence of smartphones and internet connectivity has transformed gambling into a ubiquitous activity. This evolution renders the restriction of physical gambling locations both obsolete and ineffective.

# Online Gambling Accessibility

The proliferation of smartphones has democratized access to online gambling. From sports betting and online casinos to high-stakes poker, the digital realm caters to a diverse demographic. The convenience and anonymity of online gambling have embedded it firmly into the fabric of modern entertainment.

Restricting physical gambling venues fails to acknowledge the reality that gambling is now an intrinsic part of digital life. This prompts a critical inquiry: what purpose do physical location restrictions serve in an era where gambling transcends traditional boundaries?

Moreover, gambling mobile applications have amplified accessibility, offering everything from live betting to virtual casinos. These applications are not merely tools but gateways to a new world of interactive and engaging gambling experiences.

# The Ineffectiveness of Physical Location Restrictions

Policies aimed at limiting physical gambling venues overlook the expansive digital gambling landscape. Such restrictions do not mitigate gambling but instead drive it to the less regulated and potentially more perilous online sphere.

This shift may push individuals towards unregulated, illegal online gambling sites, heightening risks of fraud, addiction, and lack of consumer protection. The digital nature of contemporary gambling demands a regulatory framework focused on responsible gambling practices and consumer safety rather than physical constraints.

Additionally, these restrictions can economically impact local communities. Gambling establishments are often economic linchpins, providing employment and contributing to local economies through taxes and tourism. A 2019 study by the New Zealand Institute of Economic Research reported that the gambling industry contributed NZD 2.1 billion to the national economy. Restricting these venues may inadvertently harm communities reliant on gambling-related revenue.

Furthermore, controlling gambling through physical location restrictions does not address the underlying social, psychological, and economic factors leading individuals to gamble. A comprehensive regulatory approach should consider these aspects and offer support systems to address the root causes of problem gambling.

# Turning Existing Rights into a Commodity

Restricting the number of gaming machines can inadvertently turn existing rights into a traded commodity. When the supply of gaming machines is capped, the value of existing licenses escalates, creating a market where these licenses are bought and sold at inflated prices. This commodification leads to several unintended consequences:

- Economic Inequality: Smaller operators and new entrants may struggle to afford the high cost of licenses, leading to market dominance by a few large operators and reducing competition and diversity.
- Barrier to Entry: The high cost of acquiring gaming machine licenses stifles innovation and prevents new businesses from entering the market. This lack of competition can negatively impact consumers by limiting choices and increasing prices.
- Speculation and Market Distortion: The commodification of licenses encourages speculative trading rather than productive use. This market distortion diverts resources away from socially beneficial activities and can create a speculative bubble.

By capping the number of gaming machines, we risk creating a system that favours established interests over fairness and accessibility. Policies should focus on regulating the use of gaming machines and promoting responsible gambling practices rather than artificially limiting supply.

# No New TAB Locations Creating Monopolies within the Townships

Another critical issue arising from restricting new TAB (Totalisator Agency Board) locations is the creation of monopolies within townships. By preventing new entrants

from establishing operations, existing TAB venues gain an unfair advantage, leading to several negative outcomes:

- Reduced Competition: Without the possibility of new TAB locations, current operators face less competition, which can lead to complacency and lower service quality. Patrons have fewer choices, and the incentive to improve and innovate diminishes.
- Higher Prices: Monopolistic conditions allow existing TAB venues to set higher prices for their services, as there are no alternative providers. This can result in higher costs for consumers who have limited options.
- Economic Disparities: Monopolies consolidate economic power in the hands of a few operators, exacerbating economic disparities within the community. New businesses are unable to enter the market, stifling local entrepreneurship and economic growth.
- Limited Accessibility: Restricting new TAB locations can limit the availability of gambling services to certain areas, forcing residents to travel further or rely on online alternatives. This can lead to unequal access to gambling services across different regions.

By allowing new TAB locations to be established, the Council can foster a more competitive and dynamic gambling environment. This encourages operators to enhance their services, offer better value, and cater to a broader range of consumer preferences. It also promotes fairness and accessibility, ensuring that all community members have equal opportunities to participate in gambling activities.

# Embracing an Open and Free Society

New Zealand's identity as an open and free society is rooted in the belief that individuals should have the autonomy to make their own choices. This principle is paramount in regulating activities like gambling. Our policies must reflect these values and avoid unnecessary restrictions on individual freedoms.

# **Respecting Individual Freedom**

In a democratic society, individuals should have the freedom to engage in legal activities, including gambling, without undue interference. While addressing the potential harms associated with gambling is essential, it should be achieved through education, support, and responsible gambling initiatives rather than arbitrary restrictions.

Respecting individual freedom empowers people to make informed decisions and take responsibility for their actions. This aligns with our values of personal autonomy and

self-determination, fostering a society where individuals can thrive while being mindful of their choices.

# Promoting Responsible Gambling

Rather than focusing on physical location restrictions, the Rangitikei District Council should prioritize promoting responsible gambling practices. This can be achieved through comprehensive public awareness campaigns, support services for those affected by gambling addiction, and collaboration with online gambling platforms to enforce responsible gambling measures.

Education and awareness are potent tools for mitigating gambling risks. By equipping individuals with the knowledge and resources to gamble responsibly, we can create a safer and more informed gambling environment without compromising personal freedoms.

Implementing digital tools to help individuals monitor and control their gambling behaviour is an effective approach. For example, online gambling platforms can incorporate features like spending limits, self-exclusion options, and real-time alerts to help users stay within their limits. Partnerships with mental health organizations can also provide support and resources for those struggling with gambling addiction.

# **Positive Social Impacts**

It is essential to recognize that gambling, when conducted responsibly, can positively impact society. These impacts can be seen in community life, contributing to social cohesion, entertainment, and economic development.

# Community Building and Social Interaction

Gambling venues often serve as social hubs where individuals can gather, interact, and build relationships. These establishments provide a space for socialization and community building, fostering a sense of belonging and camaraderie among patrons.

Events and activities organized by gambling venues can also bring people together, creating opportunities for social interaction and engagement. For example, poker tournaments, bingo nights, and charity events hosted by gambling establishments can attract diverse groups, promoting inclusivity and social cohesion.

# **Entertainment and Leisure**

Gambling is a form of entertainment and leisure many people enjoy. It offers various activities catering to different interests and preferences, from slot machines and card games to sports betting and lottery games. The excitement and thrill of gambling can

provide a welcome escape from daily life stresses, contributing to overall well-being and happiness.

Gambling venues often provide additional amenities, such as restaurants, bars, and live entertainment, enhancing the overall experience for patrons. These amenities attract visitors and create a vibrant atmosphere, contributing to the cultural and social life of the community.

# **Economic Benefits**

Gambling establishments significantly contribute to the local and national economy. They generate revenue through taxes, licensing fees, and tourism, funding public services and infrastructure projects. The economic benefits of gambling extend to various sectors, including hospitality, retail, and entertainment.

Additionally, gambling venues create jobs for a diverse range of individuals, from dealers and servers to security personnel and administrative staff. These jobs support local families and contribute to the community's overall economic well-being.

# Philanthropy and Community Support

Many gambling establishments actively engage in philanthropy and community support initiatives. They often donate a portion of their profits to charitable organizations and community projects, contributing to social welfare and development. These contributions can support many causes, from education and healthcare to arts and culture.

Additionally, gambling venues may sponsor local events and sports teams, providing financial support and promoting community pride. Their involvement in community activities demonstrates a commitment to social responsibility and reinforces gambling's positive impact on society.

# A Population Ratio-Based Approach

Instead of implementing a sinking lid policy or setting a fixed capacity limit on gaming licenses, a more equitable and effective approach would be to establish a number range based on a population ratio. This method ensures that the availability of gambling opportunities is scaled proportionately to the population size, reflecting the community's needs and preventing over-saturation or under-supply of gaming facilities.

# Benefits of a Population Ratio-Based Approach

• Proportional Representation: A ratio-based system ensures that gaming facilities are distributed in accordance with the population size, providing a balanced

approach that caters to both urban and rural areas without disproportionate concentration.

- Scalability: As the population grows or declines, the number of allowable gaming machines automatically adjusts, maintaining equilibrium and preventing the need for frequent policy revisions.
- Community Needs: This approach allows for flexibility in addressing the unique needs and preferences of different communities. For example, areas with higher tourism might justify a higher ratio, adapting to the economic and social dynamics of the locality.

# Implementing a Population Ratio-Based System

To implement this system, the council would need to establish a clear and transparent formula for calculating the number of gaming licenses based on population data. Regular reviews and adjustments would ensure the system remains responsive to demographic changes and community feedback.

Engaging with stakeholders, including community groups, gambling operators, and public health organizations, can provide valuable insights and help refine the population ratio to balance accessibility with responsible gambling practices.

# Addressing Personal Responsibility

It is crucial to acknowledge that the Council cannot regulate personal responsibility for gambling harm. Gambling, like many other activities, involves individual choices and personal accountability. While the Council can implement measures to promote responsible gambling and provide support for those affected by gambling harm, ultimately, individuals must take responsibility for their behaviour and decisions.

## **Education and Awareness**

One of the most effective ways to encourage personal responsibility is through education and awareness. By providing individuals with the knowledge and tools to understand the risks associated with gambling, we can empower them to make informed decisions. Public awareness campaigns, educational programs, and community outreach can play a significant role in fostering a culture of responsibility and self-regulation.

# Support Systems

While individuals must take responsibility for their actions, it is essential to ensure support systems are in place for those struggling with gambling-related issues. Offering accessible and effective counselling services, helplines, and support groups can

provide the necessary assistance for individuals to manage their gambling behaviour and seek help when needed.

# Promoting a Responsible Gambling Environment

The Council can collaborate with gambling operators to create an environment that promotes responsible gambling practices. This includes implementing measures such as self-exclusion programs, setting betting limits, and providing information on how to gamble responsibly. By fostering a responsible gambling environment, the Council can support individuals in making positive choices while respecting their autonomy.

# **Encouraging Community Involvement**

Community involvement is vital in promoting personal responsibility for gambling. Encouraging community organizations, religious groups, and local leaders to participate in awareness and support initiatives can create a collective effort to address gambling harm. By working together, we can build a supportive network that encourages responsible behaviour and aids those in need.

# Requiring a 12-Month Business Plan

The Rangitikei District Council's requirement for gambling license applicants to submit a 12-month business plan represents a significant overreach. While the intention may be to ensure that applicants are prepared and financially sound, this mandate imposes an undue burden on businesses and stifles entrepreneurial spirit.

# Burden on Small Businesses

For many small businesses and new entrants, developing a comprehensive 12-month business plan can be a daunting and resource-intensive task. This requirement may deter potential applicants who lack the time, expertise, or financial resources to produce such a detailed plan. Consequently, this policy could disproportionately favour larger, established operators with the capacity to meet these demands.

# Stifling Innovation and Growth

Entrepreneurship thrives on flexibility and adaptability. Requiring a rigid, long-term business plan can hinder innovative approaches and limit the ability of businesses to respond to changing market conditions. By imposing this requirement, the Council may inadvertently stifle creativity and discourage novel business models that could benefit the community.

# Lack of Evidence for Effectiveness

There is limited evidence to suggest that requiring a 12-month business plan significantly reduces gambling-related harm or improves the overall quality of gambling

establishments. Instead of imposing blanket requirements, the Council should consider more targeted measures that directly address specific concerns, such as financial stability checks or operational audits.

# Alternative Approaches

Rather than mandating a 12-month business plan, the Council could offer support and resources to help businesses develop their operational strategies. For example, providing workshops, templates, and advisory services can assist applicants in creating effective plans without imposing a rigid requirement. This approach fosters a collaborative environment and empowers businesses to succeed.

# **Alternative Approaches**

To tackle the issue of gambling in our society, we must explore alternative approaches beyond physical location restrictions. Here are several strategies that can be employed:

# Enhanced Regulations for Online Gambling

Implementing stringent regulations for online gambling platforms can ensure a safer gambling environment. This includes mandatory verification processes to prevent underage gambling, transparent reporting of win/loss ratios, and regular audits to ensure fair play. Governments can also collaborate with internet service providers to block access to unlicensed gambling websites, reducing the risk of exposure to fraudulent activities.

# Public Awareness and Education Campaigns

Launching comprehensive public awareness campaigns can educate individuals about the risks and responsibilities associated with gambling. These campaigns can highlight the signs of problem gambling, offer tips for responsible gambling, and provide information on available support services. Schools and community organizations can also be involved in these efforts to reach a broader audience.

# Support for Problem Gamblers

Providing robust support systems for individuals struggling with gambling addiction is crucial. This includes access to counselling services, helplines, and support groups. Governments and NGOs can collaborate to create rehabilitation programs that offer a holistic approach to recovery, addressing the psychological, social, and financial aspects of addiction.

## Partnerships with Financial Institutions

Collaborating with banks and financial institutions can help identify and support individuals exhibiting signs of problem gambling. For example, banks can offer tools to

block gambling transactions or set spending limits on gambling-related activities. Financial advisors can also provide guidance on managing finances and avoiding gambling-related debt.

## Incentivizing Responsible Gambling Practices

Encouraging gambling operators to promote responsible gambling practices can create a safer environment for individuals. This can include offering bonuses or rewards for setting deposit limits, taking breaks, or participating in responsible gambling workshops. Regulatory bodies can also recognize and reward operators who demonstrate a commitment to responsible gambling.

## **Research and Data Collection**

Investing in research to understand the impacts of gambling and the effectiveness of various interventions can inform policy decisions. Collecting data on gambling behaviour, problem gambling rates, and the socio-economic impacts of gambling can help tailor policies and programs to address specific issues. Collaboration with academic institutions and research organizations can enhance the quality and scope of this research.

# Conclusion

The proposed gambling policies for the Rangitikei District Council must adapt to the realities of modern gambling. Restricting physical gambling locations is an outdated approach that fails to address the prevalence and accessibility of online gambling. Instead, our focus should be on promoting responsible gambling practices and respecting the individual freedoms that define our open and free society.

By embracing a forward-thinking regulatory framework, we can ensure gambling is conducted safely and regulated both online and offline. Let us move beyond restrictive measures and work towards creating a balanced and responsible gambling environment that aligns with our societal values and technological advancements.

Thank you for considering this submission. I trust that the Rangitikei District Council will consider these points when finalizing the proposed gambling policies, ensuring they reflect modern realities and uphold the principles of freedom and openness fundamental to our society.

From:

Submissions

From: Madelaine Cullen Sent: Tuesday, 11 February 2025 3:42 pm To: Submissions <Submissions@rangitikei.govt.nz> Subject: PGF Services - Written Submission - Rangitīkei District Council Consultation: Gambling Venue (Class 4) Policy and TAB Venue Policy

Kia ora,

# Re: PGF Services – Written Submission Rangitīkei District Council Consultation: Gambling Venue (Class 4) Policy and TAB Venue Policy

I hope this email finds you well.

Please find attached a copy of PGF Services' submission on the proposed Rangitikei District Council Gambling Venue (Class 4) Policy and TAB Venue Policy. We appreciate the opportunity to provide our feedback on these important policies.

If you require any further information or clarification regarding our submission, please do not hesitate to contact us.

Additionally, we would like to be considered for an oral presentation as part of the consultation process. Our preference is to attend online. Please let us know the next steps regarding this opportunity.

Ngā mihi nui, Madelaine

Madelaine (Maddie) Cullen (she/her) Te Arawa Kaitohutohu Kaupapa Here | Policy Advisor | PGF Services





### **PGF Services Submission**

# Rangitīkei District Council

# **Class 4 Gambling and TAB Venues Policy Review 2024**

Submitted to	Rangitīkei District Council
	Draft Gambling Venue (Class 4) Policy and TAB Venues Policy Review
	via email submission to submissions@rangitikei.govt.nz
Details of Submitter	Andree Froude
	Director Advocacy and Public Health, PGF Services

**Physical Address** 

Date of Submission

24 February 2025



# Contents

EXECUTIVE SUMMARY	3
RECOMMENDATIONS AND SUBMISSION	4
CLASS 4 GAMBLING AND TAB VENUES POLICY OPTIONS	4
INTRODUCTION	4
ABOUT PGF SERVICES	4
PGF SERVICES' POSITION ON GAMBLING	4
INFORMATION FOR COUNCIL DECISION MAKING	5
CLASS 4 GAMBLING	5
GAMING MACHINE PROFITS (GMP) STATISTICS	5
CLIENT INTERVENTION DATA	6
ONLINE GAMBLING	8
DENSITY OF CLASS 4 GAMBLING VENUES	9
IMPACT OF GAMBLING HARM TO VULNERABLE POPULATION GROUPS	9
EFFICACY OF A SINKING LID	10
THE FUNDING SYSTEM	11
PRIORITISING THE PREVENTION OF HARM	12
CONCLUSION	12
REFERENCES	13



#### **EXECUTIVE SUMMARY**

PGF Services appreciates the opportunity to comment on Rangitīkei District Council's Class 4 Gambling and TAB Venues Policy review.

We strongly support and encourage Rangitīkei Council to adopt Option 2 – a sinking lid policy – for Class 4 gambling and TAB venues. PGF is encouraged that this option is being considered, as evidence shows that a sinking lid policy will gradually reduce the number of pokie machines over time, ensuring that no new licenses are issued or transferred. This approach helps to protect communities, particularly those disproportionately impacted by gambling harm, by limiting access to pokies and reducing the associated social and financial harm. By adopting this policy, the Council will take an important step toward minimising gambling-related harm and demonstrate its commitment to the well-being of its community.

A sinking lid policy is one of the best policies available to reduce gambling losses and harm from gambling. This is a step in the right direction as over half of all councils (55%) across Aotearoa New Zealand have a sinking lid policy.

Our submission is evidence-based and founded on what is known about gambling harm across Aotearoa New Zealand and beyond. PGF advocates for councils to take a closer look at the relationship between harmful gambling, social disparity, and a funding model that enables it. Funding communities based on a system that relies on our lowest income households putting money they can ill-afford into gaming machines is both unethical and inequitable. The saturation of Class 4 venues in areas of high social deprivation and the resulting harm placed on these communities is disproportionately borne by Māori.



#### **RECOMMENDATIONS AND SUBMISSION**

#### CLASS 4 GAMBLING AND TAB VENUES POLICY OPTIONS

PGF Services support and encourage Council to adopt option 2, a sinking lid policy for both Class
 4 gambling and TAB venues.

#### **INTRODUCTION**

#### ABOUT PGF SERVICES

- The Problem Gambling Foundation trades as PGF Services. We operate under contract to Te Whatu Ora and are funded from the gambling levy to provide public health and clinical services that contribute to the wellbeing of whānau and communities.
- 3. As part of our public health work, we advocate for the development of public policy that contributes to the prevention and minimisation of gambling related harms.
- 4. This includes working with Territorial Local Authorities (TLAs) to encourage the adoption of policies that address community concerns regarding the density and locality of gambling venues, in this case, a sinking lid policy.

#### PGF SERVICES' POSITION ON GAMBLING

- 5. It is important to note that we are not an 'anti-gambling' organisation. We are, however, opposed to the harm caused by gambling and advocate strongly for better protections for those most at risk of experiencing gambling harm.
- 6. We recognise that many New Zealanders do not gamble harmfully.
- 7. While most New Zealanders gamble without experiencing any apparent harm, a significant minority do experience harm from their gambling, including negative impacts on their own and the lives of others. It should also be noted that nearly 50% of all gambling harm is experienced by people who participate in low-risk gambling (harms include damage to relationships, emotional distress, financial impacts and disruptions to work or study). This suggests we need to focus on reducing gambling harm at the whole-of-population level (1).



- As at 2022/23, total expenditure (losses, or the amount remaining after deducting prizes and pay-outs from turnover) across the three main forms of gambling; Class 4 Electronic Gaming Machines (EGMs), Lotto, TAB, and Casinos, was more than \$2.76 billion, or \$768 for every adult (2).
- 9. In 2023, over \$1.1 billion was lost to pokies across Aotearoa New Zealand (3). This was the highest annual loss since 2003. (As yet we do not have up to date data from the Department of Internal Affairs (DIA) for 2023/2024, so we have based the above on what is available).
- Most money spent on gambling in New Zealand comes from the relatively limited number of people who use Class 4 EGMs, and most clients accessing gambling support services cite pub/club EGMs as a primary problem gambling mode (4).

#### INFORMATION FOR COUNCIL DECISION MAKING

#### **CLASS 4 GAMBLING**

- 11. The harms caused by different forms of gambling are not equal, as evidenced by the different classifications of gambling within the Gambling Act 2003.
- 12. Class 4 gambling EGMs in pubs, clubs and TABs is characterised as high-risk, high-turnover gambling, and continues to be the most harmful form of gambling in New Zealand and the primary mode of gambling for those seeking help (5).
- 13. EGMs are particularly harmful because they allow continuous gambling (6). The short turnaround time between placing a bet and finding out whether you have won or lost, coupled with the ability to play multiple games in quick succession makes continuous gambling one of the most addictive forms of gambling available.

#### GAMING MACHINE PROFITS (GMP) STATISTICS

- 14. As at September 2024, there were five Class 4 gambling venues in the Rangitīkei District, hosting a total of 58 EGMs (7).
- Between September 2023 and September 2024, approximately \$3,245,201.05 was lost to Class 4
   EGMs in the Rangitīkei District (3).



16. From 2015 to Sep 2024, GMP has shown a consistent upward trend in the long term. However, nominal GMP decreased by 5.9% between September 2023 and September 2024. While this represents a marginal decline, it should not be interpreted as a clear indicator of reduced gambling harm, especially when the overall numbers have traditionally shown an increase over time. The long-term trend continues to show an overall upward trajectory in gambling activity, and this should be considered when assessing the effectiveness of current harm reduction strategies.

#### CLIENT INTERVENTION DATA

- A total of three clients from the Rangitīkei District were assisted between September 2023 to September 2024 for all intervention types, including brief interventions<sup>1</sup> (4).
- 18. However, it is difficult to know whether this reflects the exact number of all people impacted by gambling in the Rangitikei District. We know that due to the stigma of gambling harm, many people do not present to support services for help. We therefore know that to measure the severity of gambling harm in a region based on the number of interventions is flawed.
- 19. The Ministry of Health's Strategy to Prevent and Minimise Gambling Harm states that "needs assessment and outcomes monitoring reports show that only 16% of potential clients for gambling support services (that is, people whose reported harm results in a moderate to high PGSI<sup>2</sup> score) actually access or present at these services", and that this low service use is also evident for other forms of addiction such as alcohol and drugs (5).
- 20. The Ministry of Health's Continuum of Gambling Behaviour and Harm (Figure 1) estimates the number of people experiencing mild, moderate or severe gambling harm is more than 250,000 that's more than the population of Wellington (5).

<sup>&</sup>lt;sup>1</sup> Brief Interventions are specialised interventions that focus on engaging with people at risk of gambling harm and encouraging them to recognise the potential impacts of their own or another's gambling on their life.

<sup>&</sup>lt;sup>2</sup> The Problem Gambling Severity Index (PGSI) is commonly used to screen and categorise three levels of harm: severe or high risk (problem gambling), moderate risk and low risk.



None Non-Problem Gambler PGSI Score 0 (Out of 27)		Probability of other addictions being gambling	
Meta-analysis 2012, 2014, 2016 HPA HLS Survey 5.3% of Population PGSI Score 0 (95% CI: 63.7-66.8.0)	Low / Mild PGSI Score 1-2 (Out of 27) Meta-analysis 2012, 2014, 2016 HPA HLS Survey 3.1 % of Population (95% Cl: 2.6-3.5)	Moderate PGSI Score 3-7 (Out of 27) Meta-analysis 2012, 2014, 2016 HPA HLS Survey 1.30 % of Population (95% Cl: 0.9-1.7)	Severe (Problem) PGSI Score 8+ (out of 27) Meta-analysis 2012, 2014, 2016 HPA
Non-Gambler 29.9.0% of Population (95% CI: 28.3-31.4)	Approx. 167,888 people over 15 yrs	Approx. 60,440 people over 15 yrs	HLS Survey 0.5 % of Population (95% CI: 0.1-1.3) Approx. 23,500 people over 15 yrs

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

- 21. A New Zealand gambling study estimates that 30% of EGM losses is from problem and moderate risk gamblers (7).
- 22. While the Ministry of Health's client intervention data is not an accurate measure of the prevalence of gambling harm in New Zealand, it can tell us the rate of harm from different classes of gambling amongst those who have sought help.
- 23. Data for 2022/23 shows that of the 4,411 individuals who received full intervention support for their own or someone else's gambling, 1,987 (45.0%) were for Class 4 EGMs (4).

Primary Mode	Full Interventions	Percentage
Non-Casino Gaming Machines (EGMs or Pokies)	1,987	45.0%
Lotteries Commission Products	490	11.1%
Overseas online gambling	478	10.8%
Casino Gaming Machines (EGMs or Pokies)	439	10.0%
TAB (NZ Racing Board)	388	8.8%
Casino Table Games (inc. Electronic)	332	7.5%
NZ Other gambling	213	4.8%
Housie	49	1.1%
Cards	35	0.8%
Total	4,411	100%

Table 1: 2022/23 client intervention data by primary gambling mode.

24. Given that almost half of the clients in 2022/23 sought help due to Class 4 EGMs, this indicates the level of harm EGMs are causing in our communities.



25. We further acknowledge that Rangitīkei has limited support services for those affected by gambling harm. While we are a national gambling harm service provider, we can only offer remote support, and there is a notable lack of locally based services. Kaupapa Māori providers do offer clinical support; however, these services are largely based outside the region. Service providers such as Te Rangihaeata Oranga Trust and other Māori health organisations offer support services but there is no in-person support available in the region. Individuals and whānau in need may face barriers to accessing timely and culturally appropriate assistance.

#### **ONLINE GAMBLING**

- 26. Online gambling is not within the scope of Rangitīkei District Council's Class 4 gambling and TAB venues policy review. Online gambling is the purview of the DIA who are responsible for addressing online gambling within legislation.
- 27. Like many others in Aotearoa New Zealand, we are concerned that children and young people in particular, are not receiving adequate protections to harmful online content, including exposure to and availability of gambling and gaming products.
- 28. The Gambling Act 2003 is now almost 20 years old and no longer reflects the online gambling and gaming environment we now have, nor does it afford the robust regulatory framework that will protect consumers online.
- 29. PGF also notes that an area of concern for local government is that an 'unintended consequence' of a reduction in physical gaming machines through more restrictive Class 4 gambling policy, would lead to an increase in online gambling.
- 30. As a comment of assurance, there is no tangible evidence that this occurs more rapidly due to a sinking lid policy. There are no New Zealand studies tracking the migration patterns of pokie players. Rather, the COVID-19 lockdowns have shown that while there was an increase in online gambling during lockdown (namely, MyLotto sales) (8, 9), people returned to Class 4 gambling after the lockdown. This was highlighted when the DIA saw an increase in GMP by 116% in the June to September 2020 quarter, which followed the COVID-19 lockdown in 2020 (10).
- 31. PGF also anticipated that clients would migrate to online gambling during the 2020 lockdown, but this did not happen. Venue closures due to COVID provided a forced break from pokies that yielded many benefits. Many clients did not gamble at all; they saved money; enjoyed their families and reassessed their priorities. Online gambling at home was too visible and



confronting. Part of visiting venues is that gambling is invisible to the family and private.

32. Existing evidence suggests that Class 4 gambling competes with other industries for household expenditure, but not so much with other forms of gambling. The New Zealand Institute of Economic Research (NZIER) found that the cost to retail sales of Class 4 gambling was estimated to be \$445 million for the 2018/19 year. Increased retail sales would generate an additional 1,127 full-time equivalent jobs for 1,724 workers worth approximately \$50 million in wages and salaries (10). This is an interesting finding given that previous cost-benefit assessments of Class 4 gambling have tended to assume that this activity creates additional employment or is neutral from an employment perspective.

#### **DENSITY OF CLASS 4 GAMBLING VENUES**

- 33. What makes Class 4 EGMs more harmful than casino EGMs is their location within our communities and the design of EGM rooms within Class 4 venues.
- 34. In the Rangitīkei District, SA2 analysis shows all five Class 4 gambling venues (as at September 2024) are located in a high deprivation area, i.e. deciles 9-10 (3).
- 35. Data published by the DIA shows that almost 61% (603 out of 991 as at 30 June 2024) of Class 4 gambling venues in New Zealand are located in medium-high or very-high deprivation areas (3).

Very Low	Medium Low	<b>Medium</b>	<b>Medium High</b>	<b>Very High</b>
Decile 1–2	Decile 3–4	Decile 5–6	Decile 7–8	Decile 9–10
66	136	186	273	330

Table 2: Class 4 gambling venues as at 30 June 2024 by deprivation score.

36. A report commissioned by the Ministry of Health notes that EGMs in the most deprived areas provide over half of the total Class 4 EGM expenditure (12).

#### IMPACT OF GAMBLING HARM TO VULNERABLE POPULATION GROUPS

37. It is unethical that the majority of Class 4 EGM expenditure is coming from our lowest income households who can least afford it.



- 38. This is particularly concerning given that this disproportionately impacts Māori who generally live in the areas where many Class 4 venues are located. We note that 28% of the Rangitikei District population identified as Māori (13).
- 39. The 2020 Health and Lifestyles Survey estimates indicated that Māori were 3.13 times more likely to be moderate-risk or problem gamblers than non-Māori and non-Pacific peoples (14).
- 40. Research indicates that Māori experience harmful gambling differently, and that this disparity has not diminished over the years. This is a systemic issue that is inequitable.

#### EFFICACY OF A SINKING LID

- 41. From a public health perspective, there is a generally held view that the easier it is to access an addictive product, the more people there are who will consume that product.
- 42. It follows then that stronger restrictions on the number and location of addictive products, such as EGMs, require a public health approach to the prevention and minimisation of gambling harm.
- 43. Sections 92 and 93 of the Gambling Act mandate the maximum number of pokie machines a Class 4 venue can host (18 if the venue licence was held on or before 17 October 2001, nine if the licence was granted after that date). This is the minimum regulation a TLA must implement in its Class 4 gambling policy.
- 44. The Auckland University of Technology's New Zealand Work Research Institute recently published a research paper, *Capping problem gambling in New Zealand: the effectiveness of local government policy intervention*, which aimed to understand the impact of public policy interventions on problem gambling in New Zealand (15).
- 45. This research focussed on Class 4 gambling to assess the impact of local government interventions (absolute and per capita caps on the number of machines and/or venues and sinking lid policies) on the number of machines/venues and the level of machine spending over the period 2010-2018.
- 46. Key findings from this research include:
  - a. All three forms of policy intervention are effective in reducing Class 4 venues and EGMs, relative to those TLAs with no restrictions beyond those mandated by the Gambling Act.



- b. Sinking lids and per capita caps are equally the most effective at reducing machine spending.
- c. Those TLAs who adopted restrictions above and beyond those mandated by the Gambling Act experienced less gambling harm than those TLAs who have not.

#### THE FUNDING SYSTEM

- 47. Following the removal of tobacco funding, EGMs were introduced with the primary purpose of funding communities.
- 48. Trusts and Societies are required to return 40% of GMP to the community by the way of grants or applied funding. This has inextricably linked gambling harm with the survival of community groups, sports and services.
- 49. In 2023 the overall gaming machine profit (GMP) for the Rangitīkei District from DIA data was \$3,431,678.92. However, according to the Granted website, Class four trusts and societies in the area only returned \$1,130,120 of the GMP to the community (15). This represents just 33% of the total funds generated. This disparity highlights a significant gap between the amount raised through Class 4 gambling activities and the proportion reinvested back into local community initiatives, which raises concerns about the effectiveness of these funds in supporting local development and welfare.
- 50. What we do know is that the unethical nature of the funding model cannot be ignored. The *Gambling Harm Reduction Needs Assessment* (2018), prepared for the Ministry of Health, raises fundamental questions about the parity of this funding system (15).
- 51. Further research commissioned by the DIA revealed that there is a very strong redistributive effect from more deprived communities to less deprived communities when examining the origin of GMP and the destination of Class 4 grants (16).
- 52. Overall, less deprived communities (decile 1-5) provided 26% of the GMP but receive 88% of the grants. Conversely, more deprived communities (decile 6-10) provide 74% of the GMP but receive only 12% of the grants (16).



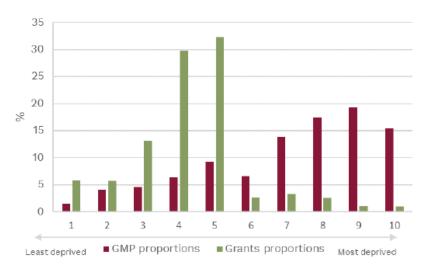


Figure 2: The origin of GMP and the destination of Class 4 grants by socio-economic decile (BERL, 2020)

#### PRIORITISING THE PREVENTION OF HARM

- 53. While a sinking lid is at present the best public health approach available to TLAs to prevent and minimise gambling harm in their communities, we contend that such a policy does not go far enough or work fast enough to do this.
- 54. Several councils have already expressed their frustration at the limited opportunities available to them in their attempts to reduce the harm from Class 4 gambling in their communities.
- 55. We continue to encourage Council to advocate to central government for the following:
  - a. Adoption of a more sustainable, ethical, and transparent community funding system.
  - b. More powers for councils to remove EGMs from their communities.
  - c. The urgent removal of Class 4 EGMs from high deprivation areas 7-10 in New Zealand.

#### **CONCLUSION**

- 56. The Gambling Act 2003 was enacted to provide a public health approach to the regulation of gambling and to reduce gambling harm.
- 57. A sinking lid with no relocation or venue merger provisions is the best public health approach available to councils who wish to prevent and minimise gambling harm in their communities.
- PGF appreciates the opportunity to make a written submission on Rangitikei District Council's Gambling Venues Policy.

12



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From:

Submissions

From: Jarrod True Sent: Thursday, 13 February 2025 3:50 pm To: Submissions <Submissions@rangitikei.govt.nz> Subject: The Gaming Machine Association of New Zealand's Submission on Rangitikei District Council's Gambling Venue Policy

Please find attached the Gaming Machine Association of New Zealand's Submission on Rangitikei District Council's gambling venue policy.

I would like to speak to the submission at the upcoming hearing.

Jarrod True | Director | True Legal Ltd | truelegal.co.nz |



#### Specialist legal advisors.

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

#### Introduction

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

#### Summary

- 2. The Association asks that:
  - The relocation provision be expanded to allow council to consider, on a case-by-case basis, relocations in any circumstances where the applicant can demonstrate that the new site is more desirable from a harm minimisation perspective. This would allow venues to move to lower deprivation areas and away from residential areas/sensitive sites. This is currently only allowed when the venue cannot continue to operate at the existing site; for example, due to a fire, or natural disaster. We should not have to wait for a catastrophic event to move a venue to a more desirable location.
  - Remove the requirement that relocated venues not be within 100 metres of an ATM (this is an effective ban, given how common non-bank ATMs are).
  - Retain the current cap of 58 machines.

#### Expanding the Relocation Provision

- 3. In September 2013, Parliament recognised the merit in enabling venues to relocate, and expressly amended the Gambling Act 2003 to enable venues to relocate and retain the same number of machines when a relocation consent was obtained.
- 4. The amendment was not made to help venues who found themselves needing to move due to circumstances beyond their control. The amendment was made to encourage and facilitate venues to move from undesirable locations to more desirable locations. In the in committee reading of the Gambling (Gambling Harm Reduction) Amendment Bill (the Bill that led to the enactment of section 97A), the Bill's sponsor, Te Ururoa Flavell, stated<sup>1</sup>:

The Government... wanted to allow venues, with permission from territorial authorities, to move their pokie machines out of harm's way—perhaps to central business districts...

1

https://www.parliament.nz/en/pb/hansard-debates/rhr/document/50HansD\_20130807\_00000040/gambling-gambling-harmreduction-amendment-bill-in

- 5. Venue relocation is a harm minimisation tool.
- 6. Currently all five Rangitikei venues are in very high or medium high deprivation areas.
- 7. If a venue wishes to relocate out of a high deprivation area to a lower deprivation area, the policy should permit this. There is no good policy reason for taking steps to restrict this option. Restricting the option to relocate simply entrenches venues in high deprivation locations.
- 8. If a venue wishes to relocate out of a suburban/residential area to a more suitable area, such as a central business district, the policy should permit this. There is no good policy reason for taking steps to restrict this option. Restricting the option to relocate simply entrenches venues in undesirable residential locations.
- 9. The relocation provision should not be limited to circumstances where the venue cannot continue to operate at the existing site: i.e., relocation should not be limited to cases where there has been a fire or natural disaster. We should not have to wait for a fire or earthquake to move machines from undesirable areas to more desirable areas. We should seize every such opportunity and promptly facilitate it.
- 10. The relocation policy should also be flexible enough to support businesses that wish 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.
- 11. 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

- 12. The relocation policy should enable venues to move to smaller, more suitable premises. Enabling venues to move away from large premises, with large car parking areas, to newer, smaller premises also has the advantage of freeing up large areas of land, which may be better used for affordable high-density housing.
- 13. The relocation policy should enable venues to move out of earthquake-prone buildings to

stronger, more modern buildings. This is a health and safety issue.

- 14. It would also be reasonable to also allow venues to relocate when the move is due to onerous rental sums or lease terms being imposed. 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 more flexible relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.
- 15. The following wording is suggested for a relocation provision:

#### Venue Relocation

A new venue consent will be issued by Council in the following circumstances:

- (a) Where the venue is intended to replace an existing venue within the district;
- (b) Where the existing venue operator consents to the relocation; and
- (c) Where the proposed new location meets all the other requirements in this policy.

In accordance with section 97A of the Gambling Act 2003, when a relocation consent is sought under this relocation provision, the new venue may operate up to the same number of machines that were permitted to operate at the old venue immediately before the old venue licence was cancelled as a result of the relocation.

In accordance with section 97A(c) of the Gambling Act 2003, when the new venue is established following a consent being granted under this relocation provision, the old venue is treated as if no class 4 venue licence was ever held for the venue. The old venue will therefore require a new territorial authority consent from Council before being relicensed to host gaming machines and will be limited to a maximum of 9 machines if such a consent is issued by Council.

16. Previously, venues were able to relocate a short distance without needing to obtain Council consent under what was known as the Waikiwi Tavern precedent. This option was removed by the High Court on 19 February 2024: *Feed Families Not Pokies Aotearoa Inc v Secretary for Internal Affairs* [2024] NZHC 217 [19 February 2024]. The only way now for a venue to relocate, no matter how minor the distance, is to obtain a relocation consent under Council's gambling venue policy. It is therefore more important than ever that Councils cater for venue relocations in their gambling venue policies.

#### Venue Relocation Restriction – 100m from an ATM

- 17. The requirement for a relocated venue to not be within 100 metres of an ATM should be removed.
- 18. Given the large number of traditional bank ATMs and the ever-increasing number of nonbank ATMs located in convenience stores, the ATM location restriction prevents a venue

being relocated to a new site anywhere within central business districts. The policy should encourage and facilitate the relocation of venues in the central business districts, as this is the most appropriate place for gaming venues to be located.

19. The current policy is doing little from a harm minimisation perspective, as a person who wishes to obtain cash to gamble can easily do so from the EFTPOS terminal located inside the venue.

#### Problem Gambling in the Rangitikei District

20. The Ministry of Health keeps a record of the number of people in each territorial authority that seek help via the phone, text, email or face-to-face counselling services that are available. Problem gambling presentations from persons based in the Rangitikei District are extremely low. The Rangitikei District presentation data<sup>2</sup> (Table 10 – excludes brief interventions) are as follows:

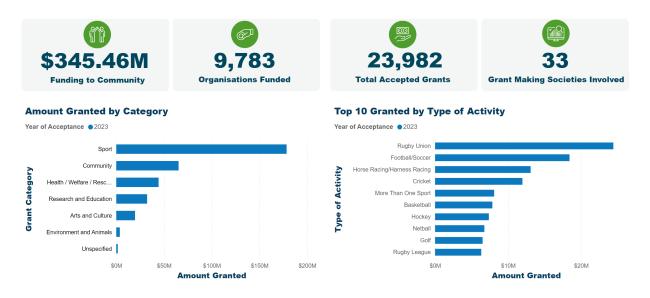
2018/19	new clients 0	total clients seen 1
2019/20	new clients 2	total clients seen 3
2020/21	new clients 0	total clients seen 3
2021/22	new clients 0	total clients seen 0
2022/23	new clients 0	total clients seen 1

#### Benefits from Gaming Machines - Gaming Machine Funding

- 21. 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.
- 22. In 2023, approximately \$345m of grant funding was approved across 23,982 grants to 9,783 different organisations.<sup>3</sup> In addition, over \$50m was applied by various RSAs and Workingmen's Clubs to support their own activities. Of the grants distributed in 2023, 51% were sports-related. The second most popular category was community (19%). This funding is crucial.

<sup>&</sup>lt;sup>2</sup> https://www.health.govt.nz/our-work/mental-health-and-addiction/addiction/gambling/service-userdata/intervention-client-data#territorial

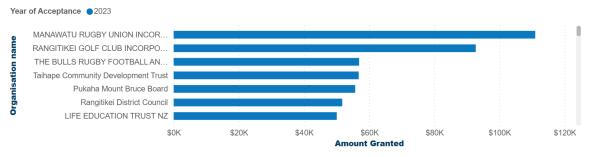
<sup>&</sup>lt;sup>3</sup> https://granted.govt.nz/dashboard.html



- 23. The local benefit from gaming machine funding includes the following:
  - External grants made to local community groups; and
  - External grants made to national and regional organisations that provide services and support locally

#### External Grants

- 24. The amount of grants made to Rangitikei District-based organisations is posted on the granted.govt.nz website.
- 25. In 2023, grants totalling **\$1,130,120.00** were made to the Rangitikei District:



#### Amount Granted by Organisation

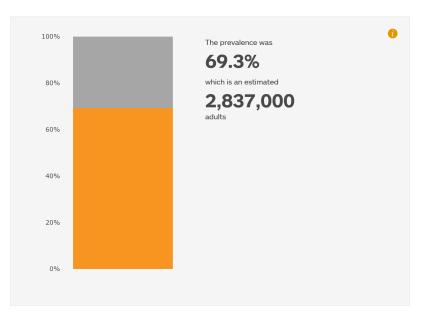
#### Grants to National and Regional Organisations

26. Approximately 6% of all grants are made to national and regional organisations. For example, if St John sought funding for a new ambulance for the Marton station, the funding application would be made by the Auckland-based head office, and the funding allocated to Auckland, despite the grant having a direct benefit to Rangitikei District.

#### Benefits from Gaming Machines - Gambling is an Enjoyable Activity

2020 Health and Lifestyles Survey

27. Gambling is a popular form of entertainment that most New Zealanders participate in. The 2020 Te Hiringa Hauora Health and Lifestyles Survey<sup>4</sup> found that 69.3% of adult New Zealanders had participated in some form of gambling in the previous 12 months (estimated to be 2,837,000 New Zealanders aged 16 and over).



28. The majority of people who gamble do so because they find it an enjoyable activity. This was observed by Suits (1979, p. 155)<sup>5</sup>, who stated:

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

29. Gambling for the non-addicted gambler may also be an avenue for socialising, stress relief and a way of having fun. Contrary to how it may appear from a non-gambler's perspective, gamblers do not necessarily anticipate they will make money from gambling. Parke (2015)<sup>6</sup> stated:

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

<sup>&</sup>lt;sup>4</sup> https://kupe.healthpromotion.govt.nz/#!/gambling/gambling-participation

<sup>5</sup> Suits, D. (1979). The Elasticity of Demand for Gambling. The Quarterly Journal of Economics, 93(1), 155–162. https://doi.org/10.2307/1882605

<sup>6</sup> Parke, J. (2015). Gambling, leisure and pleasure: Exploring psychosocial need satisfaction in gambling. Presentation at the KPMG eGaming summit. https://assets.kpmg/content/dam/kpmg/pdf/2016/07/im-esummit-report-2015.pdf.

#### Benefits from Gaming Machines - Positive Wellbeing Impact from Gambling in New Zealand

30. The 2021 TDB Advisory report, Gambling in New Zealand: A National Wellbeing Analysis<sup>7</sup>, found that gambling in New Zealand had a net positive wellbeing benefit totalling around \$1.74b to \$2.16b per annum.



#### Revenue Breakdown

31. 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 are returned to the player in winnings. The money retained is typically allocated as follows:

#### **Typical Distribution of Gaming Machine Profits**

	GST Inclusive	GST Exclusive
Government Duty	20%	23%
GST	13.04%	0
Problem Gambling Levy	1.08%	1.23%
DIA Costs	2.9%	3.33%
Gaming Machine Depreciation	6.95%	8%
Repairs & Maintenance	2.84%	3.27%
Venue Costs	13.9%	16%
Society Costs	1.74%	2%
Donations	37.53%	43.16%

<sup>7</sup> https://www.gamblinglaw.co.nz/download/Gambling\_in\_New\_Zealand.pdf

#### Gaming Machines – Key Facts

- 32. 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, nearly 37 years ago.
- 33. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In June 2024, New Zealand had 14,109 gaming machines.
- 34. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)<sup>8</sup> found the problem gambling rate was 0.2% of people aged 18 years and over (approximately 8,000 people nationally). The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
- 35. All gaming machine societies contribute to a problem gambling fund. This fund provides over \$25 million per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.
- 36. An excellent, well-funded problem gambling treatment service exists. The problem gambling helpline is available 24 hours a day, 365 days per year. Free, confidential help is available in 40 different languages. Free face-to-face counselling is also available, and specialist counselling is available for Māori, Pasifika and Asian clients. An anonymous, free text service (8006) is available. Support via email is also available (help@pgfnz.org.nz).

#### Existing Gaming Machine Safeguards

- 37. Adopting a more restrictive policy is not necessary given the significant measures that are already in place to minimise the harm from gaming machines.
- 38. **Gamblers are now only permitted to make one cash withdrawal per day.** If a second cash withdrawal is made, the venue staff are required to talk to the player about their gambling and complete a two-page report about the person's gambling. That report must then be reviewed by the venue manager within seven days.
- 39. ATMs are excluded from all gaming rooms. ATMs at gaming venues must be in direct line of sight from the main bar area or main customer service area.
- 40. Gaming machines cannot be visible from outside the venue.
- 41. Venue staff are required to undertake three formal sweeps of the gaming room per hour and keep a detailed record of each sweep.
- 42. 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

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

prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.

- 43. There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
- 44. 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.
- 45. 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.
- 46. Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.
- 47. All gaming venues have a harm minimisation policy.
- 48. All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
- 49. 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.
- 50. All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.
- 51. Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
- 52. It is not permissible for a player to play two gaming machines at once.
- 53. All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
- 54. 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).
- 55. 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

- 56. The current cap which is set at the number of existing machines (58) is reasonable, given the current environment of high regulation and naturally reducing machine numbers.
- 57. Gaming machine venue numbers have already declined considerably. In 2015, the Rangitikei District had eight venues and 80 gaming machines; the district currently only has five venues and 58 gaming machines.
- 58. There is no direct correlation between gaming machine numbers and problem gambling rates. Over the last ten years, the problem gambling rate has remained the same, despite gaming machine numbers declining rapidly (4,618 gaming machines have been removed from the market).
- 59. The 2012 National Gambling Survey<sup>9</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 noncasino 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.

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

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

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

61. 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:

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

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

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

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

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

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

63. 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.



64. 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.

- 65. There is no question that New Zealanders love gambling online.
- 66. The 2020 Health and Lifestyle Survey found that 1 in 4 New Zealand adults participated in some form of online gambling, with 19% participating almost every week.<sup>11</sup>

In the last 12 months,

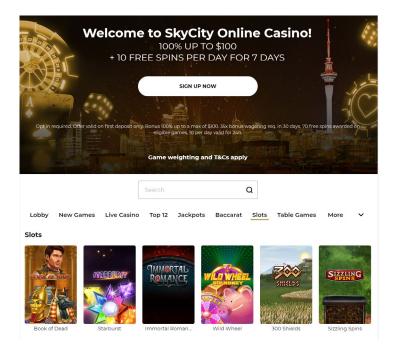


New Zealand adults -----

19% of online gamblers participated in online gambling almost every week.

Online gamblers-

- 67. TAB New Zealand's online channels make up over 80% of its betting turnover.
- 68. SkyCity has a very popular offshore-based online casino with a large selection of gaming machine games.



69. TAB New Zealand estimates that the total online spend with offshore gambling websites by New Zealanders for the 12 months to August 2020 was \$570-\$580m.

 $<sup>^{11}</sup> https://www.hpa.org.nz/sites/default/files/2020\%20 Health\%20 and\%20 Lifestyles\%20 Survey\%20 Top\%20 line\%20 report.pdf$ 

- 70. In March 2022, Kiwibank advised<sup>12</sup> that its customers were spending around \$30 million every month playing on online gambling sites. Kiwibank is only one bank; one of the smaller banks.
- 71. The migration from physical Lotto stores and SkyCity was apparent during the Covid-19 lockdowns. When the physical venues were closed, the number of online registered players, and the amount of online revenue, skyrocketed:

'MyLotto':

- 2018 748,000 registered players.
- 2020 1,230,000 registered players.
- 2018 \$201m spend.
- 2020 \$430m spend.

SkyCity online casino:

- 2018 25,661 registered players.
- 2020 48,958 registered players.
- 2018 \$254m spend.
- 2020 \$793m spend.
- 72. The Australian National University 2024 study *Gambling Participation in Australia 2024, Trends Over Time, and Profiles Associated with Online Gambling*<sup>13</sup> confirmed the player migration from physical gambling venues to online. The study found at page 6:

Our data also suggest that these individuals may have 'switched' their gambling activity from venue-based gambling (e.g. EGM gambling) to activities that are readily available online in Australia, such as betting on sports and racing. This may reflect increase in overall online gambling participation that has been observed prior to COVID-19.

- 73. Offshore-based online gambling poses considerable risks because it:
  - Is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
  - Has no restrictions on bet sizes;
  - Has no capacity for venue staff to observe and assist people in trouble;

<sup>&</sup>lt;sup>12</sup> https://www.newshub.co.nz/home/new-zealand/2022/03/kiwibank-customers-spending-30m-every-month-playing-on-onlinegambling-sites.html

<sup>&</sup>lt;sup>13</sup> https://www.gamblinglaw.co.nz/download/Gambling\_in\_Australia\_2024\_002.pdf

- 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.
- 74. Offshore-based online gambling does not generate any community funding for New Zealanders, and does not make any contribution to the New Zealand health and treatment services, as no contribution is made to the problem gambling levy.
- 75. The Government has recently confirmed that it had made a decision to regulate online casino gambling and issue online gambling licences from early 2026. The introduction of a licensing system will enable offshore-based online providers to market and advertise more freely, which will lead to even greater growth. While the online providers will be licensed and required to pay gaming duty, they will not be required to make any community grants and may remain entirely based offshore (no local employment and all profits being removed from New Zealand).

#### Council Conflicts of Interest

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

#### **Oral Hearing**

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

13 February 2025

Jarrod True Counsel Gaming Machine Association of New Zealand

gmanz.org.nz

## BROOKFIELDS LAWYERS

15 March 2021

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

ATTENTION: Peter-Dengate Thrush

#### **GAMBLING VENUE POLICY - CONFLICT OF INTEREST**

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

#### **YOUR QUESTIONS**

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

#### EXECUTIVE SUMMARY

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

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LAWYERS

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it may be prudent to seek a decision from the Auditor-General as to whether the potential interest is deemed too remote to influence decision-making.

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

#### ANALYSIS

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

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

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

gLtrhead



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

#### Financial conflicts of interest

- 6. The applicable legislation is the Local Authorities (Members' Interests) Act 1968 (LAMIA). While the LAMIA does not define what a financial interest is, section 6(2) outlines a number of examples where a member will be deemed to have a financial interest:
  - The member, or his or her spouse, owns 10% or more of the issued capital of an incorporated company or any company controlling that company, that has a pecuniary interest (direct or indirect) in a matter before the local authority or committee; or
  - The member, or his or her spouse, is a member of the company and either of them is the managing director or the general manager of the company; or
  - The member, or his or her spouse, is a member of a company controlling the company having a pecuniary interest in the matter before the local authority or committee, and either the member, or his or her spouse, is the managing director or the general manager; or
  - The member, or his or her spouse, is the managing director or general manager of the company, and either of them is a member of a company controlling that company.
- 7. Other than these examples, the LAMIA does not define what a "financial interest" is. However, the Auditor-General has described a "financial interest" as "a reasonable expectation of financial loss or gain from the particular decision".<sup>2</sup>
- 8. It is unlikely that membership alone of a community organisation that receives gaming grant funding would give rise to a financial interest. This is because such organisations and clubs are usually run on a not-for-profit basis. One example where a financial interest could potentially arise would be if the member were in a paid position at the club or organisation, and the funding for that position comes from gaming grants. Another example may be where there is a prospect that membership fees or subscriptions to a club could be affected by the amount of gaming grant funding. However, given that gambling venue policies are relatively high-level in nature and do not directly address matters such as the licensing of particular venues (which involve a separate decision-

<sup>&</sup>lt;sup>1</sup> Section 6(1) of the Local Authorities (Members' Interests) Act 1968.

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



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

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

#### Non-financial conflicts of interest

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

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

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

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

- 12. Unlike a financial conflict of interest, a potential non-financial conflict does not automatically exclude a member from participating in a decision. It will depend on how serious the conflict is. The Auditor-General has suggested a number of factors that may be relevant to an assessment of whether a potential conflict is serious enough to exclude a member from participation in decision-making. They include:<sup>5</sup>
  - The type or size of the person's other interest;
  - The nature or significance of the particular decision or activity being carried out by the public organisation;
  - The extent to which the person's other interest could specifically affect, or be affected by, the public organisation's decision or activity; and

<sup>&</sup>lt;sup>3</sup> Bushell v Secretary of State for the Environment [1981] AC 75, 95.

<sup>&</sup>lt;sup>4</sup> Muir v Commissioner of Inland Revenue [2007] 3 NZLR 495.

<sup>&</sup>lt;sup>5</sup> Controller and Auditor-General, **Managing conflicts of interest: A guide for the public sector**, June 2020, at 4.31.



- The nature or extent of the person's current or intended involvement in the public organisation's decision or activity.
- 13. In our view, in the context of decision-making on a gambling venue policy, the mere fact that an elected member is also a lay member of an organisation or club that receives gaming grant funding is unlikely to give rise to a conflict of interest. This is because of the level of remoteness from any possible benefit or loss associated with the decisionmaking. In most cases, the contents of a gambling venue policy will not directly impact on funding that has or may be received by a club or organisation from gaming machine grants. The purpose of the policy is to specify whether class 4 venues may be established. and if so their location. It can also specify restrictions on the number of gaming machines that may operate at a class 4 venue. Such matters do not necessarily impact directly on whether a club or organisation may receive gaming grant funding, and if so, the amount of any such grant. Funding decisions are made by the organisations who operate the gaming machines, not the Council. The fact that a member, by virtue of membership of a club or organisation that has received gaming grants, has knowledge or experience of the beneficial impacts that gaming grants can have on the community does not give rise to a conflict of interest. To the contrary, it may contribute to a fair and balanced consideration of the issues arising when making decisions on a gambling venue policy. This would be consistent with the purpose of the of the GA, which is inter alia to ensure that money from gambling benefits the community and to facilitate community involvement in decisions about the provision of gambling.6
- 14. It is important to distinguish between membership of a <u>club or organisation that receives</u> <u>gaming grants</u>, and membership of a <u>club or organisation that holds a gaming licence</u>. In our view, while the former would not give rise to a conflict of interest in decision-making on a gambling venue policy, there is a much greater likelihood that the latter could give rise to a conflict of interest. This is particularly the case if the elected member holds an executive role in the club or organisation that operates a gaming licence. This is because, while a gambling venue policy does not specify whether or not a particular club or organisation is able to obtain a gaming licence *per se*, the policy may affect the eligibility of a club or organisation to hold a licence. As such, participation in the discussion or decision-making by a member of any such club or organisation could create an appearance of bias and therefore a conflict of interest.
- 15. Elected members should also always be mindful of avoiding predetermination, i.e., approaching decision-making with a closed mind. Elected members are entitled (and expected) to bring their previous knowledge and experiences to decision-making, but to approach any decision with an open mind. This means that elected members should be cautious about being vocal, other than in the course of Council debates, about particular views in a manner that may suggest that they do not and cannot have an open mind on a particular matter. This is because a conflict of interest may arise as a result of possible predetermination (i.e. actual or perceived bias).
- 16. In summary:

<sup>&</sup>lt;sup>6</sup> Section 3 of the GA.

## BROOKFIELDS LAWYERS

Page 6

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

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

- 17. Council initiatives will frequently fall within the second category of the definition of an "authorised purpose" for which gaming proceeds may be used, as set out in section 4 of the GA i.e., "a non-commercial purpose that is beneficial to the whole or a section of the community". Notwithstanding the eligibility for Council initiatives to receive gaming grants, Parliament conferred territorial authorities with the responsibility of formulating a gaming venue policy for their districts. We do not consider that any conflict of interest would arise in relation to decision-making on a gambling venue policy because the Council may have previously been awarded gaming grants. This is because:
  - a. While individual elected members are subject to the LAMIA which prevents them from participating in decision-making where they have a financial interest, Council as an entity is not subject to the LAMIA.
  - b. Caselaw recognises the inevitability of a degree of conflict within councils when exercising certain statutory functions. It is established, for example, that a council may object to its own district plan, prosecute itself, and apply to itself for a resource consent.
  - c. The standard of impartiality for a Council is that it must approach its duty of inquiring into submissions with an open mind.<sup>7</sup> Given the requirement to undertake a special consultative process and the diverse views of individual members, it is unlikely that the fact that certain projects

<sup>&</sup>lt;sup>7</sup> Lower Hutt City Council v Bank [1974] 1 NZLR 545 at 550.



undertaken by Council have benefited from gaming grants would unduly influence Council decision-making on its gambling venue policy. For the same reasons outlined above in relation to individual members, the connection between gaming grant money and decision-making on gambling venues is too remote to constitute a conflict of interest. In any event, compliance with the statutory rules in the LGA regarding decisionmaking by local authorities<sup>8</sup> and the general principles relating to local authorities<sup>9</sup> are intended to ensure that Council decision-making is open, transparent, and has regard to the diversity of community interests, notwithstanding the many facets and activities undertaken by Council.

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

Yours faithfully BROOKFIELDS

Linda O'Reilly

Partner

<sup>&</sup>lt;sup>8</sup> Section 76 of the LGA.

<sup>&</sup>lt;sup>9</sup> Section 14 of the LGA.

From:

Submissions

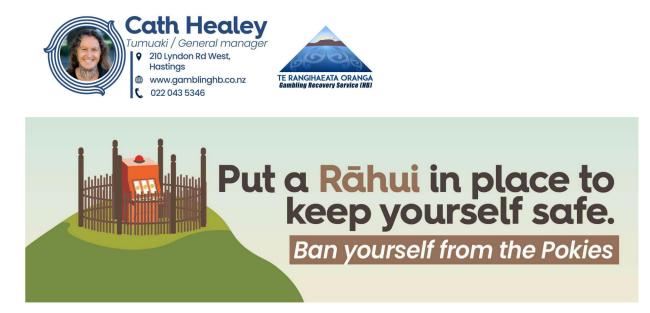
From: Cath Healey
Sent: Thursday, 13 February 2025 9:04 pm
To: Submissions <Submissions@rangitikei.govt.nz>
Subject: Gambling and TAB submission - Te Rangihaeata Oranga

Tēnā koe,

Please find a submission from Te Rangiheata Oranga to the Rangitīkei District Council - Gambling Policy Consultation.

Please confirm receipt of the submission by responding to this email.

Mauri ora,



www.gamblinghb.co.nz

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13 FEBRUARY 2025

## TE RANGIHAEATA ORANGA SUBMISSION TO RANGITIKEI DISTRICT COUNCIL ON CLASS 4 & TAB GAMBLING POLICIES

Te Rangihaeata Oranga is a Māori Gambling Harm Minimisation service that supports the community of Hawkes Bay with cultural/clinical interventions that prevent and minimise gambling harm. We engage in and activate health promotion initiatives alongside four Māori Gambling Harm services in the central to lower region of the North Island. We also are part of Te Kāhui Mokoroa a Māori Gambling Harm Minimisation Collective. Te Rangihaeata Oranga has 20 years of experience and insights regarding gambling harm and the gambling sector. We see all gambling policy reviews and consultations as a valuable opportunity to empower change within our communities and challenge systemic issues that create and perpetuate gambling harm inequities.

Te Rangiheata Oranga has significant concerns over the structure, function and purpose of class 4 gambling and its impact on whānau Māori and the communities of high deprivation, where many of our whānau live. By this, we mean that money is taken from whānau and communities that can least afford it - thus contributing further to poor health outcomes for whānau Māori. Notwithstanding these concerns, we submit the following:

Gambling Venue (Class 4) Policy

What option do you support for Class 4 'pokie' gambling within the Rangitīkei District?

#### Option 2: Change to a sinking lid policy

Comments: We highly recommend that a sinking lid with no relocation policy is adopted by the Rangitīkei District Council. A sinking lid with no relocation policy enables the Council to apply the best measure that it can within its District to prevent and minimise gambling harm caused by Class 4 gambling; pokies. Changing to a sinking lid policy offers the opportunity to see a reduction in gambling harm within the community.

Rangitīkei District Council Gambling Policies Rangitīkei District Council | Gambling Policies 9

Do you support the policy allowing two or more venues to merge? No

Comments: We do not support the merge of two or more venues. We urge the Council to fully utilise its territorial authority and limit access to the pokies, rather than accommodate and entrench gambling harm within the community.

Do you support the policy allowing venues to relocate? No

Comments: A sinking lid policy that allows relocation fails to uphold the true intention of a sinking lid.

#### Additional comments:

The Social Impact report identifies that all 5 venues in the Rangitīkei District are situated in medium high (2) and high (3) deprivation areas. Deprivation places a range of stressors on the people who live there. The placement of venues in high deprivation areas becomes a high-risk factor and a determinant of gambling harm. Gambling in high deprivation areas will cause and exacerbate problems.

Rockloff et al (2022) provide insight regarding the long-lasting consequences that gambling harm has on gamblers, their whānau; family, and communities. Loss of money and prolonged time spent on gambling activities are linked to varying degrees of gambling harm which include financial, interpersonal, psychological, physical, cultural, and social adversity (Rockloff et al., 2022). It is important that the Council keenly considers the broader community impacts of Class 4 gambling in its District.

Class 4 gambling profits and the financial gains to the Rangitīkei District, are minimal. I ask the Council to shift its thinking around pokie proceeds and see pokie revenue as financial losses to the community. In 2023, 3 million dollars was lost to the pokies in Rangitīkei. That's potentially 3 million dollars that could have stayed within the community and its households. The minuscule 2% in grants from Pub Charity and .04% from Lion Foundation provides little benefit to the region and particularly to those living in high deprivation. The industry of gambling is a business that is focused on making money, if a cost benefit analysis of having the pokies in your region was undertaken, I would surmise that the costs associated with gambling in the community would far outweigh any benefits.

28% of the population in Rangitīkei are Māori, we ask the Council to deeply consider and

respond to gambling harm inequities that whānau Māori experience. Māori are 3.13 times more likely to experience higher levels of gambling harm than non-Māori, and 32% of all those who engaged with gambling harm services for support are Māori (Ministry of Health, 2022). These are staggering statistics considering Māori make up 17.1% of the population (Stats NZ, 2021). Contextual disparities contribute to gambling harm inequities through the disproportionate placement of high-risk, high-harm, and high-turnover Class 4 gaming machines or pokies, in high deprivation areas (Ministry of Health, 2022).

#### He aha te mea nui o te ao? He tangata! He tangata! He tangata!

What is the most important thing in the world? It is people! It is people! It is people!

TAB Venue Policy What option do you support for TAB venues within the Rangitīkei District?

# Option 1 Retain the status quo with minor amendments - do not allow venues to establish

Comments: We agree that no new TAB venues are established. This policy acts as a protective factor against gambling harm and gambling harm inequities by limited access to gambling and betting opportunities.

# Ministry of Health. (2022). *Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25*. Wellington: Ministry of Health.

Rockloff, M., Bellringer, M. E., Lowe, G., Armstrong, T., Brown, M., Palmer Du Preez, K.,
 Russel, A., Hing, N., & Greer, N. (2022). *Life Course and Legacy Gambling Harms in New Zealand*. Queensland: Central Queensland University, Experimental Gambling
 Research Laboratory and Auckland: Auckland University of Technology, Gambling
 and Addictions Research Centre.

https://www.health.govt.nz/system/files/documents/publications/final-legacy-harmsreport-180821.pdf

For any questions or queries regarding this submission, please contact Ms Cath Healey (General Manager – Te Rangihaeata Oranga Trust)

## Gambling Policies Submission Form

Full name of submitter Karen Kennedy

Is your feedback on behalf of an organisation? No

I would like to speak to Council in person about my feedback No

Please indicate if you would like to use New Zealand Sign Language

What option do you support for Class 4 'Pokie' gambling within the Rangitīkei District? Option 1 Retain the status quo with minor amendments - Cap at 58 EGMs

Comments on options for Pokie gambling within the district

Do you support the policy allowing two or more venues to merge? Yes

Comments on merging

Do you support the policy allowing venues to relocate? Yes

Comments on relocation

Additional comments

#### What option do you support for TAB venues within the Rangitīkei District?

Option 1 Retain the status quo with minor amendments - do not allow venues to establish

Comments on TAB venues

Upload Document

## Gambling Policies Submission Form

# Full name of submitter Jeena Baines

Is your feedback on behalf of an organisation? No

I would like to speak to Council in person about my feedback No

Please indicate if you would like to use New Zealand Sign Language

What option do you support for Class 4 'Pokie' gambling within the Rangitīkei District? Option 2 Change to a sinking lid policy

#### Comments on options for Pokie gambling within the district

I think that council should be considering the future of gambling in this district. While sinking lid wont change anything now it will reduce gambling harm in the future, with the hope that in the future there will be no gambling machines. Gambling harm should be everyone's responsibility and using the excuse of community funding is a ridiculous. Gamblers should not be funding these groups. It is also worth noting that a significant proportion of gambling loses does not go to the communities but to companies such as Aristocrat Leisure.

Do you support the policy allowing two or more venues to merge? Yes

#### Comments on merging

As long as this is a reduction in the number of gambling machines.

Do you support the policy allowing venues to relocate? Yes

#### Comments on relocation

As long as the new location meets all requirements in that it is not close to a school or childcare facility

Additional comments

What option do you support for TAB venues within the Rangitīkei District? Option 1 Retain the status quo with minor amendments - do not allow venues to establish

Comments on TAB venues

Upload Document

## Gambling Policies Submission Form

#### Full name of submitter Jason jones

Is your feedback on behalf of an organisation? No

I would like to speak to Council in person about my feedback No

Please indicate if you would like to use New Zealand Sign Language

What option do you support for Class 4 'Pokie' gambling within the Rangitīkei District? Option 2 Change to a sinking lid policy

Comments on options for Pokie gambling within the district To many machines and the harm it's doing to families

Do you support the policy allowing two or more venues to merge? No

Comments on merging

Do you support the policy allowing venues to relocate? No

Comments on relocation

Additional comments

#### What option do you support for TAB venues within the Rangitīkei District?

Option 1 Retain the status quo with minor amendments - do not allow venues to establish

Comments on TAB venues

Upload Document

## Gambling Policies Submission Form

Full name of submitter John McGifford

Is your feedback on behalf of an organisation? Yes

Name of organisation Central Football

I would like to speak to Council in person about my feedback No

Please indicate if you would like to use New Zealand Sign Language

What option do you support for Class 4 'Pokie' gambling within the Rangitīkei District? Option 1 Retain the status quo with minor amendments - Cap at 58 EGMs

#### Comments on options for Pokie gambling within the district

Access to Trust Funding is essential for sport, including football which Central Football manages in Rangitikei from its Manawatu offices. Maintaining the status quo is incrediblky important in ensuring sport continues to thrive, for the betterment of the communities.

Do you support the policy allowing two or more venues to merge? Yes

Comments on merging No comment

Do you support the policy allowing venues to relocate? Yes

Comments on relocation

Yes - so as the number of venues can be maintained.

#### Additional comments

No additional comments

#### What option do you support for TAB venues within the Rangitīkei District?

Option 1 Retain the status quo with minor amendments - do not allow venues to establish

Comments on TAB venues No comments

Upload Document

#### From:

Submissions

From: Cath Healey Sent: Monday, 17 February 2025 12:31 pm To: Submissions <Submissions@rangitikei.govt.nz> Subject: Gambling and TAB submission - Te Kāhui Mokoroa

Tēnā koe,

Please find a submission from Te Kāhui Mokoroa to the Rangitīkei District Council - Gambling Policy Consultation.

Please confirm receipt of the submission by responding to this email.

Mauri ora,

Cath Healey (on behalf of Te Kāhui Mokoroa)





www.gamblinghb.co.nz

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#09

## TE KĀHUI MOKOROA

#### 17 February 2025

## SUBMISSION TO RANGITIKEI DISTRICT COUNCIL ON CLASS 4 & TAB GAMBLING POLICIES

Te Kāhui Mokoroa is a Māori Gambling Harm Minimisation Collective comprised of the following organisations: Hāpai Te Hauora, Poutiri Wellness, Te Rangihaeata Oranga Trust and Purapura Whetu. We see all gambling policy reviews and consultations as a valuable opportunity to empower change within our communities and challenge systemic issues that create and perpetuate gambling harm inequities.

Te Kāhui Mokoroa has significant concerns over the structure, function and purpose of Class 4 gambling and its impact on whānau Māori and the communities of high deprivation, where many of our whānau live. By this, we mean that money is taken from whānau and communities that can least afford it - thus contributing further to poor health outcomes for whānau Māori. Notwithstanding these concerns, we submit the following:

#### Gambling Venue (Class 4) Policy

What option do you support for Class 4 'pokie' gambling within the Rangitīkei District? **Option 2: Change to a sinking lid policy** 

Comments: We highly recommend that a sinking lid with no relocation policy is adopted by the Rangitīkei District Council. A sinking lid with no relocation policy enables the Council to apply the best measure that it can within its District to prevent and minimise gambling harm caused by Class 4 gambling; pokies. Changing to a sinking lid policy offers the opportunity to see a reduction in gambling harm within the community.

Rangitīkei District Council Gambling Policies Rangitīkei District Council | Gambling Policies 9

Do you support the policy allowing two or more venues to merge? **No** Comments: We do not support the merger of two or more venues. We urge the Council to fully utilise its territorial authority and limit access to the pokies, rather than accommodate and entrench gambling harm within the community.

Do you support the policy allowing venues to relocate? No











Page 63 of 101

## TE KĀHUI MOKOROA

Comments: A sinking lid policy that allows relocation fails to uphold the true intention of a sinking lid.

#### Additional comments:

The Social Impact report identifies that all 5 venues in the Rangitīkei District are situated in medium high (2) and high (3) deprivation areas. Deprivation places a range of stressors on the people who live there. The placement of venues in high deprivation areas becomes a high-risk factor and a determinant of gambling harm. Gambling in high deprivation areas will cause and exacerbate problems.

Rockloff et al (2022) provide insight regarding the long-lasting consequences that gambling harm has on gamblers, their whānau; family, and communities. Loss of money and prolonged time spent on gambling activities are linked to varying degrees of gambling harm which include financial, interpersonal, psychological, physical, cultural, and social adversity (Rockloff et al., 2022). It is important that the Council keenly considers the broader community impacts of Class 4 gambling in its District. Class 4 gambling profits and the financial gains to the Rangitikei District, are minimal. I ask the Council to shift its thinking around pokie proceeds and see pokie revenue as financial losses to the community. In 2023, 3 million dollars was lost to the pokies in Rangitīkei. That's potentially 3 million dollars that could have stayed within the community and its households. The minuscule 2% in grants from Pub Charity and .04% from Lion Foundation provides little benefit to the district and particularly to those living in high deprivation. The gambling industry is a business that is focused on making money. If a cost benefit analysis of having the pokies in your region was undertaken, I would surmise that the costs associated with gambling in the community would far outweigh any benefits.

28% of the population in Rangitīkei are Māori, we ask the Council to deeply consider and respond to gambling harm inequities that whānau Māori experience. Māori are 3.13 times more likely to experience higher levels of gambling harm than non-Māori, and 32% of all those who engaged with gambling harm services for support are Māori (Ministry of Health, 2022). These are staggering statistics considering Māori make up 17.1% of the population (Stats NZ, 2021). Contextual disparities contribute to gambling harm inequities through the disproportionate placement of high-risk, high-harm, and high-turnover Class 4 gaming machines or pokies, in high deprivation areas (Ministry of Health, 2022).

TAB Venue Policy What option do you support for TAB venues within the Rangitīkei District?



Page 64 of 101

## TE KĀHUI MOKOROA

## Option 1 Retain the status quo with minor amendments - do not allow venues to establish

Comments: We agree that no new TAB venues are established. This policy acts as a protective factor against gambling harm and gambling harm inequities by limiting access to gambling and betting opportunities.

Ministry of Health. (2022). Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25. Wellington: Ministry of Health.

Rockloff, M., Bellringer, M. E., Lowe, G., Armstrong, T., Brown, M., Palmer Du Preez, K., Russel, A., Hing, N., & Greer, N. (2022). Life Course and Legacy Gambling Harms in New Zealand. Queensland: Central Queensland University, Experimental Gambling Research Laboratory and Auckland: Auckland University of Technology, Gambling and Addictions Research Centre.

https://www.health.govt.nz/system/files/documents/publications/final-legacy-harms-report-180821.pdf\_

For any questions or queries regarding this submission, please contact: Ms. Cath Healey (General Manager – Te Rangihaeata Oranga Trust)



From:

Submissions

From: Justin Adams
Sent: Tuesday, 18 February 2025 9:00 am
To: Submissions <Submissions@rangitikei.govt.nz>
Subject: Hunterville Community Commitee Submission on Gambling Policy

Hi.

Please find attached the submission from the Hunterville Community Committee for the Rangitikei District Council Gambling Policies.

We do not wish to speak to our submission.

Thank You

Justin Adams Chair Hunterville Community Committee The Hunterville Community Committee (HCC) supports Option 1, which recommends maintaining the current status quo for the Rangitikei District Council's (RDC) Gambling Policies.

### Reasons for Supporting Option 1

### 1. Effective Regulation and Control

The current gambling policies have shown to be effective in regulating and controlling gambling activities within the Rangitikei District. By keeping things as they are, we continue to benefit from established regulatory systems and processes that have successfully mitigated gambling-related harm. These frameworks have been thoughtfully developed and refined, ensuring a reliable way to oversee gambling operations and protect those most at risk.

### 2. Community Well-being

The policies are aimed at prioritizing our community's well-being by limiting the proliferation of gambling venues and gaming machines. This strategic limitation helps reduce the risk of gambling addiction and its associated social issues, fostering a healthier and more resilient community.

### 3. Stability and Predictability

Sticking with the current policies provides stability and predictability for both our community and local businesses. Sudden changes to the gambling bylaws could lead to uncertainty and disruption, negatively impacting local enterprises and residents who rely on the existing framework. The continuity provided by the status quo ensures that businesses can operate with confidence, while residents can count on consistent regulatory oversight that safeguards their interests.

### 4. Balanced Economic Impact

The status quo strikes a balance between allowing gambling as a legitimate form of entertainment and controlling its potentially adverse economic impact. It ensures that gambling activities contribute positively to our local economy without overwhelming it or creating significant social costs.

### Conclusion

In conclusion, the Hunterville Community Committee strongly supports Option 1: maintaining the status quo. We believe that the current policies effectively manage the complex social and economic impacts of gambling, ensuring the well-being of our community while providing stability and predictability for all stakeholders. Continuing these policies is crucial to sustaining the delicate balance that has been achieved, fostering a community where economic vitality and social harmony coexist.

We appreciate the opportunity to present our submission and trust that our perspectives will be given due consideration.

## Gambling Policies Submission Form

Full name of submitter Emma Williams

Is your feedback on behalf of an organisation? Yes

Name of organisation Te Whatu Ora Health NZ

I would like to speak to Council in person about my feedback Yes

Please indicate if you would like to use New Zealand Sign Language No

What option do you support for Class 4 'Pokie' gambling within the Rangitīkei District? Option 2 Change to a sinking lid policy

Comments on options for Pokie gambling within the district

Do you support the policy allowing two or more venues to merge?

Comments on merging

Do you support the policy allowing venues to relocate?

Comments on relocation

Additional comments

What option do you support for TAB venues within the Rangitīkei District?

Comments on TAB venues

Upload Document Rangitikei DC Gambling Venues Policy Review submission 24012025 DRAFT v5.pdf, 0.2MB 13 February 2025

Rangitīkei District Council Private Bag 1102 Marton 4741

Tēnā koe,

## Rangitīkei District Council Gambling Venues Policy

Thank you for the opportunity to provide a written submission on Rangitīkei District Council's Gambling Venues Policy.

This submission has been written by Health New Zealand | Te Whatu Ora National Public Health Service (Health NZ) in the MidCentral / Whanganui district. The National Public Health Service is a directorate within Health NZ. Health NZ believes the submission process provides an opportunity for public health perspectives to be considered by Council in planning and decision making. Incorporating public health aspects helps to support the health and wellbeing of our communities.

Health NZ has statutory obligations under the Pae Ora (Healthy Futures) Act 2022 and the Health Act 1956 to improve, promote and protect the health of people and communities. Of particular focus for Health NZ is embedding Te Tiriti o Waitangi as its foundation toward improving health outcomes for Māori.

The feedback provided in this submission aligns to Health NZ's commitment towards healthier and more resilient communities by reducing inequities and promoting good health, particularly for Māori, Pacific peoples and disabled people.

We would like the opportunity to provide an oral submission.

For any clarification regarding the submission, please contact Health Promotion Advisor, Emma Williams

Nā māua iti nei,

anh

Paula Snowden Ngāpuhi ki Whāingaroa Regional Director, Te Ikaroa-Central National Public Health Service

TeWhatuOra.govt.nz

Reven

Dr Rob Weir

Medical Officer of Health, MidCentral District National Public Health Service

> **Te Kāwanatanga o Aotearoa** New Zealand Government

## Recommendations

Health New Zealand **supports** Option **Two** – change to a sinking lid policy.

In addition, Health NZ recommends:

- 1. Rangitīkei District Council (Council) either prohibits machine relocation; or, Council limits machine relocations to defined areas (eg, based on deprivation level, prohibiting new machines in high-deprivation areas), to reduce machine density to deprived communities.
- 2. When clubs merge, Council limits the number of permitted machines to the existing total for one venue and not the sum of both venues. Health NZ also recommends amending the wording in section 7.2 of the draft policy to make clear the maximum number of machines permitted when venues merge.

## Key supporting messages on gambling harm

## Rangitīkei District Council area

Rangitīkei people lost \$3.4 million through Class 4 gambling (non-casino gambling machines, or pokies) in 2023 – an additional \$270,883 increase on the previous year.<sup>1</sup> This average community loss equates to approximately \$9,400 per day, money which could have been spent in local homes and businesses where there is medium-high socioeconomic deprivation.

Council's Social Impact Assessment shows \$1.1 million of gambling debt was returned to the community in 2023 via community grants.<sup>2</sup> Research has found that 74% of the money spent on pokies comes from areas of high deprivation, but these communities on average receive just 12% of the grants in return.<sup>1</sup> The level of harm from Class 4 gambling is not offset by the proceeds that go back into communities.

Māori and Pacific peoples are more likely to be affected by gambling harm than any other group. They are also more likely to have other risk factors for gambling harm, such as low incomes and subsequently living in low socioeconomic neighbourhoods, where some forms of gambling are more accessible.<sup>3</sup>

Council's Social Impact Assessment notes that Rangitīkei communities experience gambling harm that is considered to be medium-high, in part due to the relatively high number of Māori living in the district.<sup>2</sup> Data also shows that Rangitīkei residents are more likely to earn a lower income than the general New Zealand population.<sup>2</sup> Health NZ notes the majority of gaming machines in the Rangitīkei district are located within the Marton CBD (27) and Bulls CBD (18), both areas of medium-high deprivation.<sup>2</sup>

Without accurate data on the prevalence of problem gambling, it is challenging to identify the extent to which Rangitīkei communities experience negative consequences of problem gambling. This gap in screening prevents healthcare services from developing targeted interventions, allocating resources effectively, and treating co-existing problems that often accompany problem gambling.<sup>4-8</sup> Rangitīkei has one gambling harm practitioner based in Te Oranganui, who supports

#### Health New Zealand Te Whatu Ora

communities across the extensive areas of Rangitīkei, Whanganui and Ruapehu. This limited capacity makes it challenging to assist all whānau who are affected by gambling harm.

Health NZ encourages Council to continue to prioritise community wellbeing by adopting a sinking lid approach to both Class 4 gambling venues and machines.

### New Zealand evidence

National studies suggest that most gambling-related harm originates from the use of gambling machines at pubs or clubs, resulting in high-risk, high-turnover gambling.<sup>4-6</sup> The 2016 Health and Lifestyles Survey found that 50.3% of people who played pokies in pubs or clubs at least once a month experienced some level of gambling harm.<sup>5</sup>

Gambling policies which restrict non-casino gaming machines or pokie operations could lead to reduced gambling opportunities and mitigate subsequent harm over time.<sup>4,7</sup> The most effective tool is when a sinking lid approach is paired with a no relocations policy for reducing gambling-related harm.<sup>9</sup>

A report by the New Zealand Institute of Economic Research investigated the potential effects on the retail sector if consumers did not engage in Class 4 gambling.<sup>10</sup> In short, the retail sector across New Zealand could have gained an estimated \$445million in 2018/19 if household expenditure on Class 4 gambling was diverted to other uses. This report shows that Class 4 gambling not only has a significant social cost, but also diverts productive expenditure from local businesses.

National expenditure on Class 4 gaming machines reached an all-time high in 2022/23 of \$1.07 billion – the highest since records began in 2007.<sup>11</sup>

In New Zealand, harmful gambling behaviour is strongly correlated with family, whānau or partner violence, with half of problem gamblers reporting having experienced family or whānau violence.<sup>8</sup> There is also evidence that children and young adults are exposed to gambling messaging, for example, through advertising which can normalise harmful gambling behaviours.<sup>12</sup>

The population groups more likely to experience disproportionate levels of gambling harm include Māori, Pacific peoples, some Asian communities and rangatahi (young people).<sup>13</sup>

According to the 2020 Health and Lifestyles Survey, Māori were over 3.39 times more likely to report either gambling-related arguments or money problems related to gambling compared with non-Māori, non-Pacific peoples. Pacific peoples were 2.67 times more likely to report these harms than non-Pacific, non-Māori peoples.<sup>14</sup>

It is estimated that only 16% of moderate-risk and problem gamblers access services.<sup>3</sup> Therefore, the number of people accessing problem gambling services is likely to be an undercount of people who experience harm from gambling in the Rangitīkei district.

## Sinking lid as a regional strategy

Most (13 out of 19) territorial local authorities in the lower half of the North Island have sinking lid policies in place. Additionally, Porirua City Council, Kāpiti Coast District Council and Hutt City Council do not allow mergers or relocations of venues. The Joint Wairarapa Policy does not allow relocations in Masterton or to high deprivation areas of Carterton and South Wairarapa.

# Health New Zealand Te Whatu Ora

Health NZ believes the changes proposed in this submission would be a step towards achieving Council's strategic priority of working collaboratively to improve community wellbeing.

# References

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- 3. Malatest International. (2021). *Gambling Harm Needs Assessment 2021*. https://www.health.govt.nz/system/files/2021-08/gambling-harm-needs-assessment-2021.pdf
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- 5. Thimasarn-Anwar, T., Squire, H., Trowland, H., & Martin, G. (2017). *New Zealanders' Participation in Gambling: Results from the 2016 Health and Lifestyles Survey.* Health Promotion Agency. <u>https://www.hpa.org.nz/research-library/research-publications/new-</u> zealanders-participation-in-gambling-results-from-the-2016-health-and-lifestyles-survey
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- Storer, J., Abbot, M., & Stubbs, J. (2009). Access or adaption? 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.
- Erwin, C., Lees, K., Pacheco, G., & Turcu, A. (2020). Capping gambling in NZ: The effectiveness of local government policy intervention. Auckland. <u>https://www.health.govt.nz/system/files/documents/publications/capping\_gambling\_in\_nz.p\_df</u>
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- 10. Department of Internal Affairs. (2024). *Gambling expenditure*. https://www.dia.govt.nz/gambling-statistics-expenditure
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- Signal, L., Smith, M., Barr, M., Stanley, J., Chambers, T. J., Zhou, J., Duane, A., Jenkins, G. L. S., Pearson, A. L. Gurrin, C., Smeaton, A. F., Hoek, J., & Mhurchu, C. N. (2017). Kids'Cam: an objective methodology to study the world in which children live. *American Journal of Preventive Medicine*, *53*(3), e89–e95.

# Health New Zealand Te Whatu Ora

- 13. Auckland University of Technology (2017). *Problem Gambling and Family Violence in Help*seeking Populations: Co-occurrence, Impact and Coping. Wellington: Ministry of Health. <u>https://www.health.govt.nz/publications/problem-gambling-and-family-violence-in-help-</u> <u>seeking-populations-co-occurrence-impact-and-coping</u>
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From:

Submissions

From: Jo Salisbury Sent: Monday, 24 February 2025 10:58 am To: Submissions <Submissions@rangitikei.govt.nz> Subject: Class 4 Gambling Review - NZCT Submission

Good morning,

Thank you for the opportunity to submit. We would like the opportunity to speak to this submission – please advise availability and dates.

Please can you also confirm receipt.

Kind regards

## Jo Salisbury Marketing and Communications Advisor



#### www.nzct.org.nz

Did you know that NZCT returns 100% of its profits after taxes, levies and operating costs to community organisations? <u>Learn more</u>

#12

#### Support for Retaining the Current Class 4 Gambling Policy Cap

New Zealand Community Trust (NZCT) supports the Rangitikei District Council's (RDC's) recommendation to retain the current Class 4 gambling policy cap. It is a sensible policy that controls and limits the growth of gambling in the district whilst maintaining the presence of an invaluable community fundraising model.

## Benefits of the Current Class 4 Gambling Policy Cap

#### Support for Local Community:

Under the current system, the community has benefited significantly from gaming machine funding.

Class 4 has contributed \$3,561,881 (for the period 2019-2023) in grants to community organisations in Rangitikei. Rangitikei District Council itself was awarded \$91,356 in this period. Investment into these Council developments has helped reduce pressure on Council budgets and has ultimately lowered the rates burden on your community. With a cap policy, these collaborations with Council can continue.

Note that Class 4 funding also <u>indirectly</u> supports Council via the millions of dollars of grants awarded to community groups. These grants helped those same community groups be able to afford and pay for the use of Council owned fields and facilities.

NZCT has only had a (single) venue in Rangitikei since May 2024. From the funds raised at that venue, NZCT has awarded one \$17,250 grant to Marton Contract Bridge Club to raise their building to protect it from flooding after floods in 2004, 2015 and 2023. Some funds (\$21,832.88) raised by NZCT in Rangitikei have also been tagged to grants awarded to organisations benefiting not just Rangitikei but other communities that operate right across the Horizons region e.g. Sport Whanganui and Sport Manawatu. Not all of the funds NZCT has raised in Rangitikei in 2024 have been awarded yet. Remaining funds are ringfenced for use in Rangitikei and/or surrounds. Those funds will not be used elsewhere in New Zealand. Over the last three years (January 2022-December 2024) NZCT has distributed \$2,352,156.87 across the Horizons zone from funds raised in Wanganui, the Manawatu District, Palmerston North and more recently Rangitikei. Rangitikei has benefited from these grants even though NZCT was not in your community until May 2024.

(See attached list for grants mentioned above).

#### **Entertainment Value:**

Class 4 gambling venues offer recreational and social opportunities for residents. These establishments provide entertainment options that enhance the local social fabric, creating spaces for community interaction and engagement while generating funds vital for local community groups.

#### **Responsible Management and Enhanced Harm Minimisation Regulations**

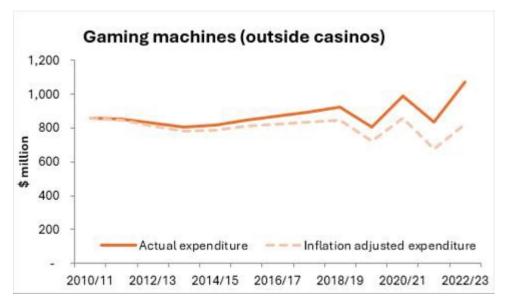
The regulatory framework for Class 4 gambling ensures activities are managed with transparency and accountability. Recent updates to these regulations have strengthened oversight, further promoting responsible gambling practices and enhancing community trust.

The stringent harm minimisation regulations create a safe environment and better protect susceptible individuals from potential harm. A cap is a balanced approach that maintains the provision of a legal form of entertainment in your community that enhances your district's hospitality offerings and generates community funding from discretionary spend.

There is no evidence after 20 years that sinking lids have made a positive contribution to harm minimisation.

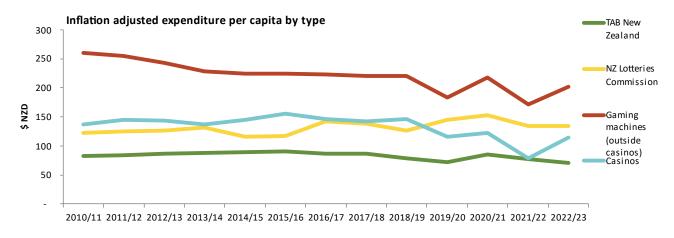
#### Class 4 expenditure has decreased

Nationwide, inflation-adjusted pokie expenditure is <u>down</u> from \$856m in 2010/11 to \$821m in 2022/23 (a 4% drop in inflation-adjusted expenditure).



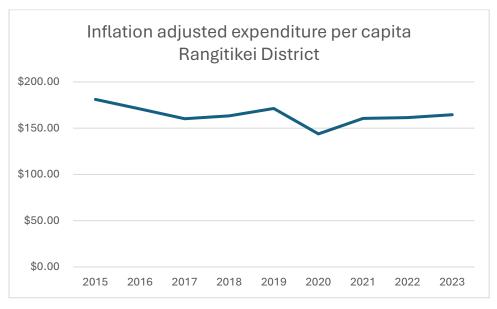
Source://www.dia.govt.nz/gambling-statistics-expenditure

When adjusted for population growth, pokie expenditure <u>per capita</u> is even more pronouncedly down — \$202 per capita in 2022/23 compared to \$261 in 2010/11 (a 23% per capita drop in inflation-adjusted expenditure over 12 years).



Source://www.dia.govt.nz/gambling-statistics-expenditure

In Rangitikei specifically pokie expenditure per capita is also down - \$164.52 per capita in 2023 compared to \$181.14 in 2015 (a 9% per capita drop in inflation-adjusted expenditure over nine years).



Source://www.dia.govt.nz/gambling-statistics-expenditure

#### Relocation

We support the Council's preferred option which is to allow Class 4 gambling venues to relocate within the areas specified in the policy's location restrictions.

A no relocation policy would accelerate the effects of a sinking lid policy and the loss of all the benefits Class 4 gaming provides to Rangitikei.

Venue relocation is a harm minimisation tool, the DIA recommended relocation policies as a way of allowing territorial authorities to future-proof their Class 4 gambling policies.<sup>1</sup>

The relocation provision should not be limited to circumstances where the venue cannot continue to operate at the existing site: i.e., relocation should not be limited to cases where there has been a fire or natural disaster. We should not have to wait for a fire or earthquake to move machines from undesirable areas to more desirable areas.

The relocation policy should also be flexible enough to support businesses that wish 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.

Note that all Rangitikei Class 4 venues are in town centres. The deprivation index codes most areas within these town centres as being high deprivation areas – despite (or perhaps in part because of) very few people actually living in these central locations. Rangitikei venues cater for

<sup>&</sup>lt;sup>1</sup> Internal Affairs Policy Briefing 3: Options for improving territorial authority gaming machine policies, 28 March 2013.

the entirety of their respective communities and describing them as being in high deprivation locations distorts the reality of their location and the breadth of their clientele.

We look forward to continuing to support your district's community organisations directly and in partnership with the Rangitikei District Council.

#### Appendix:

Total Non-Clubs in Rangitikei (as at 30<sup>th</sup> Sept 2024)

Venues	5
Machines	58

Venues	1 (20% of Rangitikei venues)
Machines	18 (31% of Rangitikei machines)

#### NZCT's grants to Rangitikei District - 1 January to 31 December 2024

107247			Rangitikei District	
	Marton Contract Bridge Club Inc	\$17,250.00	\$17,250.00	15/10/2024 Costs of raising club's building
	_	\$17,250.00	\$17,250.00	
Regional gı	rants that benefit Rangitikei District			
106920	Bike Manawatu Inc	\$10,000.00	\$476.19	17/09/2024 Contractor
106661	Central Regional Basketball Foundation	\$100,000.00	\$3,000.00	17/09/2024 Community coaches and venue hire
106470	Environmental White Water Park Trust	\$20,000.00	\$600.00	17/09/2024 Equipment
105786	Hurricanes Youth Rugby Council Inc	\$14,919.13	\$169.77	31/07/2024 Accommodation
106405	Lower North Island Secondary Schools Netball Inc	\$5,750.00	\$50.11	28/08/2024 Accommodation
108244	Manawatu Paraplegic & Physically Disabled Association Inc	\$20,000.00	\$901.92	12/12/2024 Contractor
106767	Manawatu Regional Volleyball Association Inc	\$60,000.00	\$2,857.14	17/09/2024 Salaries of Development Coordinator, Community Engagement Coordinator and General Manager
104806	Manawatu Riding for the Disabled Association Inc	\$18,706.65	\$843.60	20/08/2024 Contract fees for Coaches and Pony Care and Horse/Paddock Operations Coordinator
106569	Manawatu Rugby Football League Inc	\$34,823.12	\$1,044.69	17/09/2024 Accommodation, referee fees, equipment and sideline shelters
106747	Manawatu Wanganui Golf Inc	\$36,400.00	\$1,092.00	15/10/2024 Contractor
106262	No 4 District Federation of NZ Football T/A Central Football Inc	\$160,000.00	\$2,066.03	20/08/2024 Salaries of Community Development Officer, Competitions Managers, Chief Operations Manager and Community Development Manager
106814	Southern Hearing Charitable Trust	\$15,000.00	\$170.69	15/10/2024 Salary
106464	Table Tennis Manawatu Inc	\$4,000.00	\$180.39	28/08/2024 Travel and accommodation
105991	Tennis Central Region Inc	\$90,000.00	\$868.91	20/08/2024 Salaries of Events & Operations Manager, Participation Manager, Senior Events Coordinator and CEO
108093	Whanganui Cricket Association Inc	\$50,000.00	\$3,577.32	12/12/2024 Groundsman contract fee and salaries of Coaching Director, Female Development Officer and General Manager
105659	YMCA Central Inc	\$56,634.85	\$1,699.05	20/08/2024 Vehicle
	-	\$696,233.75	\$19,597.81	
Grants to N	lational organisations that benefit Rangitikei District			
105177	Canteen Aotearoa Inc	\$35,000.00	\$153.80	17/09/2024 Salaries of Youth Workers and Programmes & Leadership Manager
106251	Golf NZ Korowha Aotearoa Inc	\$150,000.00	\$730.54	17/09/2024 Salaries of Participation Co-ordinator, Regional Support Manager, Participation Manager South Island, Participation Manager North Island and Participation Programmes Lead Manawatu/Wanganui
106269	Halberg Foundation	\$170,000.00	\$498.24	20/08/2024 Salaries of regional Advisors
106833	Scout Association of NZ	\$95,000.00	\$326.55	15/10/2024 Salaries of South Island Scouts Territory General Manager, Lower North Island Territory General Manager and Upper North Island Territory General Manager
105351	Special Olympics NZ	\$270,000.00	\$389.84	16/07/2024 Salaries of Sports Director, Regional Sports Coordinator Director and Regional Sports Coordinators
107381	Stroke Foundation of NZ Limited	\$6,000.00	\$136.10	15/10/2024 Salary
		\$726,000.00	\$2,235.07	

\$1,439,483.75 \$39,082.88

#### NZCT's grants to Whanganui - 1 January 2022 to 31 December 2024

Grant #	Organisation	Total Amount Approved	Amount drawn from Wanganui	Date of Approval Purpose
104770	Badminton Whanganui Inc	\$5,000.00	\$5,000.00	20/06/2024 Contractor
107983	Badminton Whanganui Inc	\$10,000.00	\$10,000.00	19/11/2024 Contractor
98764	Badminton Whanganui Inc	\$5,000.00	\$5,000.00	17/05/2023 Hall hire
104408	Brain Injury Association Whanganui Inc	\$5,000.00	\$5,000.00	24/04/2024 Salary
102637	Cancer Society of NZ Wanganui Rangitikei Waimarino Centre Inc	\$6,000.00	\$6,000.00	16/01/2024 Costs associated with Relay for Life Event 2024 (excluding food truck)
91166	Cancer Society of NZ Wanganui Rangitikei Waimarino Centre Inc	\$10,335.86	\$10,335.86	18/01/2022 Costs associated with Relay for Life Event
96689	Cancer Society of NZ Wanganui Rangitikei Waimarino Centre Inc	\$7,357.02	\$7,357.02	21/12/2022 Costs associated with Relay for Life Event
100018	Netball Whanganui Inc	\$80,000.00	\$80,000.00	19/09/2023 Salaries of Community Competitions Officer, Community Development Officer and Community Centre Manager
103797	Netball Whanganui Inc	\$16,000.00	\$16,000.00	16/04/2024 Resurfacing of Netball Courts
106812	Netball Whanganui Inc	\$64,000.00	\$64,000.00	17/09/2024 Salaries of Community Competitions Officer, Community Development Officer and Community Centre Manager
93021	Netball Whanganui Inc	\$70,000.00	\$70,000.00	21/06/2022 Salaries of Saturday Office Steward, Administrator, Development Officer and General Manager
100965	Sport Whanganui	\$30,000.00	\$30,000.00	17/10/2023 Minivan
104766	Sport Whanganui	\$90,000.00	\$90,000.00	21/05/2024 Salaries of Women and Girls, Rangatahi Activator and Disability & Inclusion Lead
92010	Sport Whanganui	\$75,000.00	\$75,000.00	22/03/2022 Salaries of Community Activators
98226	Sport Whanganui	\$89,000.00	\$89,000.00	15/05/2023 Salaries of Community Activators
102849	Tennis Wanganui Inc	\$30,000.00	\$30,000.00	16/01/2024 Contractor
94277	Tennis Wanganui Inc	\$3,445.00	\$3,445.00	23/08/2022 Playing uniforms
96438	Tennis Wanganui Inc	\$30,000.00	\$30,000.00	17/01/2023 Contractor
103439	Wanganui Boxing Association 2011 Inc	\$5,000.00	\$5,000.00	14/02/2024 Rent
94127	Wanganui Boxing Association 2011 Inc	\$25,000.00	\$25,000.00	20/09/2022 Accommodation and costs associated with 2022 Nationals Championships
103679	Wanganui Indoor Bowlers Association Inc	\$5,000.00	\$5,000.00	28/02/2024 Hall hire
97940	Wanganui Indoor Bowlers Association Inc	\$4,000.00	\$4,000.00	29/03/2023 Hall hire
99583	Wanganui Rowing Association Inc	\$31,857.18	\$31,857.18	19/09/2023 Restoration of finish tower including scaffolding
104477	Wanganui Table Tennis Association Inc	\$8,000.00	\$8,000.00	21/05/2024 Venue hire
92509	Wanganui Table Tennis Association Inc	\$8,000.00	\$8,000.00	19/04/2022 Venue hire
97328	Wanganui Table Tennis Association Inc	\$8,000.00	\$8,000.00	21/03/2023 Venue hire
102437	Whanganui Cricket Association Inc	\$50,000.00	\$50,000.00	16/01/2024 Contract fee for Summer Coach, and salaries of Coaching Director, Female Development Officer and General Manager
90640	Whanganui Cricket Association Inc	\$49,999.00	\$49,999.00	18/01/2022 Tournament costs, and salary of Director of Coaching
96611	Whanganui Cricket Association Inc	\$50,000.00	\$50,000.00	17/01/2023 Salaries of General Manager and Female Devleopment Officer, and Groundsman contract fee
99850	Whanganui Football Development Trust	\$100,000.00	\$100,000.00	19/09/2023 Construction of clubrooms and changing bays
100066	Whanganui Rugby Football Union Inc	\$23,790.00	\$23,790.00	22/08/2023 Travel and accommodation, playing uniforms, first aid/medical services
103106	Whanganui Rugby Football Union Inc	\$105,000.00	\$105,000.00	19/02/2024 Salaries of Rugby Activator, Game Development - Clubs, Game Development - Secondary School Boys & Juniors, Game
91580	Whanganui Rugby Football Union Inc	\$80,000.00	\$80,000.00	Development - Women & Girls and Game Development - Players & Referees 21/02/2022 Salaries of Womens and Secondary School Devleopment Officer, Rugby Development Officer, Finance Officer, Game Development Manager and Chief Executive Officer
96966	Whanganui Rugby Football Union Inc	\$80,000.00	\$80,000.00	16/02/2023 Salaries of Rugby Development Officer, Womens & Secondary School Development Officer and Game Development Manager
91709	Whanganui Softball Association Inc	\$72,002.89	\$72,002.89	22/03/2022 Reconstruction of diamonds, and water installation
		\$1,331,786.95	\$1,331,786.95	

#### Regional grants that benefit Wanganui District

92744	Badminton Central Region Inc	\$8,455.66	\$1,042.95	17/05/2022 Hall hire and Central Region Coordinator contract fee
96599	Bike Manawatu Inc	\$10,000.00	\$5,000.00	17/01/2023 Contractor
91508	Bike Manawatu Inc	\$10,000.00	\$5,500.00	22/03/2022 Contractor

Grant #	Organisation	Total Amount Approved	Amount drawn from Wanganui	Date of Approval Purpose
104228	Cancer Society of NZ Central Districts Division Inc	\$20,000.00	\$5,000.00	16/04/2024 Salaries of Volunteer Coordinators in Manawatu, Whanganui, Gisborne and Taranaki
95373	Cancer Society of NZ Central Districts Division Inc	\$20,000.00	\$6,000.00	27/10/2022 Salaries of Volunteer Coordinators for Whanganui, Taranaki and Gisborne
96756	Cancer Society of NZ Manawatu Centre Inc	\$15,000.00	\$7,500.00	17/01/2023 Costs associated with Relay for Life 2023
103450	Capital Football Inc - No 5 District Federation of NZ Football Inc	\$300,000.00	\$12,599.61	19/02/2024 Football For All programme costs (on behalf of all Federations)
100237	Capital Football Inc - No 5 District Federation of NZ Football Inc	\$125,000.00	\$2,983.82	19/09/2023 Travel and accommodation for 2023 Youth Futsal Championships (grant benefitting all Football Federations)
91832	Capital Football Inc - No 5 District Federation of NZ Football Inc	\$175,000.00	\$4,779.89	20/06/2023 Travel and accommodation for 2023 National Youth Development League (grant benefitting all Football Federations)
93131	Capital Football Inc - No 5 District Federation of NZ Football Inc	\$112,000.00	\$2,886.95	19/07/2022 Travel and accommodation for 2022 Futsal Youth Championships (grant benefitting all Football Federations)
91875	Capital Football Inc - No 5 District Federation of NZ Football Inc	\$96,675.00	\$4,111.38	22/03/2022 Travel costs for 2022 National Youth Development League (grant benefitting all Football Federations)
99175	Central Canoe Polo Association Inc	\$1,200.00	\$158.99	28/06/2023 Accommodation
102672	Central Districts Cricket Association Inc	\$108,000.00	\$20,364.23	16/01/2024 Salaries of Coach - Performance and Pathways Hawkes Bay, Coach - Performance and Pathways Central Hub and Coach Female Performance and Pathways
97045	Central Districts Cricket Association Inc	\$108,000.00	\$19,724.98	16/02/2023 Salaries of Coach Performance and Pathways - Central Hub, Coach Performance and Pathways (Hawkes Bay) and Coach Female Performance and Pathways
95069	Central Districts Cricket Association Inc	\$45,770.00	\$4,232.35	20/09/2022 Salaries of Coach Performance & Pathways Hawkes Bay, Coach Female Performance & Pathways and Head of Operations
91100	Central Districts Cricket Association Inc	\$104,230.00	\$21,159.32	18/01/2022 Salary of Coach Female Performance and Pathways, and development programmes for Wanganui, Manawatu, Hawke's Bay, Taranaki and Nelson
105118	Central Districts Indian Sport Club Inc	\$6,210.00	\$1,419.71	22/05/2024 Travel and accommodation
99552	Central Regional Basketball Foundation	\$62,628.74	\$30,688.08	22/08/2023 Equipment, Community Coaches and salary of Programme Lead
101714	Central Squash Association Inc	\$17,874.00	\$4,080.01	22/11/2023 Salary
91603	Central Squash Association Inc	\$15,525.00	\$3,999.50	19/04/2022 Salary
100089	Environmental White Water Park Trust	\$64,920.74	\$31,811.16	22/08/2023 Renovation costs
94555	Environmental White Water Park Trust	\$13,043.48	\$6,913.04	23/08/2022 Supply, delivery and placement of rock
99756	Fencing Central Inc	\$30,000.00	\$3,910.32	22/08/2023 Fencing equipment
97826	Footnote Dance Trust Board	\$6,289.23	\$1,098.99	19/04/2023 Travel and accommodation
103200	Frontline Ambulance Charitable Trust	\$5,090.00	\$1,062.83	1/02/2024 Equipment (rental of medical gases)
99575	Hurricanes Youth Rugby Council Inc	\$15,000.00	\$2,430.67	22/08/2023 Accommodation
94538	Hurricanes Youth Rugby Council Inc	\$6,313.04	\$977.93	23/08/2022 Accommodation
98628	ITFNZ Taekwon-do Central Districts Inc	\$7,520.00	\$3,473.48	17/05/2023 Sparring equipment
100151	Lower North Island Secondary Schools Netball Inc	\$18,000.00	\$2,128.32	22/08/2023 Accommodation
94938	Lower North Island Secondary Schools Netball Inc	\$15,000.00	\$1,897.86	23/08/2022 Accommodation
92751	Manawatu Paraplegic & Physically Disabled Association Inc	\$20,000.00	\$10,600.00	19/07/2022 Salary
97932	Manawatu Rugby Football League Inc	\$16,049.00	\$8,024.50	21/03/2023 Travel and accommodation, and referee fees
94553	Manawatu Rugby Football League Inc	\$12,401.22	\$6,572.65	20/09/2022 Travel and accommodation, and playing uniforms
102223	Manawatu Softball Association Inc	\$20,000.00	\$4,000.00	12/12/2023 Contractor
91676	Manawatu Touch Association Inc	\$4,485.70	\$2,467.13	21/02/2022 Costs associated with Regional tournaments
93026	Manawatu Wanganui Golf Inc	\$40,000.00	\$20,800.00	21/06/2022 Salary
104667	Mid Central Zone of NZRL Inc	\$75,000.00	\$14,820.00	20/06/2024 Salaries of Administrator, Football & Development Officer and General Manager
98361	Mid Central Zone of NZRL Inc	\$75,000.00	\$16,849.38	20/06/2023 Salaries of Administrator, General Manager and Football and Development Officer
91143	Mid Central Zone of NZRL Inc	\$75,000.00	\$16,028.32	21/02/2022 Salaries of Administrator, Football & Development Officer and General Manager
103007	Netball Central Zone Inc	\$206,000.00	\$23,023.52	19/02/2024 Salaries of Office Manager, Coach Relations, Community Emerging Talent Lead, Umpire Development and Bench Lead, Netball Relationship Manager and CEO
96755	Netball Central Zone Inc	\$206,062.68	\$28,370.56	17/01/2023 Vehicle lease, and salaries of Community Communications & Marketing Co-Ordinator, Office Manager, CEO, Community Emerging Talent Lead, Netball Relationship Manager and Coach Relation Lower North Island
92046	Netball Central Zone Inc	\$250,244.00	\$32,091.29	22/03/2022 Vehicle leases, office rent, and salaries of Community Communications & Marketing Co-Ordinator, Office Manager, CEO, Community Emerging Talent Lead, Netball Relationship Manager and Coach Relation

Grant #	Organisation	Total Amount Approved	Amount drawn from Wanganui	Date of Approval Purpose
100136	No 4 District Federation of NZ Football T/A Central Football Inc	\$160,000.00	\$28,896.43	22/08/2023 Salaries of Regional Operations Manager Manawatū, Community Development Officer Taranaki, Community Development Officer Manawatū, Community Development Officer Tairāwhiti, Regional Operations Manager Tairāwhiti, Chief Operations
94363	No 4 District Federation of NZ Football T/A Central Football Inc	\$160,000.00	\$28,818.75	Manager and Community Development Manager 23/08/2022 Salaries of Community Development Officers for Whanganui, Taranaki, Manawatu, Hawke's Bay and Tairāwhiti, and Community Development Manager/Community Development Officer
100404	Southern Hearing Charitable Trust	\$15,000.00	\$2,430.67	22/11/2023 Salary
95377	Southern Hearing Charitable Trust	\$15,000.00	\$2,280.06	27/10/202 Salary 27/10/202 Salary
99532	Special Olympics Lower North Island Trust	\$15,000.00	\$2,850.84	28/06/2023 Camp costs
92766	Special Olympics Lower North Island Trust	\$8,000.00	\$1,577.16	19/07/2022 Van hire and accommodation, and lift tickets and instructors
92768	Special Olympics Manawatu Trust	\$3,500.00	\$1,820.00	21/06/2022 Travel and accommodation, and an excert and instructions
100686	Tai Uru Haupoi Mãori Inc	\$18,988.81	\$4,328.59	21/09/2022 Here and turf hire, and first aid cover
101190	Te Araroa The Long Pathway Te Araroa Trust	\$382,538.04	\$250,000.00	19/09/2023 Escarpment retaining wall, story panel signage, Richmond Ranges tank installation, and Wanganui Two Bridges project
101190	Te Alaroa The Long Fathway Te Alaroa Trust	<i>2362,336.0</i> 4	\$250,000.00	19/09/2023 Escalphient retaining wail, story parer signage, kichnond kanges tank instanation, and wangandri wo broges project
100301	Tennis Central Region Inc	\$90,000.00	\$11,923.95	19/09/2023 CEO, and salaries of Senior Events Coordinator, Events & Operations Manager and Participation Manager
94651	Tennis Central Region Inc	\$90,000.00	\$12,209.08	20/09/2022 Salaries of Senior Events Coordinator, Events & Operations Manager and Participation Manager, and Chief Executive Officer contract fee
105622	Wellington Hospitals Foundation	\$150,000.00	\$15,500.59	16/07/2024 Equipment
94275	Wellington Softball Association Inc	\$14,269.22	\$2,828.48	23/08/2022 Salary
93986	YMCA Central Inc	\$21,621.16	\$11,459.21	23/08/2022 Tools and equipment
		\$3,686,904.72	\$779,507.53	
	_			
Grants to N 100160	lational organisations that benefit Wanganui District Basketball NZ Inc	\$200,000.00	\$12,250.00	22/08/2023 Community Programme costs, and salaries of Participation and Wellbeing Lead, Women and Girls Lead - South and People
100100	Daskelball NZ IIIC	\$200,000.00	\$12,250.00	22/08/2023 Community Programme costs, and salaries of Participation and Weilbeing Lead, women and Gins Lead - South and People Development Lead-South
96977	Cantoon Antonno Inc	\$40,000.00	\$1,250.74	16/02/2023 Salaries of Youth Workers
	Canteen Aotearoa Inc		. ,	
102433	Chamber Music NZ Trust Board	\$139,300.00	\$514.50	16/01/2024 Regional District Contest Organisers, and salaries of Engagement Artist, Concerts & Communities Administrator, Operations Coordinator and Manager of Artistic Delivery & Communities
103248	Cystic Fibrosis Association of NZ	\$80,000.00	\$3,330.94	19/02/2024 Salaries of Community Support Lead Registered Social Worker, Team Leader Community Support Registered Social Worker and GM Finance and Operations
103718	Epilepsy Association of NZ Inc	\$3,084.00	\$969.75	13/03/2024 Salary
97236	Epilepsy Association of NZ Inc	\$1,500.00	\$750.00	1/03/2023 Salary
91687	Get Kids Active Charitable Trust	\$25,000.00	\$2,125.07	22/03/2022 Venue hire, sound, lighting and equipment
100060	Golf NZ Korowha Aotearoa Inc	\$150,000.00	\$18,375.00	22/08/2023 Salaries of Mainland Club Capability Manager, Regional Support Manager, Golf Development Officer, Young People Participation Manager- South Island, Young People Participation Manager - North Island and Māori Golf Development Manager - North Island
95836	Golf NZ Korowha Aotearoa Inc	\$150,000.00	\$20,800.00	21/11/2022 Salaries of Club Capability Manager - Canterbury, Regional Performance Golf Coordinator, Regional Golf Club Capability Offic
104597	Gymsports NZ Inc	\$240,000.00	\$4,493.55	- Bay of Plenty and Young People Participation Manager Auckland 20/06/2024 Kiwi Gym Fun Review & Redevelopment; Salaries of South Island Relationship Manager, Auckland Northland Relationship
97579	Gymsports NZ Inc	\$190,000.00	\$6,806.96	Manager, Central Region Relationship Manager and Midlands Region Relationship Manager 15/05/2023 Vehicle lease, and salaries of Community Sport Manager, Upper South Relationship Manager, Central Region Relationship Manager, Midlands Region Relationship Manager and Auckland/North Region Relationship Manager
91548	Gymsports NZ Inc	\$180,000.00	\$6,804.00	22/03/2022 Salaries of Community Sport Manager, South Relationship Manager, Central Relationship Manager and Midlands Relationshi Manager
100002	Halberg Foundation	\$169,150.00	\$1,009.62	22/08/2023 Salaries of regional Advisors
94861	Halberg Foundation	\$120,000.00	\$6,010.94	20/09/2022 Salaries of regional Advisors
100284	Life Flight Trust	\$1,125,000.00	\$53,154.44	22/08/2023 Air ambulance aircraft and service operational costs
97355	Motor Neurone Disease Association of NZ Inc	\$11,000.00	\$1,514.47	29/03/2023 Salary
104428	Motor Neurone Disease NZ Charitable Trust	\$11,398.00	\$1,309.56	24/04/2024 Salary
100772	NZ Cricket Inc	\$65,867.72	\$4,142.37	19/09/2023 Programme costs
92645	OnBoard Skate NZ Inc	\$10,000.00	\$5,300.00	17/05/2022 Salary
99870	Scout Association of NZ	\$95,000.00	\$3,716.00	22/08/2023 Salaries of General Manager South Island, General Manager Lower North Island and General Manager Upper North Island

Grant #	Organisation	Total Amount Approved	Amount drawn from Wanganui	Date of Approval Purpose
94422	Scout Association of NZ	\$75,000.00	\$3,923.28	23/08/2022 Salaries of General Manager South Island, General Manager Lower North Island and General Manager Upper North Island
98502	Special Olympics NZ	\$270,000.00	\$11,773.61	20/06/2023 Salaries of Sports Director and Regional Sports Coordinators and Leads
92933	Special Olympics NZ	\$235,800.00	\$6,287.67	21/06/2022 Salaries of Regional Sports Coordinator Upper South Island, Sports Director Wellington, Regional Sports Coordinator Upper North Island, Regional Sports Coordinator Waikato, Regional Sports Coordinator Auckland, Regional Sports Coordinator Low South Island, Regional Sports Coordinator Auckland, Regional Sports Coordinator Lower North Island and Regional Sports Coordinator Lower North Island
100590	Stroke Foundation of NZ Limited	\$12,000.00	\$6,000.00	22/11/2023 Salaries of Community Stroke Advisor Whanganui, Community Stroke Advisor - Team Leader Wellington and Community Stroke Advisor Taranaki
104826	Surf Life Saving NZ Inc	\$60,000.00	\$3,072.54	20/06/2024 Salaries of Sport Manager Central, Manager Southern and Sport Manager Eastern Region
97391	Surf Life Saving NZ Inc	\$60,000.00	\$2,773.94	21/03/2023 Salaries of Sport Manager Central, Sport Manager Southern and Sport Manager Eastern
93090	Surf Life Saving NZ Inc	\$55,000.00	\$2,548.70	21/06/2022 Salaries of Sport Manager Central, Sport Manager Southern and Sport Manager Eastern
96773	Swimming NZ Inc	\$80,000.00	\$8,780.64	16/02/2023 Salaries of Education Advisor - South Auckland, Canterbury Aquatic Education and Water Safety Advisor and North Island Aquatic Education and Water Safety Manager, and contract fees for Wanganui/Manawatu Water Skills for Life Advisor, BOP Water Skills for Life Advisor and Waikato Water Skills for Life Advisor
102061	Touch NZ Inc	\$120,000.00	\$3,580.93	16/01/2024 Salaries of Regional Development Managers
103836	Volleyball NZ Inc	\$99,000.00	\$894.12	21/05/2024 Coaches, travel and accommodation
98139	Volleyball NZ Inc	\$100,000.00	\$5,070.82	15/05/2023 Travel and accommodation
102779	Yachting NZ Inc	\$145,000.00	\$4,332.85	16/01/2024 Salaries of Regional Development Managers
96774	Yachting NZ Inc	\$145,000.00	\$4,476.11	17/01/2023 Salaries of Regional Development Manager - Bay of Plenty, Regional Development Manager - Central, Regional Development Manager - Southern and Regional Development Manager - Northern
91127	Yachting NZ Inc	\$145,000.00	\$5,469.27	21/02/2022 Salaries of Regional Development Manager - Bay of Plenty, Regional Development Manager - Canterbury, Regional Development Manager - Central and Regional Development Manager - Northern
		\$4,608,099.72	\$223,612.39	

\$9,626,791.39 \$2,334,906.87

From:

Submissions

From: Hong Yuan
Sent: Monday, 24 February 2025 2:19 pm
To: Submissions <Submissions@rangitikei.govt.nz>
Subject: Submission-Gambling Venue (Class 4) Policy and TAB Venue Policy-Asian Family Services

Kia ora,

I am submitting recommendations on behalf of Asian Family Services regarding the Council's Gambling Venue (Class 4) Policy and TAB Venue Policy.

Ngā mihi Hong



Hong YUAN (She/her) | National Public Health Lead Asian Family Services Asian Helpline: 0800 862 342 https://www.asianfamilyservices.nz/ | https://www.facebook.com/NZAFS

This communication is confidential and may be legally privileged. If you have received it in error you must not use, disclose, copy or retain it. Thank you.

Charity number: CC57688



1

# Rangitīkei District Council Gambling Policies

# **Submission Form**

This form should be used for submitting on the Gambling Venues (Class 4) Policy and the TAB Venues Policy

## Please provide your feedback by 5pm 24 February 2025

Submitter Details	
Full name of submitter: Hong Yuan	
Is your feedback on behalf of an organisation? (If yes, this confirms you have the authority to submit on the organisation's behalf)	Ves 🗌 No
Name of organisation: Asian Family Services	
Postal address:	
Phone:	
Email:	
(Please provide at least one form of contact so staff can respond to you about your submissio	on)

I would like to speak to Council in person about my feedback:

Please indicate if you would like to use New Zealand Sign Language:

# **Privacy Statement**

All submissions are treated as public information and are included in papers available to the public, media, and on our website.

Your contact details, but not your name or organisation (if applicable) will be withheld from the general public.

# **Gambling Venue (Class 4) Policy**

What option do you support for Class 4 'pokie' gambling within the Rangitīkei District?

	Option 1	Retain the status quo with minor amendments – Cap at 58 EGMs
$\checkmark$	Option 2:	Change to a sinking lid policy
	Option 3:	Something else (please specify)

# Comments: Please see the attached detailed submission.

9)

Yes 🗸 No

No

Yes 🗸

Do you support the policy allowing two or more venues to merge? 📃 Yes 📈 No	
Comments: please see the attached detailed submission.	

Do you support the policy allowing venues to relocate?	🗌 Yes 🖌 No
Comments: please see the attached detailed submission.	

Additional comments:\_\_\_\_\_

# **TAB Venue Policy**

What option do you support for TAB venues within the Rangitīkei District?

	$\checkmark$	Option 1	Retain the status quo with minor amendments - do not allow venues to establish
		Option 2:	Change the policy to allow new venues
		Option 3:	Something else (please specify)
Comments:			

#### Submissions can be made:

- **Online:** you can find the online submission form at: <u>www.rangitikei.govt.nz/consulations</u>
- In person: hard copies of the form are available at and can be dropped off to: Council's Community Hubs in Marton, Bulls and Taihape, from the Council's Main Office in Marton or from the Council's website <u>www.rangitikei.govt.nz</u>
- **Email:** email your submission to <u>submissions@rangitikei.govt.nz</u>
- Post: Gambling Venues Policy Review
   Rangitikei District Council
   46 High St, Private Bag 1102, Marton 4741

**RANGITĪKEI** DISTRICT COUNCIL

Page 87 of 101

www.rangitikei.govt.nz



24 February 2025Rangitikei District Council46 High St, Private Bag 1102Marton 4741

# Re: Submission for Rangitikei District Council's Gambling Venue (Class 4) Policy and TAB Venue Policy

# Introduction

Asian Family Services (AFS) is a non-governmental organisation (NGO) committed to providing gambling harm minimisation and mental wellbeing support services to individuals of Asian background living in Aotearoa New Zealand. Our gambling harm initiatives are funded by Te Whatu Ora Health New Zealand. We provide services by qualified counsellors, psychologists, social workers, and public health practitioners who speak various Asian languages, including Mandarin, Cantonese, Hindi, Korean, Japanese, Thai and Vietnamese, as well as English.

## **Recommendations**

We appreciate for the opportunity to comment the proposed modifications to the Gambling Venue (Class 4) Policy and TAB Venue Policy with regards to Rangitikei District Council. We would like to provide the following recommendations. Asian Family Services also endorses and supports the submission made by PGF and Mapu Maia.

- We support Council's proposed option2 to introduce Sinking Lid policy.
- We advocate for Council to explore the adoption of a more restricted sinking lid approach, complete with provisions prohibiting relocation and club mergers.

We kindly request the Council to engage in a policy review and fine-tune their decision-making process, taking into account the following points.

## Rationale

## Gambling Harm

• The Ministry of Health (2022) points out that "Gambling harm is a significant social and economic issue. About one in five people in New Zealand will experience harm in their lifetime due to their own or someone else's gambling."



The New Zealand National Gambling Study, which comprises a sample size of 12,000 and was conducted in 2012, stands as the sole comprehensive national investigation into gambling issues in New Zealand. This study, as outlined by Abbott et al. (2014), offers the most accurate and representative data regarding the prevalence and characteristics of gambling harm experienced by family and affected others (FAOs) within the New Zealand population. The study's findings have led to the conclusion that harmful gambling has a pronounced adverse impact on the well-being of FAOs. The most significant adverse effects, as identified, include financial impacts (21%), loss of relationships (9.5%), stress inflicted upon family members (8%), erosion of trust (7%), and the experience of emotions such as anger, frustration, or resentment (6.5%). On a global scale, extensive research and studies consistently reveal that gambling is associated with a wide range of adverse outcomes that impact not only the individuals who gamble but also extend to their families and communities. These consequences span a spectrum, encompassing, but not limited to, financial difficulties leading to bankruptcy, disruptions in relationships (Currie et al., 2009), emotional or psychological distress, cultural harm, engagement in criminal activities, and even the potential for suicidal tendencies (Langham et al., 2015). Importantly, the repercussions of gambling can endure over the long term, affecting individuals well beyond the period of active gambling (Hodgins et al. 2005.) Also, gambling may also contribute to child neglect and family violence (Ministry of Health, 2022).

# Class 4 Gambling Harm

- It is evident that various forms of gambling carry differing levels of harm, a fact underscored by the distinct classifications of gambling delineated within the Gambling Act of 2003.
- The most harmful form of gambling in New Zealand is non-casino gaming machines (NCGMs) at pubs / clubs (defined in the Act as class 4 gambling). At-risk and problem gamblers accounted for over half of the total (estimated) electronic gaming machine (EGM) expenditure in 2015 (moderate-risk and problem gamblers 28 percent; low-risk gamblers 24 percent). Similarly, analysis from the 2020 Health Life Survey shows 50.3 percent of those who played EGMs in pubs or clubs at least once a month experienced some level of gambling harm (Ministry of Health, 2022).
- Class 4 EGMs is more harmful than casino EGMs is their location within our communities and the design of EGM rooms within Class 4 venue.



# Vulnerable groups susceptible to the adverse effects of gambling harm

• The Ministry of Health (2022) underscores that gambling harm is also an equity issue. This is particularly pertinent because **Māori**, Pacific peoples, some Asian communities, young individuals/rangatahi, and those with **lower incomes** bear a disproportionate burden of the harmful effects of gambling.

## Demographic Profile of Rangitikei District Council (Population)

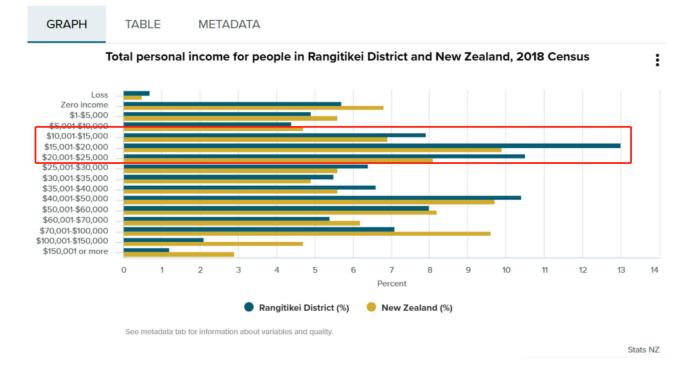
- Based on the data from the 2018 Census, Rangitikei District Council is home to a population of 15,027 residents. This demographic makeup is characterised by European, comprising 79.2% of the population, Māori at 26.2%, Pacific peoples at 5.6%, and an Asian population accounting for 2.1%.
- As per Stats New Zealand (2021), New Zealand is projected to experience increased ethnic diversity by 2043, with the Māori, Asian, and Pacific ethnic populations growing across all regions and territorial authority areas. Rangitikei District Council is expected to align with this trend, indicating that the proportion of vulnerable communities susceptible to gambling harm is likely to rise.

# Demographic Profile of Rangitikei District Council (Income)

- In 2018, the median income for Rangitīkei District Council was \$27,200, which was 25.67% lower than the national median income.
- Notably, the proportion of lower-income earners (those with a personal income between \$10,000 and \$20,000) in the district exceeded the national average.



# Personal income, Rangitikei District compared with New Zealand





# Efficacy of Sinking Lid

- One of the pivotal factors influencing gambling behaviour is frequently explained through the "availability hypothesis." According to this theory, problem gambling exhibits a positive correlation with exposure, meaning that as gambling opportunities expand, the incidence of pathological gambling tends to rise. Initial research, which examined the legalisation of various forms of gambling at the state level in the United States during the 1980s and 1990s, provided support for this hypothesis (Volberg, 1994).
- On a global scale, evidence-based research consistently highlights the effectiveness of reducing the density of EGMs in mitigating gambling harm. A notable study by Storer et al. (2009) provides a critical insight: with each additional EGM introduced into an area, there was an average association with 0.8 new problem gamblers. This underscores the paramount importance of implementing policies aimed at restricting or reducing the concentration of EGMs, as they are likely to play a pivotal role in curbing or alleviating the harms linked to gambling. Furthermore, as noted by Robert J. Williams (2009), the most dependency-prone forms of gambling typically involve continuous gameplay with rapid game frequency. EGMs, continuous lotteries, and casino table games epitomise this feature. Therefore, taking



measures to eliminate or significantly reduce the number of these games holds significant preventative value in addressing gambling-related issues.

- Within the New Zealand context, the New Zealand Work Research Institute at Auckland University of Technology conducted a comprehensive study aimed at assessing the consequences of public policy interventions on problem gambling in the country. The research findings emphasize that policies involving per capita caps and sinking lids have proven to be the most efficacious in curbing gambling expenditure. Furthermore, the study indicates that Territorial Local Authorities (TLAs) that implemented additional restrictions beyond the requirements stipulated by the Gambling Act observed a decrease in gambling-related harm compared to TLAs that did not take such additional measures.
- The research conducted by Christopher Erwin et al. in 2022 provided support for the availability hypothesis within the New Zealand context. The study's findings indicate that regions implementing sinking lid policies, which go beyond the restrictions mandated at the national level, experience a noteworthy 13% reduction in gambling expenditure compared to regions that do not adopt such additional policies.

# Conclusion

- The enactment of the Gambling Act 2003 was driven by the objective of adopting a public health-oriented approach to regulate gambling and mitigate the adverse effects of gambling harm.
- Non-casino gaming machines (NCGMs), classified as class 4 gambling under the Act, are acknowledged as the most detrimental form of gambling in New Zealand. Therefore, it is imperative for the Council to ensure the implementation of the most effective policies aimed at safeguarding the community from the adverse effects of gambling harm.
- Demographic data underscores the substantial presence of Māori and low-income residents in Rangitikei District Council, a population segment that is disproportionately impacted by gambling harm. In light of this, it becomes the Council's responsibility to institute a more stringent policy aimed at protecting the community from the gambling harm.
- Evidence-based research unequivocally demonstrates that reducing the availability of EGMs is an effective strategy to curtail gambling expenditure and consequently mitigate harm within the community. With the Council's existing adoption of the Sinking Lid policy, which refrains from issuing new licenses, it is worth considering an even more restrictive approach. Implementing policies that disallow both relocation and club mergers would further enhance the reduction in EGM availability, thereby bolstering community protection against the adverse effects of gambling harm.

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Thank you for your time and consideration. We look forward to your response.

Ngā mihi nui,

Reng B>

Kelly Feng

**Chief Executive** 



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From:

Submissions

From: Hera Day Sent: Tuesday, 25 February 2025 12:44 pm To: Submissions <Submissions@rangitikei.govt.nz> Subject: Gambling Policy Consultation

Tena koe,

Please find submission attached on behalf of Te Oranganui for the gambling policy within the Rangitikei District Council.

Apologies for the lateness, I hope this can still be considered.

Nga mihi,

Hera Day | Kaitūruki | Gambling Harm Practitioner | Te Oranganui Trust PO Box 611 | 133 Wicksteed Street | Whanganui 4500 | teoranganui.co.nz

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# Submission on Rangitīkei District Council Gambling Venue Policy

Thank you for the opportunity to provide a written submission on Rangitīkei District Council's Gambling Venues Policy.

This submission has been prepared by the Gambling Harm Practitioner of Te Oranganui, located at 133 Wicksteed Street, Whanganui. Our objective is to provide a new, enhanced, and equitable Māori-specific approach to preventing and minimising gambling harm for those experiencing distress related to gambling. This service is designed to reflect the aspirations of whānau, hapū, and iwi across Aotearoa and is fundamentally underpinned by te āo Māori approaches. While we accept <u>all</u> tangata whaiora who require help, we also aim to create a robust system that supports the wellbeing of Māori communities concerning gambling harm. Our commitment is towards building healthier and more resilient communities by reducing inequities and promoting good health, particularly for Māori and Pacific people (Te Oranganui, 2024).

#### **Current Gambling Venue Policy**

The Council's Gambling Venue Policy governs Class 4 gambling venues (non-casino gaming machines) and Totaliser Agency Board (TAB) venues, as required by the Gambling Act (2003) and Racing Industry Act (2020) (Rangitikei District Council, 2024). The policy currently includes:

- A "sinking lid" rule preventing new Class 4 licenses from being issued.
- A requirement that if venues merge, the number of gaming machines must be reduced.
- Restrictions on relocations near sensitive locations such as schools and community facilities.

#### Gambling Harm in the Rangitikei District

In 2023, \$3.4 million was lost on Class 4 pokie machines in the Rangitīkei District, equating to more than \$9,400 per day (Department of Internal Affairs, 2024). This represents an increase of \$270,883 from 2022, with forecasts indicating a further rise in 2024.

These losses come from just five venues operating fifty-eight machines, all of which are in areas classified as medium-high to very high deprivation (Problem Gambling Foundation, n.d). While \$1.1 million was returned to the Rangitīkei community in grants, this accounts for only 34% of the total losses.

Currently, the Rangitīkei District Council has the authority to regulate Class 4 venues and TAB venues, including determining their location and number. This power enables the Council to mitigate gambling-related social harm by restricting venues near sensitive locations such as schools and community facilities.

#### Whānau and Community Voice

The voices of whānau and the community highlight an ardent desire for comprehensive support and education to address gambling harm (Te Oranganui, 2024). There is a clear need for educational initiatives that not only raise awareness but also explore the underlying causes of gambling addiction, including its links to colonisation and the broader social factors that contribute to harmful gambling behaviour's. Holistic, culturally responsive support services are also a priority, with a focus on integrating mental health, addiction treatment, and overall community well-being into a connected ecosystem of care. Reducing stigma is another key concern, with calls for mana-enhancing education that empowers individuals and families to seek help without fear of judgment. Additionally, the importance of peer support is emphasised, as lived experiences and whānau-centred, purposeful therapies are seen as valuable in promoting recovery. Strengthening engagement and inclusion is also critical, with a push for creating platforms where whānau can share their experiences to ensure services are tailored to their unique needs. To effectively minimise gambling harm, the report recommends implementing culturally grounded education programs, establishing interconnected support services, encouraging community-led initiatives, and developing targeted interventions that reflect the distinct histories and realities of specific communities.

#### Social Impact Assessment and Research Findings

The Assessment of the Social Impact of Gambling 2024, commissioned by the Rangitīkei District Council, highlights the disproportionate effects of gambling harm on Māori and Pacific communities. These impacts are often linked to socio-economic disparities and systemic marginalisation, making these populations more vulnerable to gamblingrelated harm. Notably, the deprivation index for Rangitīkei in 2018 was 70%, which is 14% higher than the national average. This suggests that residents are more likely to experience adverse health outcomes and environmental stressors due to gambling-related financial strain.

#### Supporting Research in Aotearoa

The New Zealanders' Participation in Gambling Report (2014) revealed significant variations in gambling participation based on factors such as gender, age, ethnicity, the Problem Gambling Severity Index (PGSI) score, and deprivation level. These findings suggest that targeted intervention is necessary to address the risks faced by vulnerable populations.

Research suggests that if Class 4 gambling were no longer an option, spending may be redirected to other forms of gambling, including illegal and online gambling (Rangitikei District Council, 2024). However, the same study found that money otherwise spent on Class 4 gambling would not be saved but instead absorbed into other household expenses, reducing financial harm.

The Strategy to Prevent and Minimise Gambling Harm 2025/26 – 2027/28 (2024) underscores the importance of prevention and early intervention. It recognises the necessity of initiative-taking measures to address the increasing accessibility and normalisation of gambling in society. This approach is vital in an environment where gambling opportunities continue to expand.

#### **Global Research**

According to The Gambling Harm Needs Assessment 2024 by Malatest International and Sapere, the sinking lid policy is an effective intervention. One key finding was that such policies, which prevent the transfer of Class 4 gambling licenses and gradually reduce the availability of gambling facilities, have successfully reduced gambling expenditure. Specifically, it was found that areas with sinking lid policies experienced a 10-14% decrease in gambling expenditure compared to those without such restrictions.

#### Recommendation

The Rangitīkei District Council's preferred approach is to maintain the status quo, keeping gaming machine numbers at 58 and not allowing the establishment of standalone TAB venues.

However, in alignment with Te Oranganui's values, we strongly advocate for the Council to adopt a sinking lid policy for both Class 4 gambling venues and gaming machines. This policy will help reduce the number of pokie machines over time and, in turn, minimise the harm they cause in our communities.

Our key message is the urgent need to transform gambling harm services into a more accessible, equitable, and culturally responsive system that prioritises the needs and preferences of whānau (Te Oranganui, 2024). This includes integrating community voices, cultural wisdom, and lived experiences into the design and implementation of harm reduction services.

Furthermore, a holistic, collaborative approach to gambling harm prevention is necessary. This involves reducing stigma, enhancing support systems, and addressing the root causes of gambling addiction. By acting now, we can create a safer and healthier future, allowing us to focus on addressing larger social issues, such as the impact of gambling harm on our rangatahi.

Nga mihi,

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