Tuesday, 1 December 2020



Te Hui o Te Kaunihera ā-Rohe o Heretaunga Hastings District Council Council Meeting

Kaupapataka

Open Attachments Under Separate Cover

<i>Te Rā Hui:</i> Meeting date:	Tuesday, 1 December 2020
<i>Te Wā:</i> Time:	9.00am
<i>Te Wāhi:</i> Venue:	Council Chamber Ground Floor Civic Administration Building Lyndon Road East Hastings

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ITEM	SUBJECT		PAGE
5.	CLASS 4 GAMBLING AND TAB VENUE HEARINGS REPORT		
	Attachment 8:	Submission #1 The Gaming Machine Association of NZ (Jarrod True)	3
	Attachment 9:	Submission #2 The Cru Bar (Steve Carey)	19
	Attachment 10:	Submission #2 Level 1 Bar (Steve Carey)	21
	Attachment 11:	Submission #3 NZ Community Trust (Tanya Piejus)	23
	Attachment 12:	Submission #4 Myra Barber	43
	Attachment 13:	Submission #5 Malcolm Dixon	47
	Attachment 14:	Submission #6 Sportslink (Jack Saunders)	51
	Attachment 15:	Submission #7 Clubs Hastings (Jackie Wells)	53
	Attachment 16:	Submission #8 First Light Submission Mark Sowman)	55
	Attachment 17:	Submission #9 Hawke's Bay Motorcycle Club (Maria Beal)	65
	Attachment 18:	Submission #10 HBDHB (Patrick Le Geyt)	71
	Attachment 19:	Submission #11 Hawke's Bay Rugby Union (Jay Campbell)	83
	Attachment 20:	Submission #12 Kia Toa Lawn Bowls Club (James Ludlam)	85
	Attachment 21:	Submission #13 Graeme Dingle Foundation (Alison Prins)	87
	Attachment 22:	Submission #14 The Lion Foundation (Tony Goldfinch)	91
	Attachment 23:	Submission #15 Sundevils Swim Team (Megan Burney) PDF	107
	Attachment 24:	Submission #16 Mitre 10 Park (Jock Mackintosh)	111
	Attachment 25:	Submission #17 Grassroots Trust Central Limited (Sean Hannan) 113
	Attachment 26:	Submission #18 Havelock North Wonderers Association Footba Club (Angela Hunter)	ll 123
	Attachment 27:	Submission #19 Ian Brown	125
	Attachment 28:	Submission #20 Tania Smith	131
	Attachment 29:	Submission #21 Lianne Goodwin	133
	Attachment 30:	Submission #22 Robert Ancell	135
	Attachment 31:	Submission #23 Aaron Edmonds	137
	Attachment 32:	Submission #24 Tim Ormond	139
	Attachment 33:	Submission #25 Richard Kettle	141
	Attachment 34	Submission #26 Janice Byford-Jones (Cranford Hosnice)	143

Attachment 34: Submission #26 Janice Byford-Jones (Cranford Hospice) 143

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		HASTINGS
Attachment 35:	Submission #27 Cath Healey	145
Attachment 36:	Submission #28 Benjamin Molineaux	147
Attachment 37:	Submission #29 Te Rangihaeata Oranga Trust (Vicki Berkahn)	149
Attachment 38:	Submission #30 Teena Moody	157
Attachment 39:	Submission #31 Christina McBeth	159
Attachment 40:	Submission #32 Jim Stevenson	161
Attachment 41:	Submission #33 Lyn	163
Attachment 42:	Submission #34 Lisa Tamati	165
Attachment 43:	Submission #35 Arts Inc. Heretaunga (Andy Heast)	167
Attachment 44:	Submission #36 Thompson Hokianga	169
Attachment 45:	Submission #37 Art Hawke's Bay (Hans Doevendans)	171
Attachment 46:	Submission #38 Mary Hannan (Air Training Corps Charitable	
	Trust)	173
Attachment 47:	Submission #39 Trojans Swim Club (Ben Hutton)	175
Attachment 48:	Submission #40 Ross Webb	177
Attachment 49:	Submission #41 Anita Nelson	179
Attachment 50:	Submission #42 Heneriata Edmonds	181
Attachment 51:	Submission #43 David Harding	183
Attachment 52:	Submission #44 Problem Gambling Foundation (Paula	
	Snowden)	185
Attachment 53:	Submission #45 Alan McDonald	207
Attachment 54:	Submission #46 TAB New Zealand (Niall Miller)	209

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



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

Introduction

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

Summary

- The Association supports the status quo cap (option two). The Association opposes the introduction of a sinking lid policy.
- 3. The Association supports the retention of the current sensible relocation policy.

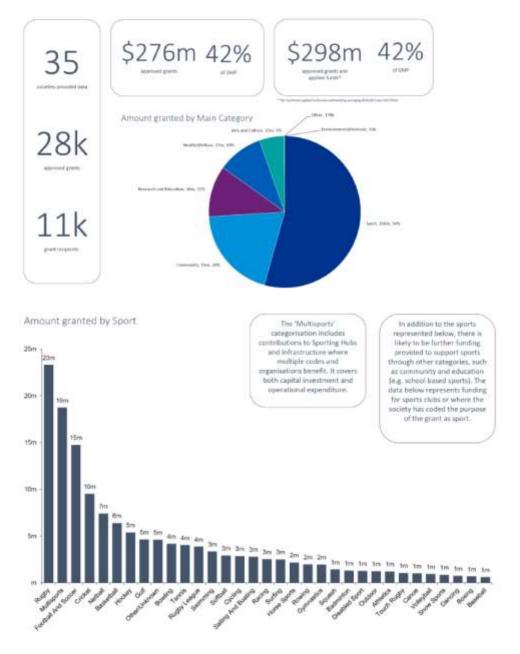
Gaming Machine Funding

4. 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. In 2018, approximately \$276m of grant funding was approved across 28,074 grants to 10,853 different organisations.¹ In addition, over \$71m was applied by TAB New Zealand (\$14m), Youthtown (\$8m) and various RSAs and Workingmen's Clubs (\$50m) to support their own activities. In total, 54% of the grants distributed in 2018 were sports related. The second most popular category was community (20%). This funding is crucial.

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http://www.gamblinglaw.co.nz/download/Gaming_Machine_Grant_Data_2018.pdf



 The total authorised purpose funding (including the non-published club authorised purpose payments) received from Hastings District-based venues in 2019 was over \$7.8 million. Examples of recent local grants include:



\$67,500.00 to Hastings Rugby & Sports Club

\$29,800.00 Heretaunga to Sundevils Swim Team





6. The total grants amount quoted by the Problem Gambling Foundation is less than the \$7.8 million stated above, as the Problem Gambling Foundation's data is gathered from society websites, and not all societies publish their authorised purpose payments. The funds applied and distributed by club societies, for example, are not published. Further, if the grant recipient's name does not indicate that it is located within the territorial authority, the amount of that grant is not included in the Problem Gambling Foundation's figures.

Other Benefits from Gaming

- Gambling is a popular form of entertainment that most New Zealanders participate in. The 2018 Health and Lifestyles Survey² found that 67.2% of adult New Zealanders had participated in some form of gambling in the previous 12 months (estimated to be 2,650,000 adults).
- In the 2019 calendar year, Hasting District-based non-casino gambling contributed \$6.7million to the government by way of taxes, duty and levies.
- In the 2019 calendar year, the gaming machine industry paid approximately \$2.9 million to Hastings District-based hospitality businesses, thus supporting local employment and business growth.

Revenue Breakdown

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

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

Typical Distribution of Gaming Machine Profits

Gaming Machines - Key Facts

- 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, 32 years ago.
- Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In June 2020, New Zealand had 14,847 gaming machines.

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² https://kupe.hpa.org.nz/#l/gambling/gambling-participation/any-gambling-activities

- In 2003, the Hastings District had 32 venues. Currently, the Hastings District has only 17 venues.
- New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)³ found the problem gambling rate was 0.2% of people aged 18 years and over. The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
- 15. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$20 million per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.
- 16. 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

- The current policy is appropriate given the significant measures that are already in place to minimise the harm from gaming machines.
- 18. Limits exist on the type of venues that can host gaming machines. The primary activity of all gaming venues must be focused on persons over 18 years of age. For example, it is prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.
- There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
- 20. 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.
- 21. 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.
- Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.

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

- 23. ATMs are excluded from all gaming rooms.
- 24. All gaming venues have a harm minimisation policy.
- All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
- All gaming venues have signage that encourages players to gamble only at levels they can
 afford. The signage also details how to seek assistance for problem gambling.
- All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.
- Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
- 29. It is not permissible for a player to play two gaming machines at once.
- All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
- 31. 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).
- It is not permissible to use the word "jackpot" or any similar word in advertising that is visible from outside a venue.

Burden of Harm Report

- 33. In May 2017, a report titled Measuring the Burden of Gambling Harm was produced for the Ministry of Health. In the report, "low risk" gambling, such as buying a Lotto ticket, was claimed to be as bad for a gambler's health as the untreated amputation of a leg, while "problem gambling" was claimed to be as bad as suffering from a severe stroke or terminal cancer.
- 34. A review of the study's methodology produced by TDB Advisory⁴ concludes that these outlandish comparisons were made possible by a long line of deliberate selection biases and errors. The errors revealed by the TDB Advisory review include either deliberately or by mistake: using a biased population sample (participants were not randomly selected); attributing all harms to gambling and none to associated behaviours (such as smoking);

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

and treating all harm as stemming 100% from gambling rather than allowing for the use of gambling as a coping mechanism or as a symptom of harms rather than the cause.

The Association has called for the report to be officially withdrawn, or to be subject to an
official warning against its use.

A Concern with How Gamblers Spend their Disposable Income

- 36. The Salvation Army and Problem Gambling Foundation recently released a report commissioned from the New Zealand Institute of Economic Research suggesting that there would be significant economic benefit to the retail sector in both income and job creation if spending on gambling was halted. The report claims that this extra retail spending would generate an additional 1,127 full-time equivalent jobs for 1,724 workers, along with an additional \$58m of GST revenue and additional income tax of \$7m from the retail spend.
- 37. The report, however, fails to take into consideration the economic value currently generated by the gambling sector. The report specifically acknowledges that this was outside its scope. It is therefore a misrepresentation of the net value of such a move, given that it takes no account of the value that would be lost. What the Salvation Army and Problem Gambling Foundation appear to be saying is: let's take money and jobs away from the charity and not for profit sectors health and rescue, education, community and social support services, environment, and arts and heritage and give it to the commercial sector.
- 38. A suggestion is also made that the increased retail spending would then result in the retail sector channelling its increased profits into things like sports sponsorship. It is, however, more likely that any increased profits from the retail spending would be retained by the business owners, many of whom are large corporates, based offshore.
- 39. The report fails to address the freedom of adult New Zealanders to do what they want with their discretionary spending. Ministry of Health data indicates that over 1.8 million adult New Zealanders enjoy spending their money on gaming machines, Lotto, Instant Kiwi, sports and track betting and other forms of gambling. That spending provides them with entertainment, relaxation and social interaction. Those benefits would be lost if people were not able to spend their money on gambling.

The "Costs of the System"

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

The Current Policy is Reasonable

- The current policy is reasonable, given the current environment of high regulation and naturally reducing machine numbers.
- 42. 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).
- 43. The 2012 National Gambling Survey⁵ 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.

44. The New Zealand National Gambling Study: Wave 3 (2014)⁶ 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...

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

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

http://www.health.govt.nz/system/files/documents/pages/national-gambling-study-final-report-report-no.5.pdf

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http://www.health.govt.nz/system/files/documents/pages/national_gambling_study_report_2.pdf

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).

46. A more restrictive policy is unlikely to reduce problem gambling, but will, over time, reduce the amount of funding available to community groups in the Hastings 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

47. 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.



- 48. 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.
- There is no question that New Zealanders love gambling online. The Lotteries Commission reported in its 2017/18 Annual Report that online sales accounted for 16 per cent of its total sales (\$201.1m), compared with 13 per cent the previous year.
- 50. The TAB noted in its latest six-monthly report that online channels made up 59.2 per cent

of its betting turnover, up 2.2 percentage points on last year. It also said that its online platforms were the fastest-growing channels.

 SkyCity has launched an offshore-based online casino with a large selection of gaming machine games.



- 52. A September 2018 Cabinet paper⁷ on online gambling cites research suggesting that New Zealanders gambled approximately \$300 million with offshore providers in 2017, with the market growing annually at between 12 and 20 per cent.
- 53. The Cabinet paper notes that health professionals and gambling harm treatment providers have expressed concern that online gambling may be more harmful than some existing forms of gambling. The paper continues by stating "It [online gambling] has the

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

potential to drive changes in behaviour to a greater, and more harmful, extent than some land-based gambling."

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

The Removal of the Relocation Provisions is Opposed

- 56. 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.
- 57. Venue relocation is a harm minimisation tool. Venue relocation allows venues to move out of high deprivation areas and residential areas, to a more suitable areas, such as the CBD. There is no good policy reason for taking steps to remove this option. Removing the option to relocate simply entrenches venues in undesirable locations.
- 58. The proposal to remove the relocation provision is contrary to the national trend. Over the last four years, almost all other councils that have reviewed their gambling venue

policy have adopted some form of relocation provision. Currently, approximately 55 councils have a relocation policy in place.

- The current relocation policy permits existing venues to re-establish after a natural disaster or fire. This is reasonable.
- 60. The current relocation policy enables venues to move out of earthquake-prone buildings, dangerous buildings and insanitary buildings. Why does council wish to take this option away and force business owners, hospitality staff and the public to continue to occupy unsafe premises?
- 61. Enabling relocation allows venues (particularly clubs) to move away from large premises, with large car parking areas, where such land may be better used for affordable high-density housing. Given the unaffordability of housing, the status quo policy is entirely appropriate.
- 62. The current relocation policy is positive as it assists with the revitalisation of the city. It allows gaming venues to move to new, modern, refurbished premises. Allowing local businesses to upgrade their premises and provide a more modern, attractive offering to the public helps to revitalise business districts, improves the local economy, and encourages tourism.
- 63. 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

- 64. A venue is sometimes required to relocate to adjacent premises due to its fixed lease coming to an end or public works acquisition. When it is clear that the same business exists but has simply relocated a short distance, it is fair and reasonable for the policy to permit the venue to continue its current gaming machine operation.
- 65. Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals.

Allowing relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.

Oral Hearing

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

21 September 2020

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Acting Chair	Counsel
Gaming Machine Association of NZ	Gaming Mac
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gmanz.org.nz



Submission Form

207 Lyndon Road Eart Hastings 4122 Private Bag 9002 Hastings 4156 Phone 66 871 3300 Fax 66 871 5120 www.hastingsdc.govt.nz

HASTINGS DISTRICT COUNCIL

Submission on Proposed Class 4 Gambling and TAB Venue TE KAUNIHERA D HERETAUNGA Policies

Submissions can be:

Posted to:	Delivered to;	E-mailed to:	Completed online:
Class 4 Gambling and TAB Venue Hastings District Council Private Bag 9002 Hastings 4156 Attn: Junior Tuakana	Reception and Customer Service Centre Hastings District Council 207 Lyndon Road East Hastings Attn: Junior Tuakana	juniort@hdc.govt.nz	myvoicemychoice.co.nz

Submissions may be lodged until 12 October 2020

1. Your details:

Full Name(s):	STEVEN C	ALEY F	& THE CKL	1 BAR
		(08,	HASTNAS	
Home phone:				0)1812828
Email: 195	. affice axt	Va.CO.	Fax number:	

2. My/our submission is that:

(State the nature of your submission, clearly indicating whether you support or oppose the specific provisions or wish to have amendments made, giving reasons. Please continue on separate sheet(s) if necessary).
1 OPPOSE THE PROPOSAL IN 173
ENTRET!

3. I/We seek the following decision: (Please give precise details)

 Please indicate with a tick whether you wish to be heard in support of your submission:
I wish to speak at the Hearing in support of my submission; or
I do not wish to speak at the Hearing in support of my submission.
5. Please indicate with a tick if you wish to make a joint case:
If others make a similar submission please tick this box if you would consider presenting a joint case with them at the Hearing.
6. Signature of person making submission or person authorised to sign on behalf of person making submission Signature: Date: 23920.
If you have used extra sheets for this submission please attach them to this form and indicate this below:
Ves, I have attached extra sheets

Please Note: all submissions are made available to the Councillors and Public



Submission Form

207 Lyndon Road East Hastings 4120 Privale Beg 2002 Hastings 4156 Phone 0s 871 5000 Fex 06 871 5180 www.hastingsdc.govt.nz

HASTINGS DISTRICT COUNCIL

Submission on Proposed Class 4 Gambling and TAB Venue TE KAUNIHERA 6 NERETALINGA Policies

Submissions can be:

Your details:

1.

Posted to:	Delivered to:	E-mailed to:	Completed online:
Class 4 Gambling and TAB Venue Hastings District Council Private Bag 9002 Hastings 4156 Attn: Junior Tuakana	Reception and Customer Service Centre Hastings District Council 207 Lyndon Road East Hastings Attn: Junior Tuakana	juniort@hdc.govt.nz	myvoicemychoice.co.nz
Submissions may be lodg	ged until 12 October 2020		

Full Name(s): LEVEL 1.	
	ASTINGS
	Mobile Phone: 00180828
Email: tash officearlya. 10, 17	-Fax number:

2. My/our submission is that:

(State the nature of your submission, clearly indicating whether you support or oppose the specific provisions or wish to have amendments made, giving reasons. Please continue on separate sheet(s) if necessary).

I OPPOSE THE BOOK PROPASAL IN ITS
ENTIRETY.

3. I/We seek the following decision: (Please give precise details)

4. Please indicate with a tick whether you wish to be heard in support of your submission: I wish to speak at the Hearing in support of my submission; or I do not wish to speak at the Hearing in support of my submission. 5. Please indicate with a tick if you wish to make a joint case: If others make a similar submission please tick this box if you would consider presenting a joint case with them at the Hearing. 6. Signature of person making submission or person authorised to sign on behalf of person making submission Signature: Date: 23 May Date: 23 May May May May May May Date: May May<	+++++		
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Please Note: all submissions are made available to the Councillors and Public



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

September 2020

1

Contents

5 6 7 8 10 10 10
5 5 7 7 10 10
5 5 7 7 7 7
5 7 8 10 10
6 7 8 10 10 10
7 8 10 10 10
8 10 10 10
10 10 10
10 10
10
10
10
11
12
12
13
13
13
14
14
15
15
16
16
16
19

Executive summary

- Gaming trusts returned \$276 million to the New Zealand community in 2018 in grants, while implementing the Gambling Act's stringent requirements for preventing and minimising harm from gambling.
- In 2019, \$7.8 million was returned to the Hastings district through gaming society grants, which was 43% of gaming machine proceeds – above the legal minimum of 40%. This data was independently collated and verified by KPMG.
- Community organisations in the Hastings district received a total of \$814,257.67 from NZCT between 1 October 2019 and 30 September 2020 through 90 grants. This went to schools and kindergartens, sports clubs, arts organisations, community groups, health services, the rescue helicopter, and many other charitable causes which would struggle to find funding from other sources.
- Hastings District Council received \$10,000 in funding from NZCT in 2013 towards a new skate park.
- Council gambling venue policies are critical to maintaining the infrastructure that allows
 community funding from gaming trusts to be sustainable long term. Sinking lid and norelocation policies destroy this infrastructure. Councils need to take a balanced approach to
 community benefit and potential harm from gambling.
- There is no evidence that a sinking lid policy is the best option for Hastings. Sinking lids are founded on the fundamental error that removing gaming machines means less harm. This is not true and not supported by the facts.
- Over the past 15 years, more than 10,000 gaming machines have been removed from New Zealand communities, but the problem gambling rate has remained static at an average of around 0.5% of the adult population over this time (currently 0.1%–0.2%, according to the most recent studies). This is among the lowest problem gambling rates in the world. Canada's, for example, is 3%.
- In the year to June 2018, 139 Hastings residents were assisted by problem gambling service providers, representing 3.65% of the known problem gamblers in New Zealand (Ministry of Health statistics). By comparison, Auckland had 42.69% of all problem gamblers and Christchurch 11.78% over the same period.
- A sinking lid is a blunt instrument that reduces community funding by removing the fundraising infrastructure (i.e. gaming machines within entertainment venues) over time and does nothing to reduce problem gambling, which is a complex addiction.
- Research has shown that allowing gaming venues to relocate out of areas of high deprivation is more effective in reducing problem gambling.
- The current cap on gaming machines and an effective relocation policy that allows venues to move out of deprived areas into the CBD is much fairer to hospitality business owners, as

well as helping to address problem gambling.

 If gaming venues are removed from the community, gamblers may move to the online environment where gambling is unregulated and unmonitored, has no harm minimisation measures, incentivises spending and returns nothing to the New Zealand community.

Community organisations rely on pub gaming to survive

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

In nominal terms, between 31 March 2004 and 31 December 2017 class 4 revenue declined from \$1,027 million to \$870 million (-15%). The decline when adjusted for inflation was \$495 million (-36%).

In the same period, community funding from non-club societies reduced from \$389 million to \$300 million – a decline of 23% in real terms. The inflation-adjusted equivalent of the \$389 million distributed by the non-club sector in Q1 2004 would be more than \$526 million today. This highlights the extent of decline in fundraising capacity.

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

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

Every year, the gaming trust sector raises around \$276 million² for more than 11,000 worthwhile sports and community groups. The sector's contribution to the community through funding, in addition to the contribution to government revenue from GST, other taxes and levies, is acknowledged by central government.

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

The pub gaming sector has experienced a significant decline

During the last 17 years the pub gaming sector has experienced a significant decline. Department of Internal Affairs (DIA) statistics show that, between 30 June 2003 and 31 March 2020:

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

² Grant Distribution Modelling, KPMG, 29 August 2019.

- the number of gaming venues reduced from 2,122 to 1,074 (a 49% reduction)³
- the number of gaming machines operating reduced from 25,221 to 14,847 (a 41% reduction)⁴.

Council policies contribute to the decline in the pub gaming sector

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

Such policies are based on the erroneous belief that limiting gaming machine numbers will limit problem gambling. In fact, despite the 41% reduction in gaming machine numbers during the past 17 years, New Zealand's problem gambling rate has remained consistently low at around 0.3% to 0.7% of the population. The 2015 New Zealand Gambling Study (the most recent) found the rate was 0.2% and the latest Health and Lifestyles Survey found it was 0.1%. The 2012 New Zealand Gambling Study concluded "...there has probably been no change in the prevalence of current problem and moderate-risk gambling since 2006."⁵

Regulatory changes in 2014 increasing the minimum percentage of gaming machine profits to be returned to the community to 40% from 37.12% has put additional pressure on many gaming societies. This is forcing them to shed venues not contributing enough, given other cost pressures.

Online gambling is an unregulated threat

The public has access to a growing number of overseas gambling websites where they can spend their entertainment dollar. These sites are highly accessible, even to minors, often offer inducements to keep players betting, and have no bet size restrictions or guaranteed return to players. They do not return any funds to the New Zealand community or the New Zealand Government, and have no harm minimisation measures in place. During the Covid-19 lockdown, 8% of gamblers gambled online for the first time and an additional 12% gambled online more than usual.⁶

Location of gaming machines is more important than their number

Research⁷ suggests that when it comes to preventing and minimising gambling harm, the location of gaming machines is more important than the number of gaming machines operating. The Government acknowledged this point in 2013 when it amended the Gambling Act⁸ to require local authorities to consider adding relocation clauses to their gambling policies.

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

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

[#] Ibid.

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

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

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

^{*} Section 97A and 102(5A).

NZCT's recommendations

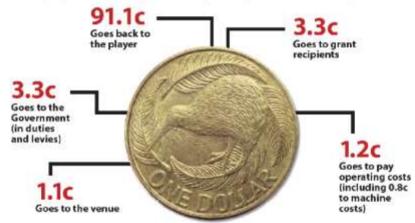
New Zealand Community Trust recommends Hastings District Council:

- retain the current cap on gaming machine numbers (option 2); we strongly oppose the introduction of a sinking lid
- retain the current relocation provision.

Pub gaming's vital support for the community

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





Research⁹ shows that the annual entertainment value from the pub gaming sector to recreational players is around \$250 million. The government revenue in the form of tax, duties and levies is also substantial and was over \$279 million in 2014.

Grants distributed by gaming machine trusts were 10% of the total philanthropic funding to the community and voluntary sector in 2011 and were at almost twice the level given by New Zealand businesses. In 2018, the amount of funds returned to the community from non-casino, non-club gaming grants was \$276 million.¹⁰ Class 4 gaming societies are required to distribute a minimum return of 40% to the community, on top of government fees, levies and GST, site rental, and machine and operating costs (see the chart on the next page showing NZCT's revenue distribution for the 2018/19 reporting period).

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

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

⁸ Maximising the benefits to communities from New Zealand's community gaming model, BERL, February 2013.
¹⁰ Grant Distribution Modelling, KPMG, 29 August 2019.

NZCT's revenue distribution in 2018/19



In the year ending 30 September 2019, NZCT distributed \$44.99 million to 1,992 sports and community groups through 2,294 grants.

Amateur sport is our main focus, so around 75% of the grants we distribute go to sports organisations. Each year, NZCT funds around 50 different sports.

In 2018/19, we funded the equivalent of:

- uniforms for 49,998 rugby teams (one uniform costs \$60), or
- 2,999,867 footballs (one football costs \$15), or
- 5,625 four-person waka (one waka costs \$8,000), or
- more than 2.25 million hours or 256.8 years of coaching (one hour of coaching costs \$20), or
- 30 artificial playing fields (one field costs \$1.5 million).

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

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

Sport New Zealand's report The Value of Sport states:

"Survey results indicate that the great majority of the general public agree that physical activity through sport, exercise and recreation is valuable. Whether individuals are 'active' or not, whether they are 'sporty' or not, whether they even like sport or not, most New Zealanders see value in sport and active recreation. "Evidence from a wide range of international and national sources support many of New Zealanders' perceptions, confirming that sport adds value to the lives of individuals, communities and the nation.

"Put simply, sport and active recreation creates happier, healthier people, better connected communities and a stronger New Zealand."

NZCT's position

In the following pages, we provide five reasons why we advocate for gaming venues to be allowed to relocate to new premises in a broad range of circumstances. We also provide seven reasons why we support your current policy on gaming machine and venue numbers and oppose a sinking lid.

Why allowing relocations is important

Helping reduce harm

Research¹¹ by Auckland University of Technology shows that problem gambling behaviour is influenced more by the distance to the nearest gambling venue, rather than the number of gambling venues within walking distance.

The Ministry of Health's 2013 Gambling Resource for Local Government acknowledges this point and states that one of the major factors associated with increased prevalence of problem gambling is "location and/or density of gambling venues and machines".¹² The Ministry of Health also found "being a problem gambler is significantly associated with living closer to gambling venues."¹³ Allowing gaming operations to move out of high-deprivation areas could potentially diminish gambling harm for at-risk communities.

Supporting local hospitality businesses

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

Responding to future demand

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

The DIA recommended relocation policies as a way of allowing territorial authorities to future-proof their class 4 gambling policies.¹⁴

Allowing appropriate benefit and responsibility

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

A broad relocation clause distributes the benefit and responsibility more fairly, enabling the gambling operator to choose where they wish to establish their business. A building owner could hike rents and ignore building maintenance because they know they have a captive tenant. In contrast, having a broad relocation clause incentivises building owners to maintain and upgrade their premises to attract and retain high-quality tenants.

¹¹ Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland, Gambling & Addictions Research Centre, AUT University, 2012.

¹² Page 21, Ministry of Health Gambling Resource for Local Government, 2013.

¹³ Ibid.

¹⁴ Internal Affairs Policy Briefing 3: Options for improving territorial authority gaming machine policies, 28 March 2013.

Parliament's directive is being acknowledged by other councils

Of the many local authorities (see the table below) that have completed a gambling venue policy review since 2015, only six have not allowed relocations in their policy after considering a new or amended clause.

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

Council	Submissions made	Review result	
Thames-Coromandel	March 2015	Added relocation option	
Wellington City	May 2015	Added relocation option	
Westland	May 2015	Added relocation option	
Hutt City	June 2015	Added relocation clause	
Kaipara	June 2015	Added relocation option	
Invercargill City	July 2015	Added relocation option	
Waipa	August 2015	Added relocation option	
Waitaki	September 2015	Added relocation option	
Gisborne	November 2015	Added relocation option	
Whakatane	April 2016	Added relocation clause	
Matamata-Piako	April 2016	Added relocation clause	
Southland	July 2016	Added relocation option	
South Taranaki	August 2016	Added relocation option	
Palmerston North	October 2016	Existing relocation option remains unchanged	
Tasman	No public consultation	No relocations allowed	
Otorohanga	March 2017	No relocations allowed	
Hastings	March 2017	Existing relocation clause amended	
Auckland	No public consultation	No relocations allowed	
Napier	May 2017	Existing relocation clause amended	
Rotorua	May 2017	Existing relocation clause amended	
Queenstown	June 2017	Re-consulting on relocation clause in November 2017	
Wairoa	June 2017	Existing relocation clause remains unchanged	
Waitomo	No public consultation	Existing relocation clause remains unchanged	
Hauraki	October 2017	No relocations allowed	
New Plymouth	October 2017	Added relocation option	
Horowhenua	October 2017	Existing broad relocation clause remains unchanged	
Manawatu	September 2017	Existing broad relocation clause remains unchanged	
Central Hawke's Bay	November 2017	Added relocation option	
Dunedin	December 2017	Added relocation option	
Thames-Coromandel	No public consultation	Existing relocation clause remains unchanged	
Kawerau	December 2017	No relocations allowed	
Taupo	October 2017	Existing relocation clause remains unchanged	
Whanganui	October 2017	Added relocation option	
Stratford	March 2018	Broad relocation policy introduced	
Hamilton	February 2018	Proposal to remove relocation policy rejected	
Marlborough	December 2017	Broader relocation policy introduced	
South Waikato	March 2018	Existing relocation clause remains unchanged	
Christchurch	No public consultation	No relocations allowed	
Tauranga	November 2018	Broader relocation policy introduced	
Nelson	October 2018	Existing relocation clause remains unchanged	

Waitaki	September 2018	Relocation clause broadened
Waikato	August 2018	Existing relocation clause remains unchanged
Selwyn	June 2018	Existing relocation clause remains unchanged
Grey	June 2018	Relocation clause broadened
Kapiti	November 2018	Relocation clause clarified
Kaipara	November 2018	Existing relocation clause remains unchanged
Masterton/South Wairarapa/Carterton	May 2019	Existing relocation clause remains unchanged
Tararua	May 2019	Existing relocation clause remains unchanged
Matamata-Piako	April 2019	Existing relocation clause remains unchanged
Gisborne	March 2019	Existing relocation clause remains unchanged
Southland	June 2019	Existing relocation clause remains unchanged
Whangarei	May 2019	Existing relocation clause remains unchanged
Waipa	May 2019	Existing relocation clause remains unchanged
Porirua	July 2019	Existing relocation clause remains unchanged
Whakatane	April 2019	Existing relocation clause remains unchanged
Hamilton	June 2019	Existing relocation clause remains unchanged
South Taranaki	June 2019	Existing relocation clause remains unchanged
Tasman	August 2019	No relocations allowed
Invercargill	July 2019	Relocation clause improved
Rangitikei	October 2019	Existing relocation clause remains unchanged
Timaru	October 2019	Relocation clause added
Central Otago	February 2020	Existing relocation clause remains unchanged
Upper Hutt	July 2020	Existing relocation clause remains unchanged

Reasons to maintain the current policy on gaming machines and venues

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

Local hospitality sector

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

Community funding

Around \$276 million is returned to the community every year through grants awarded by Class 4 gaming societies. Many community organisations, such as sports clubs, hospices, rescue services and arts groups, would struggle or cease to function without this funding. There is currently no sustainable alternative to this funding to the level provided by gaming societies.

In the year to 30 September 2020, NZCT distributed \$814,257.67 through 90 grants that had a direct benefit to Hastings residents (see appendix 2 for details). Most of this was for sporting purposes, as per our trust deed. However, we also funded local branches of the Brain Injury Association and Cancer Society, the Agricultural and Pastoral Society, the Multiple Sclerosis Society, Marching Hawke's Bay Association and the Youth Development Trust.

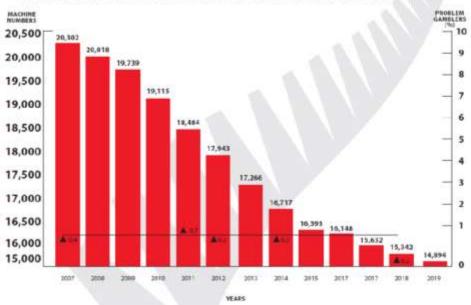
Class 4 gaming societies have probity processes we go through with every grant application to ensure the applicant is authentic and able to deliver the outcomes detailed in their grant application, and that any goods or services to be paid for by the grant are at arm's length and free from any conflicts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

Difference between pub gaming societies, and clubs and New Zealand Racing Board

The pub gaming model differs from the gaming run at clubs like RSAs and in New Zealand Racing Board (now known as RITA) venues. Those entities can apply the funds they raise to their own purposes, for example, maintaining clubrooms or funding race meetings. In its 2019 annual report, RITA advised its distributions totalled \$166.5 million to the racing industry and only \$4.1 million to community sports organisations. In contrast, class 4 societies like NZCT distribute all net proceeds to the community.

Gaming machine numbers have little effect on problem gambling numbers

It is misleading and wrong to assume that fewer gaming machines will result in fewer problem gamblers. A gambling addiction is a complex psychological condition, which is influenced by many factors. As shown in the graph below, a reduction of more than 5,000 gaming machines across the country between 2007 and 2019 had no impact on the small percentage of problem gamblers nationally.



GAMING MACHINE NUMBERS VERSUS PREVALENCE OF PROBLEM GAMBLING IN NEW ZEALAND²⁴

Gaming machines are a legal and valid entertainment choice

Pub gaming is a legal, valid and enjoyable source of entertainment for Hastings residents and tourists alike. Most players regard gaming as light entertainment and know when to stop. The Gambling Commission has reminded councils and the regulator that "... conditions can only properly

Note: In the 2006/07 Ministry of Health NZ Health Survey, 0.4% of the population were categorised as problem gamblers using the Problem Gambling Severity Index (PGSI). In the 2010 Health and Lifestyles Survey, the rate increased to 0.7%. In the preliminary findings from the 2012 New Zealand Health Survey, the rate was 0.3% of the population, but the 2012 New Zealand Gambling Study found the rate was 0.7% of people aged 18 years and over. The 2015 wave of the New Zealand Gambling Study found the rate was 0.2% and the 2016 Health and Lifestyles Survey found it was 0.1%.

be imposed if they reduce the harm caused by problem gambling, as distinct from simply reducing gambling activity which is a lawful and permitted activity under the Act."¹⁵

We recognise that Hastings District Council aims, through its Long-term Plan, to balance the needs of visitors and residents while achieving economic development. We support this objective and believe a vibrant hospitality sector is a vital part of achieving this outcome.

Pub gaming brings many benefits to New Zealand. Business and Economic Research Ltd (BERL)¹⁶ calculated in 2015 that each year the entertainment value to recreational players was around \$250 million, the grants value to the community was also around \$250 million (now \$276 million), and the Government revenue value in the form of tax, duties and levies was around \$279 million.

Problem gambling rates have plateaued

The New Zealand 2012 National Gambling Study found that the number of people who regularly participate in continuous forms of gambling, like gaming machines, decreased from 18% in 1991 to 6% in 2012.¹⁷ The study concluded: "Problem gambling and related harms probably reduced significantly during the 1990s but have remained at about the same level despite reductions in non-casino EGM (electronic gaming machine) numbers and the expansion of regulatory, public health and treatment measures."¹⁸

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

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

It also states that the current problem gambling rate has now dropped to an all-time low of 0.1% of the adult population (around 7,500 people), despite an upward trend in gaming machine expenditure.¹⁹

Problem gambling rates in New Zealand are relatively low

NZCT is committed to reducing and minimising the harm that can be caused by gambling. As can be seen in the table on the next page, New Zealand has one of the lowest rates of problem gambling in the world.²⁰ Relatively few New Zealanders are gambling at levels that lead to negative consequences; most people who gamble know when to stop.

¹⁵ Gambling Commission decision GC 03/07.

¹⁶ Maximising the benefits to communities from New Zealand's Community Gaming Model, BERL, February 2013.

¹⁷ Pg 8, NZ 2012 National Gambling Study: Overview and gambling participation.

¹⁸ Pg 18, ibid.

¹⁹ DIA media release: http://livenews.co.nz/2017/04/21/new-zealand-gaming-pokie-spending-patterns-continue/

²⁰ Maximising the benefits to communities from New Zealand's community gaming model, BERL, February 2013.

Problem gambling prevalence (% population*)
0.1-0.2
0.7
0.7
2.3
2.6
3

Gaming machines can only be played in strictly controlled environments

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

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

Strict harm minimisation obligations

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

- stake and prize money are limited
- odds of winning must be displayed
- gaming rooms are restricted to people over the age of 18 years
- gaming rooms can only be operated in adult environments, such as pubs, nightclubs and clubs
- play is interrupted every 30 minutes with an update on how long the player has been at the machine, how much money they've spent, and their net wins and losses
- \$50 and \$100 notes are not accepted
- no ATMs are allowed in licensed gambling areas
- gaming advertising is prohibited
- the DIA monitors every gaming machine's takings
- syndicated play is prohibited
- all venues must have staff trained in gambling harm minimisation on duty whenever gaming machines are operating
- all venues must have a gambling harm minimisation policy in place
- all venues must display pamphlets and signs directing gamblers to help services
- venue staff must be able to issue and enforce Exclusion Orders
- venue staff must help problem gamblers if they have an ongoing concern about them.

²¹ A range of different measurements are available to measure problem gambling rates. CPGI refers to the Canadian Problem Gambling Index, PGSI is the Problem Gambling Severity Index and SOGS is the South Oaks Gambling Screen.

Harm minimisation activities

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

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

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

Ongoing obligations

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



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

Training

NZCT provides face-to-face and online problem gambling training to staff at each of its gaming venues and trains over S00 staff a year.

Trainers deliver a presentation on problem gambling and take staff members through each part of the problem gambling resource kit in detail. Venue staff also work through an online training tool, which includes an assessment that they must pass. Refresher training is provided annually. Gaming venues are continually



reminded of their obligation to ensure a person trained in harm minimisation is always on duty when gaming machines are operating.

Support is available for problem gamblers

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

Two of the findings from the inaugural PMGH baseline report were that problem gambling services are effectively raising awareness about the harm from gambling, and interventions for gamblingrelated harm are moderately accessible, highly responsive and moderate to highly effective.²²

The world's largest clinical trial²³ for problem gambling treatment found that, one year after calling the Gambling Helpline, three-quarters of callers had quit or significantly reduced their gambling.

²² Page 16, Outcomes Framework for Preventing and Minimising Gambling Harm Baseline Report, May 2013.
²³ The Effectiveness of Problem Gambling Brief Telephone Interventions, AUT, Gambling & Addictions Research Centre.

Further information about our submission

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

Appendix 1: About NZCT

Established in 1998, NZCT is New Zealand's largest gaming trust with 16% market share. Our publicans raise funds by operating gaming lounges within their pubs, hotels and other venues. In the 12 months to 30 September 2019, NZCT approved \$44.99 million in grant funding to sporting, local government and community groups nationwide.

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

- crime reduction and community safety
- economic impact and regeneration of local communities
- education and lifelong learning
- participation
- physical fitness and health
- psychological health and wellbeing
- social capital and cohesion.²⁴



Overseas research²⁵ has found participation in sport can lead to increased health and productivity for individuals, and increased wealth or wellbeing of society as a whole. While amateur sport is our main focus, we are also strong supporters of other worthy community activities, including local government projects.

Who we are

We are proud of our robust grants system and of the quality of people involved with NZCT. All our trustees²⁶ are highly regarded business and community leaders with extensive governance experience. They are supported by an experienced staff and 10 Regional Advisory Committees (RACs) who add local knowledge and insight to our grant decisions.

²⁴ Sport England's Value of Sport Monitor.

²⁹ http://www.ausport.gov.au/information/asc_research/publications/value_of_sport.

²⁶ Alan Isaac (NZCT chairman, professional director and sports administrator), Peter Dale (former Hillary Commission chief executive), David Pilkington (professional director), Kerry Prendergast (former mayor of Wellington) and Lesley Murdoch (Olympian and former New Zealand cricket captain, broadcaster).

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Submissions can be:			
Posted to:	Delivered to:	E-mailed to:	Completed online;
Class 4 Gambling and TAB Venue Hastings District Council Private Bag 9002 Hastings 4156 Attn: Junior Tuakana	Reception and Customer Service Centre Hastings District Council 207 Lyndon Road East Hastings Attn: Junior Tuakana	juniortijt hdc.govt.nz	myvoicemychoice.co.nz
Submissions may be lodg	ged until 12 October 2020		
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Mailing Address:	Okaihau Rd u		
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Please Note: all submissions are made available to the Councillors and Public

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HASTINGS DISTRICT COUNCIL 207 Lyndon Heed East Hastings 2722 Private Bag 9002 Hastings 8158 Phone Di 871 5000 Fax Di 871 5100 www.hastingsdc.govt.nz

Submission Form

Submission on Proposed Class 4 Gambling and TAB Venue TE HAUNIHERA O HERETAUNCA Policies

Submissions can be:

Posted to:	Delivered to:	E-mailed to:	Completed online;
Class 4 Gambling and TAB Venue Hastings District Council Private Bag 9002 Hastings 4156 Attn: Junior Tuakana	Reception and Customer Service Centre Hastings District Council 207 Lyndon Road East Hastings Attn: Junior Tuakana	juniort@bdc.govt.nz	myvoicemychoice.co.nz

Submissions may be lodged until 12 October 2020

1. Your details:

Full Name(s): Malcolm Dixon	
Mailing Address: 24 Reeve Drive Havelock	North
Home phone: 06 8774007	Mobile Phone: 027 2031011
Email: dixonmj24@icloud.com	Fax number:

2. My/our submission is that:

(State the nature of your submission, clearly indicating whether you support or oppose the specific provisions or wish to have amendments made, giving reasons. Please continue on separate sheet(s) if necessary).

As an elected Hastings District Councillor I am submitting a submission because I am unable to voice my opinion around the council table or vote in the chamber because of the regulations around conflicts of interest.

My Conflicts:

Councillor appointed to Arts Inc Heretaunga that makes applications to Gaming Trusts for funding.

Chairperson of the Super Sixes Sports Trust. This trust runs an event that is held annually at the council owned Mitre 10 Park for primary school children. Chairperson 2021 Hastings Ross Shield Organising Committee.

The above organisations are all reliant of gaming funding to enable them to function.

My Points: (I will expand on each of these when I speak at the hearing)

- 1. The current capped policy is actually working as over the last three years the number of pokie machines in the Hastings District has reduced. My recommendation is that council remains with the status quo as was the recommendation from the council officers who wrote the paper.
- 2. Gambling is an addiction just like smoking and alcohol abuse and it is the person who is addicted that needs support not the machine. I understand there are less than one hundred registered problem gamblers in Hawkes Bay. Why penalise the 98+% that are what I would call responsible gamblers?
- 3. Clubs, Sports organisations, Welfare support groups, Arts and Cultural societies, Schools, Churches, Local Marae and community events all benefit from funding from Gaming Trusts. In Hastings this is around \$600,000 per month. Where else are these organisations going to access funding once the gaming trust pool dries up? \$7 Million per year is an 8.5% rate increase.
- 4. In the above groups / individuals we have those who are hypercritical who on the one hand they want a sinking lid policy to be enforced and then on the other hand they are members of organisations who apply for gaming funding or willingly use the resources, or attend events supported through gaming funding.
- 5. Officers recommended that the Capped Policy remain. It was only at a council sub committee that it was changed to " Sinking Lid." This actually means that if a premise closes those machines within those premises are lost forever. Suburbs could easily be without any machines and that will only force those who are addicted to either go on line or move to another venue. It won't stop them gambling.
- 6. On line gambling is a serious issue for N.Z.
 - · No funds for local community grants.
 - No funding for problem gambling treatment services
 - No tax revenue.
 - Funded through the use of credit cards.
 - No form of monitoring.

These are only a few of many concerns when people are forced on line.

The current capped policy allows for machines to be re located. Without being able to re locate means that businesses that currently operate machines could easily be impacted on if they are in an earthquake prone building, in the event of a fire or a flood. There are already controls around where they can re locate. They are also restricted in what they can achieve in the way of upgrading or modernizing their buildings.

3. I/We seek the following decision: (Please give precise details)

It is important to understand that Class 4 gambling is a legal activity from which funding is provided to community, cultural, education, and sports groups and clubs across New Zealand.

A continuation of the capped policy will see a decline in the numbers of machines over time just like what has happened over the last three years while at the same

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4.	Plea	ease indicate with a tick whether you wish to be heard in suppo ur submission:	rt of
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SportsLink Charitable Trust PO Box 127 Hastings P 06 871 0235 F 06 871 0234 info@sportalink.org.nz

Submission on Proposed Class 4 Gambling and TAB Venue Policies

1. Your Details:

Jack Sanders

CEO - Sportslink Charitable Trust - P O Box 127, Hastings 4156

Home Phone: 8766958 Mobile Phone: 027 4483011

Email: jack@sportslink.org.nz

2. My/Our submission is that:

Sportslink Charitable Trust supports Option 2 – Current Cap level of 293 machines and retain relocation policy.

I am writing to oppose the proposal to change the Class 4 Gambling venues in the Hastings District from a "capped approach" to a sinking lid policy.

I represent Sportslink Charitable Trust and we provide a gaming funding application service to over forty sports clubs and non-profit organisations in Hawkes Bay. We have been providing this service for over twelve years and approximately half of these organisations apply for funding from Class 4 venues in the Hastings District.

Having worked with these clubs/organisations for such a long time, I am fully aware of the reliance they have on gaming funding donations. For most clubs, outside of subscriptions, bar turnover and raffles; funding is the largest contributor to club funds. It allows clubs to keep their member subscriptions at an affordable level so they can retain members to play sport at an affordable cost.

Many sports clubs pay fees to their local Association, who in turn pay the Hastings District Council for use of council facilities. Most of these are covered by gaming funding grants to the individual clubs. Examples of this are Cornwall & Havelock North Cricket Club and Heretaunga Sundevils (Flaxmere Pool – lane hire), Trojans Swim Club (Clive Pool – lane hire). Therefore, the Hastings DC benefits indirectly from gaming funds.

There is no realistic alternative to sports clubs and non- profit organisations to gaming funding in terms of the volume of funds available. Local business sponsorship is a very competitive market and only small amounts are available to clubs, etc in comparison to what can be achieved form gaming funding. This is because in most cases, large sponsorship amounts are only paid to regional and national sports organisations because they offer greater advertising and pay back opportunities to sponsors.

The Covid 19 pandemic has brought about huge changes in our community. The pandemic has caused major disruption to sports in our community, but also when the pubs were closed, potential funding was missed and many clubs/organisations have missed out on much needed funding for operational expenses. It is very poor timing and indeed mean-spirited, should the Council add a sinking lid policy to gaming funding when sports clubs, schools and non-profit organisations are already under extreme pressure to keep afloat and provide for their members and volunteers. A sinking lid policy is inflexible and given a natural disaster such as an earthquake or an accident like a fire, could easily destroy one or more of the key pubs in Hastings that provide so much funding to the community. Funding not only provides cash for funding but taxes for the government to spend and jobs for people in the entertainment industry. The removal/reduction of gaming machines will lead to an increase in online gambling and this provides no tax income, no jobs, no funding.

The Hastings District Council has derived huge benefit from gaming funding. Examples of this are ongoing funding for the Regional Sports Park and Opera House to name just two Council assets. It is not logical to accept gaming funding in one hand and vote for the reduction and ultimate removal of gaming funding machines on the other hand.

A common-sense approach is needed when considering this subject and the only option is to retain the current cap of 293 gaming machines and retain the relocation policy.

3. Oral Submission:

I wish to speak at the Hearing in support of my/our submission.

J P (Jack) Sanders

Executive Officer - Sportslink Charitable Trust

6th October 2020.



6th October 2020

Class 4 Gambling and TAB Venue Policies – Submission Hastings District Council Private Bag 9002 HASTINGS

Email: juniort@hdc.govt.nz

Clubs Hastings' Submission on Hastings District Council's 2020 Gambling Venue Policy Review

Clubs Hastings currently operates gaming machines at two venues. The club operates 30 machines at its clubrooms at 308 Victoria Street, Hastings and 18 machines at the Elbowroom Sports Bar, 1001 Tomoana Road, Hastings.

The club supports option 2 (the status quo) policy that allows existing venues to relocate and allows for up to 15 additional machines over time.

Allowing for a small increase in machines over time will enable the funding to match Hastings' population growth and help to meet the ever-increasing need for community facilities and community funding.

Non-casino gaming machines are the largest funders of Hastings-based grassroots organisations. The funding (including the non-published funding used by clubs, such as Club Hastings) is over \$7.8 million annually. No alternative funding is available.

Clubs Hastings and the Elbowroom take their harm minimisation obligations very seriously. The Elbowroom has a facial recognition system installed, which identifies anyone who has been excluded from gambling.

New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)¹ found the problem gambling rate was 0.2%

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

1

of people aged 18 years and over. The problem gambling rate is for all forms of gambling, not just gaming machine gambling.

The reasons for an increase or decrease in problem gambling are complex and multi-faceted, not simply the direct by-product of an increase or decrease in machine numbers.

The New Zealand problem gambling prevalence rate over time bears no correlation to the number of gaming machines operating in New Zealand.

The current venue relocation provision is positive and should be retained.

Venues should continue to be able to relocate when they are required to move due to circumstances outside their control such as lease expiry, public works acquisition, and site redevelopment. This is fair and reasonable.

Venues should also be able to move to buildings that have better earthquake ratings; to new, modern premises; and in cases where the landlord is imposing unreasonable terms.

Allowing venues to move out of earthquake-prone buildings is a matter of health and safety.

Permitting local businesses to relocate and upgrade their premises results in a more modern, attractive offering to the public. This helps to revitalise business districts, improves the local economy, and encourages tourism.

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. The retention of the current relocation provision would prevent landlords demanding unreasonable rentals, as it gives the venue operator the ability to relocate to an alternative venue.

We do not wish to speak to our submission at the oral hearing. Please have regard to our written submission.

Jackie Wells CEO 068726293 0274070812 Jackie@clubshastings.co.nz

> 308 Victoria Street, Hastings New Zealand info@clubshastings.co.nz

Telephone 06-878-8808



PO Box 316 Hastings 4156

21 September 2020

Email: juniort@hdc.govt.nz

Class 4 Gambling and TAB Venue Policies - Submissions Hastings District Council Private Bag 9002 HASTINGS

Attention: Junior Tuakana

Gambling Venue Policy Submission - First Light Community Foundation

Summary

In order to ensure that the valuable funding received by Hastings community groups remains sustainable, First Light Community Foundation asks Council to retain the current cap (option two) and retain the current relocation policy.

Current Hastings Venues

First Light has one gaming venue with 18 gaming machines in Hastings: Zabeels Sports Bar, 115 King Street, Hastings.

Grant Funding

Gaming venues enable extremely valuable funding to be provided to a large range of local community groups. Gaming societies are the only gambling operators that focus on supporting grassroots community organisations. The funding turnaround is quick, with grant decisions being made monthly. The application process is simple; a short form is completed.

In 2019, grants totalling over \$7.8m were made from the proceeds of Hastings-based gaming venues.

In 2019, First Light made grants totalling \$882,932.00 to recipients based in the Hastings District (list attached). The grant recipients included:



Hastings Central Blossom Parade



Hastings Girls High School Kapa Haka



St John Hastings



Kids Get Active



Hawke's Bay Helicopter Rescue Trust



Hawke's Bay Samoa Rugby Team



Hastings Choral Society Folk Memories Choir



Hawke's Bay Polo Club

No other gambling provider provides this level of support for grassroots organisations. The Lottery Grants Board makes a small number of large grants to large organisations. TAB New Zealand predominately uses the funds from race and sports betting to support the racing industry. The profits from the six commercial casinos are paid out to their commercial shareholders (save for a token amount in community grants). No grant money is paid by offshore-based online gambling providers.

There is no alternative funding available. Council is not in a position to provide millions of dollars in additional community grants. It is also unrealistic to think that grassroots organisations could obtain multi-million-dollar central Government or commercial sponsorship each year.

In 2012, Auckland Council commissioned a community funding survey. The survey data is summarised in the report Community Funding: A Focus on Gaming Grants.¹ The report confirms how essential gaming machine funding is to a very large number of grassroots organisations and how extremely difficult it would be for such funding to be obtained from alternative sources. The key findings of the survey are:

- Most respondents (75%) indicated that their organisation is moderately or totally reliant
 on gaming machine funding to fund core business activities.
- Most respondents (55%) believed that there would be a high to extreme risk to their organisation and their core business if they did not receive gaming funding. A further onequarter (26%) said that there would be a moderate risk if they did not receive it.
- Two-thirds of respondents (68%) said that they thought that they would be unlikely to find another source of funding if gaming funding was not available.

The report concluded:

Gaming Trust funding is a major source of community funding for organisations in the Auckland Region. Most respondents believe that the funding for their organisations is not particularly secure and are highly dependent on gaming funding, not just for discretionary or extra activities, but to fund their core business. There is a dependence on this funding with over half the respondents believing that their organisations would be at extreme risk if they did not receive it. Most felt that if the funding was not available, they would struggle to find an alternative source of funding. Some would cut down the activities they undertook, others say they would be forced to close down.

Entertainment

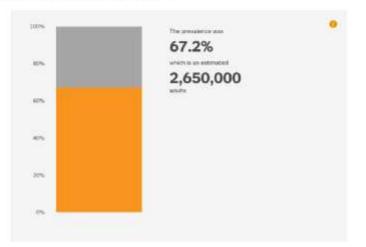
Gambling is a popular form of entertainment that most New Zealanders participate in. The 2018 Health and Lifestyles Survey² found that 67.2% of adult New Zealanders had participated in some form of gambling in the previous 12 months (estimated to be 2,650,000 adults).

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https://kupe.hpa.org.nz/#!/gambling/gambling-participation/any-gambling-activities

www.gamblinglaw.co.nz/download/Research/Auckland_City_Community_Funding_Report.pdf

2018 Health and Lifestyles Survey



It is only a small percentage of the adult population (0.2%) that suffers harm because of excessive gambling.

Employment

Gaming machines create employment. Hospitality staff are employed to monitor and supervise the gaming machine players. Service technicians are employed to service and repair the machines. The gaming societies that own the machines employ staff to review and process the grant applications.

A survey undertaken in 2009 estimated that there were 300 full-time equivalents directly employed by gaming societies and 215 employees of external service providers and contractors also working for these societies.³

Positive Economic Impact From the Gaming Industry

In 2012, Auckland City Council commissioned an economic impact report on the impact of the non-casino gaming machine industry. The Economic Impact Report⁴ confirmed that the industry makes a positive economic contribution. The report concluded:

Overall, the non-casino gaming machine industry has a positive economic impact on the Auckland economy.

4 www.gambinglew.co.nz/download/Research/Auckland_City_Economic_Impacts_Report.pdf

³ APAG and Ministry of Health (2013) Gambling Resource for Local Government, Weilington: Ministry of Health, http://www.gamblinglaw.co.nz/dovanibad/Research/gambling_resource_for_local_government_081113.pdf

Retaining the Current Cap

Retaining the current cap will allow for a small amount of future growth. This is reasonable and appropriate.

Allowing a small number of additional venues to be established will help First Light to expand its offering in the Hastings District and meet the demand for grant funding from local community groups.

Machine Numbers and Gambling Harm

There may be a temptation to adopt a more restrictive gaming machine cap in an attempt to reduce gambling-related harm. Over the last ten years gaming machine numbers have reduced by 25%, but the problem gambling rate has plateaued. Limiting machine numbers has been tried as a tool to address gambling-related harm; it has not worked.

Reducing machine numbers merely reduces community funding, and accelerates the migration of gambling to online providers.

Increase in Internet and Mobile Phone Gambling

The introduction of more restrictive caps is unlikely to reduce problem gambling, but will result in the existing gambling moving from physical venues to the internet. It is now possible to play all the gaming machine games that are located at the existing venues via phones or tablets.



Online gambling is undesirable as:

- No funds are generated for local community grants.
- No tax revenue is generated for the New Zealand Government.
- No funding is provided to the problem gambling treatment services, i.e., no problem gambling levy is paid.
- No local employment is created.

- All bets are made on credit.
- It is highly accessible (you can play from the privacy of your own bedroom, 24 hours a day, 365 days a year).
- It has a high speed of play.
- There are no bet size restrictions.
- · There are no venue staff to provide supervision, advice, and support.
- · It is easily abused by minors.
- There is no guaranteed return to players.
- Excessive gambling is encouraged by the frequent use of inducements to gamble, such as
 player rebates and bonuses.

A spike in online gambling was recently experienced when our physical venues were closed to the Covid-19 lockdown. The Salvation Army has publicly spoken out about the rise in online gambling during the nationwide lockdown.

In the Radio New Zealand article dated 4 April 2020⁵, the Salvation Army commented as follows:

Covid-19: Salvation Army worries about rise in online gambling sites

The Salvation Army's gambling addiction support service is worried about the increased number of online gambling sites.

-5

https://www.rnz.co.nz/news/national/413430/covid-19-salvation-army-worries-about-rise-in-online-gamblingsites



The head of the organisation's gambling services division, Oasis, said it had been noticeable since the nationwide lockdown came into force.

Lisa Campbell said the rise in the number of unregulated overseas online gambling websites had coincided with the closure of pokie venues and casinos, and online availability of New Zealand Lotto and TAB services.

Online gambling companies were now advertising on social media, possibly because they saw people in isolation as a captive audience, Campbell said.

The ads for overseas gambling websites were cropping up frequently when she was on Facebook in a private capacity, she said.

She was concerned that the tailored nature of how social media advertising worked, meant that others, including at-risk gamblers, were getting the same ads.

"I'm concerned they're using this opportunity to bring people into online gambling now, which is pretty awful to see that happening.

"I am sure they see social isolation as a great opportunity to expand business without any thought for the additional harm this could cause, further exacerbating the financial and mental harm on people already."

Oasis was now compiling information on online blocking tools that people can use to block internet gambling sites, Campbell said.

"We have heard from some clients who say they are really concerned about how they will cope, both financially and practically, at home with family or alone during the lockdown period, and are feeling very anxious, and some have asked for more support than normal."

Campbell said similar advertising was apparent before the lockdown but she was now seeing it more frequently.

Lotto and TAB were the only legal online providers of gambling, she said.

"They have said they're stopping advertising around the scratchies and other products

during this time, so they're only advertising Lotto.

"The bigger concern is the overseas gambling websites where there's no regulation, which are potentially the biggest problem for us."

Relocation

Over the last four years, almost all councils that have reviewed their gambling venue policies have adopted a relocation provision. Currently, approximately 55 councils have relocation provisions in place, which are similar to Hastings' existing relocation provisions. We are not aware of any council in New Zealand that has adopted a relocation provision and then sought to remove the relocation provision.

The current policy that allows 18-machine venues to relocate is consistent with the prior Minister of Internal Affairs' desire for sustainable community funding from the class 4 (gaming machine) sector.

The current relocation policy has a number of benefits.

Allowing relocation enables venues to move out of low social-economic areas to more suitable areas, such as the central business district.

Allowing relocation enables gaming venues to move to new, modern, refurbished premises. Permitting 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.

A venue is sometimes required to relocate to adjacent premises due to its fixed lease coming to an end or as a result of public works acquisition. In such circumstances it is fair and reasonable for the policy to permit the venue to continue its current gaming machine operation.

Allowing relocation enables venues to move out of buildings that may be earthquake-prone.

Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals. Allowing relocation prevents landlords demanding unreasonable rentals, as it gives the venue operator the ability to relocate to an alternative venue.

Enabling relocation permits venues to re-establish after a natural disaster, flood, or fire.

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

Oral Hearing

I wish to speak at the upcoming oral hearing.

Yours faithfully

Mark Sowman

Director Email: mark@sowmanassociates.co.nz Phone: 027 244 2085

Hawkes Bay Motorcycle Club PO Box 5171 Greenmeadows Napier



Submission on Proposed Class 4 Gambling and TAB Venue Policies

1. Your Details Maria Beal HBMCC Secretary

PO Box 5171 Greenmeadows Napier Home phone 844 7978 Mobile Phone 0272428804 Email hbmcc@outlook.com

2. Our Submission is that:

The HB Motorcycle Club wishes to support Option 2: Current Cap level of 293 machines and retain relocation policy.

The Value and Benefit of receiving gaming funding in support of Option 2

The funding we receive covers two essential operational expenses for our club.

- 1. Paying quarterly the land lease at valley road \$2k and
- Every event requires specialist medical coverage (ICP, First Responders minimum) at on average \$900\day.

In additional to our key operational costs, in the last 2 years we have also used the gaming machine funding to:

- Fully irrigate our Mere Road track. Irrigating our tracks is an important safety issue along with helping keep dust down during the summer, meaning events can be held year-round.
- 2. Purchase a brand-new irrigation pump
- 3. Purchase a generator to run the timing system.
- Purchased shipping containers to build a clubhouse (we have added a deck to provide a viewing platform for racing along with a place to gather during and post events).
- 5. Purchase a motocross specific timing system.

The club would never have been able to achieve any of this, as quickly as we have, had we not been able to access the funding. It would take us years to achieve what we have done in the last couple of years. As a result of this we have managed to grow our membership and regularly secure national events. When we hold a club day or nationals we are also attracting riders from outside the area.

In the current year even with Covid we have received operational and capital expenditure funding for \$23k (April to Sep 2020) covering our land lease and a contribution toward our long-awaited timing system. In the previous year we received \$40k April to Mar 2020. We have been unable to hold events due to Covid restrictions but this funding has ensured we kept our land and still move forward with improvements to our systems.

Replacing this funding is going to be very difficult for our club for the following reasons:

- We already seek sponsorship from businesses for running specific events, in the 2019 year we received \$7.5k in sponsorship compared to \$40k in funding.
- The corporate sponsorship is sourced toward the additional costs of holding national events, to cover the additional medical coverage, officials and prizegiving/trophies. We sell part of the track (corner, start straight) with naming rights to classes, an average of \$500 per sponsor.
- Businesses are not interested in funding operational costs of a club, but more one-off events where they
 get some advertising included for their contribution, this is easier to do when there is an event
 associated with it.
- 4. Having to find a regular contributor for our operating lease and medic event costs will be difficult. We already have a lot of support from local businesses in non-monetary terms eg: loan vehicles, tape to mark out tracks, labour which we are grateful for but it doesn't pay the bills.
- We would also be competing with other organizations asking companies for their support which could lead to them getting annoyed with continual requests so are likely to just say no to everyone.
- Although the funding is not guaranteed in most cases we are not declined or receive partial payments it a business declines we would have to go through the entire process with another business.
- Our committee has discussed this in the past and you need special skills to approach businesses, not all club committees have these people, or the contacts required.

Reduced funding will mean the club will need to look at the following:

- 1. Increase our membership fees
- Increase entry fees to events. Funding enables us to keep these to a minimum and therefore encourages more members to join and compete.
- Reduced ability to provide training days to our junior and mini riders (investing in the future riders) There are 207 members at 30 September 2020 and of that 99 of them are under 16yrs. Our junior and mini riders are at an all-time high

If we hold our entry fees and membership at the current rates and don't get funding for our medics our income from events is only just going to cover the medics, fuel and trophies/prizegiving. There will be no buffer of funds raised to pay for other operational costs such as insurance, affiliation fees, event permits, fuel, trophies and prizegiving, training days etc.

About our Club

The HBMCC was incorporated in 1951 and has provided dirt bike and trials events to local and national riders for nearly 70 years. Currently we are one of the only clubs in NZ that can offer several options to get your dirt bike riding fix. In the past we relied heavily on the generosity of local farm owners who allowed events to take place on their properties but as land has become harder to obtain we secured a lease on a block of land at Valley Road this gives our riders a natural terrain track to practice and race on. In addition to that track, we have also built facilities at Mere Road which includes both a national standard motocross and supercross track. We have held National events for the last 5 years including Mini (under 12) Junior (under 16) and Senior Motocross Nationals drawing in riders from all over the country and internationally. Our next national event scheduled is the NZ Senior MX Nationals 2021.

The ability to provide several different options to motocross and trials riders in Hawkes bay makes our club special in that we can provide more than one type of event and the club has produced some top national and international riders.

Oral Submission

I am happy to present an oral submission in support of Option2.

Examples of the good this funding has provided to our club – without our ability to access this we would never have been able to achieve this by charging higher memberships and entry fees or obtaining sponsorship from businesses:





Mere Road Track





Mere Road Irrigation



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Software and Transponders to give accurate and timely race day results

Corporate Services



Our Ref: SUB0016A 20

9 October 2020

Junior Tuakana Environmental Planning and Regulatory Services Hastings District Council HASTINGS

Email: juniort@hdc.govt.nz

Ténã koe Junior,

HASTINGS DISTRICT COUNCIL STATEMENT OF PROPOSAL: PROPOSED CLASS 4 GAMING VENUE POLICY AND TAB VENUE POLICY

Thank you for the opportunity to provide feedback on the Proposed Class 4 Gaming Venue and TAB Venue policy review. We would first like to commend Council for their decision to propose a true sinking lid policy for the Hastings District, and are strongly supportive of this policy being adopted forthwith.

As per our previous feedback on the current Class 4 Gaming Venue and TAB Venue policies, we support the recommendations made by Te Rangihaeata Oranga Trust (Hawke's Bay Gambling Harm Services) in their submission (Appendix 1) and reiterate their recommendations here.

Although a sinking lid is the preferred approach to reducing harm from EGMs, (electronic gaming machines) we urge Council to consider going further to protect our most underserved communities, and Māori, from gambling-related harm.

We support Council's proposal to adopt a sinking link policy and remove the current relocation policy. We recommend Hastings District Council remove class 4 gambling venues from high deprivation areas (8-10) within the Hastings District, over time at the rate of 6 machines per licence renewal.

Harm from Gambling in the Hastings District

The Hastings District has a significantly higher proportion of Māori than the population of Aotearoa New Zealand (27.3 per cent vs 16.5 per cent) and has a deprivation rating of 8 (1 being the least deprived and 10 being the most deprived). The median income for Hastings District is \$28,400.¹

Social harm in the Hastings District already disproportionately impacts upon Māori communities. Māori women are more than six times more likely to be admitted to hospital due to assault compared with NZ European women; 40 per cent of tamariki Māori aged 0-4 years live in a household receiving a main benefit; 22 per cent of young Māori in Hawke's Bay are not in employment, education or training; Suicide is the second highest cause of years of life lost for Māori in Hawke's Bay.² In addition, Māori living in Hawke's Bay are more likely to earn less, with a median income of \$20,600.³

As Te Rangihaeta Oranga Trust have outlined in their submission (Appendix 1), the harm caused by gambling can be severe. It can impact upon the individual, whānau and hāpori (community) and includes an increased likelihood of family harm, suicide and loss of employment and housing.

¹ Stats NZ – Tatauranga Aotearoa, 2020. Your place, your data: Hastings District.

The Ministry of Health's Strategy to Prevent and Minimise Gambling Harm 2019/20 to 2021/22 states that:

"The most harmful form of gambling in New Zealand is NCGMs [non-casino gaming machines] at pubs/clubs (defined in the Act as class 4); this has been the case for many years... most money spent on gambling in New Zealand comes from the relatively limited number of people who play NCGMs, and most clients accessing problem gambling intervention services cite pub/club pokies as a primary problem gambling mode."

Robust evidence exists to show that EGMs are the preferred method of gambling for problem gamblers. A study exploring the impact of gambling on Māori whānau found that EMGs were popular as they provided isolation and privacy, had attractive advertising, lights and noises and offered incentives that were hard to resist.⁴

EGMs are also more likely to be placed in high deprivation communities. Figure 1 demonstrates this is true for the Hastings District, with 82 per cent of the 276 EGMs in the Hastings District located in high deprivation areas (dep 8-10).⁵

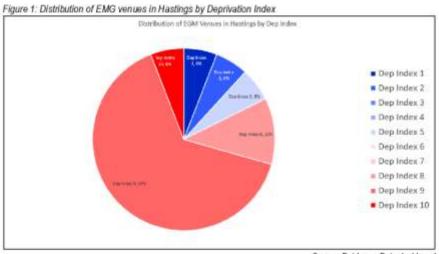
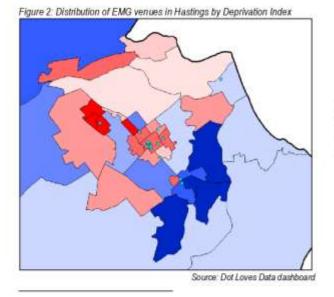


Figure 2 maps this phenomenon. Please note: The scale used in Figure 1 is useful in interpreting Figure 2 and Figure 3.



Source: Dot Loves Data dashboard

Aotearoa New Zealand has one of the highest per capita expenditures on gambling in the developed world and, as Figure 3 shows, the majority of this expenditure comes from the most deprived communities.

*Levy, M. (2015). The imacts of gambling for Māori families and communities; A strengths-based approach to achieving Whānau Ora. Thesis available at https://www.hoalth.govt.ng/system/files/documents/publications/trok-impacts-of-gambling-final-jan2015.pdf *Dot Loves Data, 2020. Gambling within New Zealand Communities dashboard.

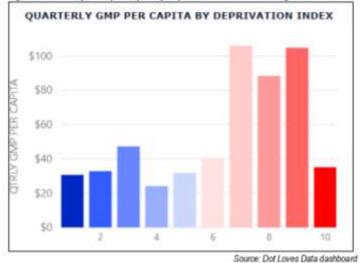


Figure 3: Quarterly GMP per capita by deprivation index for Hastings District

The argument that profits from EGMs go back into the community via community grants or applied funding is often used in response to the pattern that Figure 3 illustrates. However, of the total gaming machine profit made, a minimum of 40 per cent is required to be available via grants and funding, and not a targeted return to the communities the profits were taken from.

The Sapere Research Group explain the issue with this current approach to GMP redistribution in their 2018 gambling harm reduction needs assessment⁶:

...Gambling tends to be more prevalent in lower income households and, the concentration of gambling venues tends to be higher in areas of high deprivation. This means that gambling taxation and redistribution to community purposes tends to be regressive, i.e. placing a higher burden on the less-well-off...

Data from Te Rangihaeata Oranga Trust show that Máori are disproportionately more likely to experience harm from electronic gaming machines (EGMs) or 'pokies' in the Hastings District⁷. This is a trend that is visible nationally: Mãori make up 16.5 per cent of Aotearoa New Zealand's population, yet account for 31 per cent of presentations to gambling services.⁸

Reducing accessibility to EGMs, particularly in high deprivation areas in the Hastings District, will benefit our most vulnerable communities who are already struggling financially and unfairly burdened by social harm.

Trialling harm reduction initiatives

Te Rangihaeata Oranga Trust have recommended Council trial gambling harm reduction initiatives that may reduce harm to problem gamblers and their whānau. One example of this may be trialling the closure of areas permitted for conducting class 4 gambling at peak food and beverage service delivery times, i.e. 12pm-2pm and 5pm-7pm, in response to evidence that shows that playing through meals times is an indicator of a problem gambler.⁹ Providing a period of inaccessibility to EMGs may allow a problem gambler the opportunity to leave the venue and desist from gambling.

^{*} Sapere Research Group, 2018, Gambling harm reduction needs assessment. Available at https://www.health.govt.nz/publication/gambling-harmreduction-needs-assessment

¹ Te Rangihaeata Oranga client data, April 2020.

^a Ministry of Health, 2020. Clients assisted, by ethnicity. Available at https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/serviceuser-data/intervention-client-data

⁸ Delfabbro, P, Thomas, A., & Armstrong, A. (2016). Observable indicators and behaviors for hte identification of problem gamblers in venue environments. Journal of Behavioural Addictions. 5(3). Available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5264409/

Thank you again for the opportunity to feedback on these draft polices.

For further information please contact:

Rowan Manhire-Heath, c/o Kim Maitland, Executive Assistant kim.maitland@hawkesbaydhb.govt.nz Phone 06 873 2101

Nāku, nā

no

Patrick Le Geyt Acting Executive Director Health Improvement and Equity Directorate

Submission on Proposed Class 4 Gambling and TAB Venue Policies

from Te Rangihaeata Oranga Trust, Hawke's Bay Gambling Harm Service

1.0 My Details:

 Vicki Berkahn, General Manager, Te Rangihaeata Oranga Trust (Hawke's Bay Gambling Harm Services)

210 Lyndon Road West, Hastings 4122, 022 0435 347, vicki@trhor.org.nz

2.0 Our Submission is that:

2.1 Te Rangihaeata Oranga Trust supports:

"Option Three:

Sinking lid, no new machines or venues will be permitted in the Hastings District. As machines are not utilised the number available drops. Option Three also removes the relocation policy".

AND

2.2 Te Rangihaeata Oranga Trust requests amendments to the Hastings District Council's Class 4 Gambling Venue Policy and TAB Venue Policy, as follows:

Under:

"Class 4 Gambling Venue Policy - 3. Objectives of the Policy":

Add:

To **ensure** responsible gambling practices and attitudes in Class 4 Gambling Venues by:

- Hastings District Council removing Class 4 gambling venues from high deprivation areas within the Hastings District (Hastings Central and Flaxmere), over time at the rate of 6 machines per licence renewal;
- b. Hastings District Council monitoring and removing Class 4 gambling venues where the operation of Class 4 gambling machines is assessed as being the primary activity and revenue source for the Class 4 venue;
- c. Hastings District Council trialling the closure of areas permitted for conducting Class 4 gambling at peak food and beverage service delivery times, i.e. 12pm-2pm and 5pm-7pm;

- Hastings District Council monitoring and ensuring that all Class 4 venues shall provide:
 - i. approved problem gambling assessment tools;
 - ii. staff training programmes for identification of problem gamblers;
- iii. procedures to reduce the likelihood of problem gambling;
- iv. identification of instances of problem gambling;
- v. referrals of those identified to the Hawke's Bay Gambling Harm treatment provider www.gamblinghb.co.nz
- vi. facilitation of any ban/self-ban procedures for problem gamblers, including identification and notification of breaches.

AND

2.3 Te Rangihaeata Oranga Trust requests amendments to the Hastings District Council's TAB Venue Policy, as follows:

Under:

"3. TAB Venue Conditions":

Add:

To ensure responsible gambling practices and attitudes in TAB Venues by:

- a. Hastings District Council monitoring and ensuring that all TAB Venues shall provide:
 - i. approved problem gambling assessment tools;
 - ii. staff training programmes for identification of problem gamblers;
 - iii. procedures to reduce the likelihood of problem gambling;
 - iv. identification of instances of problem gambling;
 - referrals of those identified to the Hawke's Bay Gambling Harm treatment provider <u>www.gamblinghb.co.nz</u>
 - vi. facilitation of any ban/self-ban procedures for problem gamblers, including identification and notification of breaches.

3.0 Our Reasons for this Submission are that:

A sinking lid policy alone will not achieve the overall outcome which is to:

- i. decrease opportunities for gambling harm, and
- reduce avoidable health-related inequities, i.e. depression and suicide, and
- iii. reduce the resultant social deprivation*, which impacts disproportionately on poorer communities, i.e. child poverty, family violence.

(*HDC's Poutama strategy states Council policy will have a deprivation focus)

4.0 Supporting Discussion:

- 2.1 Te Rangihaeata Oranga Trust's feedback is guided by the premise that a 'sinking lid' approach reduces opportunities for harm arising from exposure to highly addictive gambling machines.
- 2.2 Te Rangihaeata Oranga Trust's feedback is also guided by the following objectives:
 - To reduce gambling-harm-related inequities experienced by Māori, as the group most vulnerable to gambling harm;
 - Māori and other peoples have healthy futures, through the prevention and minimisation of gambling harm;
 - The Hastings District community must participate in decision-making about activities that prevent and minimise gambling harm in their communities;
- iv. Healthy policy at the local level prevents and minimises gambling harm in local communities;
- Hastings District Council, the gambling venue operators, communities and family/whānau, understand and acknowledge the range of gambling harms that affect individuals, family/whānau and communities;
- vi. Gambling environments are designed to prevent and minimise gambling harm.

5.0 Gambling Harm Research:

5.1 National Data

Research has shown that the most harmful forms of gambling are the continuous types such as electronic gambling machines (EGMs or 'pokies'). New Zealand gambling surveys consistently show pokies to be the most common source of gambling harm.

Findings from the 2016 Health & Lifestyles Survey – Gambling Report (Health Promotion Agency, 2018) include:

- 1 in 5 NZ adults (22%) have been affected at some time in their life by their own or the gambling of others;
- 6% of NZ adults reported experiencing one form of household gambling harm, e.g. arguments about money spent on gambling;
- The most reported form of gambling associated with household harm was gaming machines at pubs or clubs;

- Maori and those who live in high deprivation areas are most impacted by the gambling of others;
- Gambling machines in pubs or clubs are believed to be the most harmful activity, especially to women.

5.2 Harm from Gambling

The harms caused by gambling can be severe. Research suggests that the harm experienced through high-risk gambling behaviour is of the same magnitude as high alcohol consumption and other health issues such as anxiety and depression. In addition, research shows that cumulatively the harm from gambling is close to twice that of drug use disorders, bipolar affective disorder, eating disorders and schizophrenia combined (Ministry of Health, 2019).

Some facts around gambling harm and suicide (Ronzitti et al, 2017):

- Between 17- 48% of problem gamblers have thought about suicide sometime in their lives
- Between 9 31% have attempted suicide
- Debt is a big predictor of suicidal thinking

Community feedback is that EGM's are socially undesirable, with the overall number of people playing EGM's on the decrease, however the number of problem gamblers remains the same – with every new machine on average creating 0.8 problem gamblers (Abbott & Bellringer, 2018).

Therefore, a true sinking lid approach is successful at reducing harm from gambling over the long term and addresses the current issue of over-supply compared to demand from the community for these machines.

5.3 Heightened Risk for Women (Ministry of Health, 31 July 2019)

There is a heightened risk for women, particularly in community-based gambling contexts. New Zealand women and men engage in non-casino EGM gambling to a similar extent, however the gambling risk associated with this practice is heightened for women – over and above the effects of other factors related to gambling risk (e.g. age, ethnicity, socioeconomic deprivation, psychological distress, and other coexisting issues).

Addressing gambling harm for women in New Zealand is a multi-faceted phenomenon. There are key tensions between positioning women's gambling harm as an individual issue (to be 'treated'), and a public health approach which attends to the social environments in which gambling harm for women is produced and experienced. Reducing EGM gambling opportunities in community settings is necessary because community-based EGMs constitute a serious health-risk for women (and men).

Community EGM venue operators have a legal responsibility to look after their gambling patrons, akin to the care and consideration required when serving alcohol (DIA, 2014), however monitoring conducted by the regulator shows that host responsibility practices are inconsistently and inadequately carried out in these venues (DIA, 2014, 2017b).

Bold policy action is called for to prevent gambling harm that is clearly associated with the availability of products in particular settings, in the absence of appropriate host responsibility (Wardle, Reith, Langham, & Rogers, 2019). Research suggests that the removal of EGMs from all community venues is likely to have a positive effect on gambling harm for women and other groups (Nuske, Holdsworth, & Breen, 2016).

5.4 Data for the Hastings District Community:

Te Rangihaeata Oranga Trust (TRO), also trading as Hawke's Bay Gambling Harm Services, delivers 'preventing & minimising gambling harm' services to the wider Hawke's Bay region.

TRO is funded by the Ministry of Health to provide counselling, health promotion, and public health advocacy to individuals, whanau, and communities affected by gambling harm in some way. TRO is the only specialised gambling harm provider for the Hawke's Bay region, and receives referrals from Probation, DHB Community Mental Health Service, General Practitioners, Police Family Harm team, and self-referrals.

One of the most well utilised services which TRO provides is the 'Multi Venue Exclusion' process in which we facilitate the legal process of banning individuals from entering a gambling venue containing pokie machines and/or TAB betting opportunities.

We have individuals waiting outside our door on Monday morning wanting to put a ban in place to experience relief from all the social and financial damage they have experienced over the weekend.

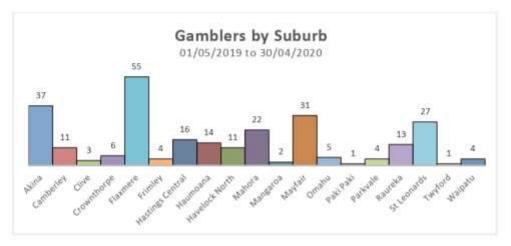
There are currently **3,689** active exclusions (MVE) in total for the Hawke's Bay region that Te Rangihaeata Oranga covers, for the period 18/6/2019 to 18/6/2020.

The total number of unique individuals who took out an MVE during the period – 18/6/2019 to 18/6/2020 is 78.

Between May 2019 - April 2020, there were a total of 357 clients seen by Ministry of Health funded gambling harm intervention services (Te Rangihaeata Oranga) from the Hastings Territorial Authority area. Of the 357 clients, 57% were Māori, which is disproportionately high, and demonstrates an inequitable level of harm to the Māori population of Hastings district. Of these, 308 cited non-casino gaming machines (pokies) as one of the modes of gambling causing them harm. 86% of the mode of gambling causing harm is attributed to pokie machines.

Grand Total	357
Pacific	25
Other	130
Maori	202

Row Labels	 Non-Casino Gaming Machines
Maori	175
Other	113
Pacific	20
Grand Total	308



The above graph highlights how gambling harm is a deprivation issue and affects those in lower socio-economic suburbs.

6.0 Linkages with other HDC Policies:

TRO has identified linkages to the HDC 'Māori Responsiveness Strategy', the 'Well-beings' articulated in the HDC Annual Plan, and the HDC Safer Hastings goal of 'reducing harm from addiction'.

Evidence from our service user data (above) clearly demonstrates higher Māori than non-Māori affected rates, and our venue exclusion numbers which demonstrate that harm from gambling venues is evident in Hastings district.

This feedback is intended to provide guidance to the Hastings District Council on future directions to explore for the changes being sought in this policy, and considerations for the wider context of health equity.

6.1 HDC Māori Responsiveness Strategy (Poutama):

In the areas of 'Council Influence' the Poutama strategy states under 'Prosperity & Well-Being' that Council policy will have a **deprivation focus** and work with others to meet the needs of Māori.

6.2 HDC Safer Hastings Strategy:

The HDC Safer Hastings Strategy has a goal to reduce addiction-related harm and reduce the number of gambling opportunities in the District.

6.3 HDC Annual Plan:

The Hastings District Council should explicitly state under its Regulatory Functions that under section 101 of the Gambling Act 2003 it is required to have a policy that guides if, where, and how many Class 4 (pokies) and venues may be established.

7.0 Community Loss to Pokie Machines for the Hastings TLA:

This report on grants and analysis for the **Hastings TLA** was requested by Te Rangihaeata Oranga Trust for the review of Hastings District Council's Class 4 Venue Policy.

The author has used figures from DIA's electronic monitoring system (EMS), which monitors Class 4 gambling venues, and population numbers are taken from the 2018 census information via statistics NZ.

7.1 Community Loss to Pokie Machines 1 January 2020 to 31 March 2020:

Gross machine proceeds (GMP) for Hastings TLA for the March quarter 2020 was \$4,006,329.65 – DIA statistics (that is the money left after paying out prizes).

Overall the Hastings TLA has the 25th highest loss per head (18yrs and over) of all 67 TLA's for the March 2020 period.

Pokie Trusts	Venues	Number of Pokies
Clubs Hastings Incorporated	Club Hastings	30
Clubs Hastings Incorporated	The Elbowroom Sports Bar	18
First Light Community Foundation Limited	Zabeels Sports Bar	18
Havelock North Club Inc	Havelock North Club	10
Infinity Foundation Limited	Bollywood Star Restaurant	9
Infinity Foundation Limited	Gravity 101 Bar	16
National Service Club Inc	National Service Club	18
New Zealand Community Trust	Clive Hotel	18
New Zealand Community Trust	Cru Bar	18
New Zealand Community Trust	Currizza's Tavern	9
New Zealand Community Trust	Level 1	18
New Zealand Community Trust	Turk's Bar	18
Racing Industry Transition Agency	TAB Stortford Lodge	18
The Lion Foundation (2008)	Horse And Hound Hastings	18
The Lion Foundation (2008)	Stortford Lodge Social Club	4
Trust House Foundation	Flaxmere Tavern	18
Youthtown Incorporated	Magples	18

7.2 Hastings venues and gaming machine numbers - March 2020:



HAWKE'S BAY RUGBY FOOTBALL UNION Office: 3 Orotu Drive, Poraiti P O Box 201, Napier 4140 Phone: 06 835 7617 Fax: 06 835 4630 Email: admin@hbrugby.co.nz Web: www.hbmappies.co.nz

7 October 2020

Submissions Hastings District Council Private Bag 9002 Hastings

Re: Class 4 Gaming Policy Review

The Hawke's Bay Rugby Union opposes any change to the gaming regulations in the Hastings area meanwhile supporting the status quo, that is, retaining the current cap of 293 gaming machines in Hastings.

Rugby plays a vital part in almost every community across New Zealand and has a positive effect on the reduction of crime and other welfare issues as it occupies people's time and energy in a meaningful and socially productive way providing a safe and welcoming environment for many young men, woman and their whanau. In Hastings this is even more so, with many of our affiliate clubs almost totally reliant on gaming funding revenue.

Hawke's Bay Rugby has over 8,000 active members including over 5,500 players, 425 coaches, 200 referees, and many more parents, supporters, volunteers and community stakeholders.

Class 4 gaming provides an essential source of funding that enables our organisation and our 26 affiliated rugby clubs to be financially sustainable providing the opportunities to play across all levels which are affordable to all players and families regardless of their socio-economic status or background.

Gaming funding acquired from the likes of Class 4 gaming sites enables our clubs and schools to purchase playing equipment, playing kit and travelling costs enabling them to enjoy the great community game of rugby.

Hawke's Bay Rugby utilises this critical revenue stream to pay for council owned grounds and facilities, community rugby staff and other critical rugby related resources that simply wouldn't allow rugby to continue without this invaluable resource.

Commercial revenue is already increasingly difficult to secure, and most rugby clubs have seen a marked decline in sponsorship related income making it difficult to see how any reduced ability to source class 4 gaming income could be easily replaced.

Should the HDC proceed with lowering Class 4 Gaming Licenses and subsequently withdraw existing levels of funding into rugby, our rugby community would be significantly impacted and rugby in our community would be knowingly compromised as a result. It is my firmly held view that without gaming revenue, some clubs in Hawke's Bay would cease to exist.

If required I am available to submit this submission in person or present to any members of the Hastings District Council.

Kind Regards

Jay Campbell Chief Executive Hawke's Bay Rugby Union

Junior Tuakana

From:	Rowan Wallis
Sent	Monday, 12 October 2020 7:18 AM
To:	Junior Tuakana
Subject:	FW: Hastings District Gambling Venue Policy Review.

Hi Junior

Another submission for you. Are you acknowledging receipt and advising of the next steps?

Many thanks

Rowan

From: Faye Murray Sent: Friday, 9 October 2020 3:39 PM To: Rowan Wallis <rowanw@hdc.govt.nz> Subject: FW: Hastings District Gambling Venue Policy Review.

Hi Rowan

Can you please receive the submission below from James Ludlam on behalf of the Kia Toa Lawn Bowls Club, thanks.

Faye

FAYE MURRAY EXECUTIVE ASSISTANT TO THE MAYOR



Phone (06) 871 5000 Email favem@hdc.govt.nz Web hastingsdc.govt.nz Hastings District Council, Private Bag 9002, Hastings 4156, New Zealand



From: James & Julie Ludlam [mailto:jamesjulie@xtra.co.nz] Sent: Wednesday, 7 October 2020 1:52 PM To: Faye Murray <<u>fayem@hdc.govt.nz</u>> Subject: Hastings District Gambling Venue Policy Review.

Attn. Sandra Hazlehurst Mayor Hastings District Council

James Robert Ludlam
200 B Prospect Road
Hastings 4122
06 8789396 0210387822
jamesjulie@xtra.co.nz

06/09/2020

1

Hastings District Gambling Venue Policy Review.

Mayor Sandra Hazlehurst.

You will probably be aware that the Hastings District Gambling Venue policy is due for its 3-year review. I am writing this email indicating that I oppose the Hastings District Councils change from a capped approach to a sinking lid approach with regards to gambling machines.

I am the President of the Kia Toa Lawn Bowls Club here in Hastings. Recently I attended a meeting organised by the First Light Community Foundation where the Councils review, and proposed changes were discussed.

As a representative of the Kia Toa Bowling Club I would like to support option 2 (no change to the existing policy) of the councils 3 yearly review.

Kia Toa Bowling Club, an amateur sports club, like many other sports clubs in the Hastings area, depend enormously on the generosity of donations and grants from Foundations and Trusts like First Light Foundation.

Without these donations and grants the Kia Toa Bowling club would face extreme difficulties in maintaining its financial status quo.

The Kia Toa bowling club supports a whole range of community ages from the lower decile school children right through to the aged population of Hastings. Kia Toa provides amenities and club camaraderie for those within the more mature community, that would otherwise have no physical or social outlets.

We depend upon donations and grants to survive and without those donations and grants this bowling club like, so many other bowling clubs and amateur sports clubs in Hastings, would in time have to fold because of the lack of important funding.

We try our very best to obtain small amounts of funding from local businesses, but this avenue has become increasingly more difficult to 'dip into' because of COVID 19 and the subsequent difficulties that all businesses are facing.

For example, two of our major sponsors are travel agents. You will be aware that their business income has virtually dried up with no immediate change to their fortunes in sight. These two sponsors have reluctantly advised us that for the foreseeable future they will not be able to support our club. This makes our grant applications even more vital to our survivability.

We have many other examples of sponsors having to withdraw their financial support because of COVID 19 and its impact upon their busines.

Since February, this year Kia Toa has manged to obtain \$12,500 by applying for grants from Foundations and Trusts. If the Council removes this option from us, we will face financial difficulties in the future.

We have a limited income from various sources like:

- Membership subs
- Small income from the sale of alcohol and other drinks
- A small amount of funds raised by social events
- We also have high dollar outgoings of:
 - Insurance
 - Council rates
 - Power and utilities
 - Important club upgrades such as security
 - General maintenance and improvements
 - Maintenance and replacement of one of the artificial greens

Our current outgoings far out way our income and so we depend on donations and grants from Foundations and Trusts. If the Council votes to move to the option of a "sinking lid" policy our club along with many other clubs would suffer and there by our membership and those other community members including school children and the aged communities we support would also suffer.

The Kia Toa bowling club is only fifteen months away from its centennial celebration and it would be a hard blow to the club if its financial situation were made more difficult because of the councils "sinking lid" approach.

The Kia Toa Bowling Club is seeking your support for our submission as our local Labour MP.

Your sincerely

James Ludlam

President Kia Toa Bowling Club

2



12 October 2020

Environmental Planning (Policy) Planning and Regulatory Services Hastings District Council Private Bag 9002 Hastings 4156

Attention: Junior Tuakana

Tēnā koe

Re: Class 4 Gambling Venue Policy - Proposal to Amend

We write in submission on the review of the Class 4 Gambling Venue Policy and the proposal to change the current cap policy to a sinking lid and to remove the relocation policy.

Graeme Dingle Foundation is a national not-for-profit with a regional network of stand-alone charitable trusts licensed to deliver the Foundation's suite of programmes designed to empower kids to overcome life's obstacles. Our vision is: by 2050 New Zealand will be the best place in the world for kids to grow up.

Our programmes are based on the premise that thriving communities start with thriving children. We provide kids with a unique 'transformational journey' by supporting them from age 5 to 18 through four school-based programmes: Kiwi Can, Stars, Career Navigator and Project K. These programmes nurture life skills and values, equipping tamariki and rangatahi with the resilience, selfesteem and resourcefulness they need to thrive into adulthood.

Research shows that for every \$1 spent on delivering Graeme Dingle Foundation programmes in schools, there is \$7.80 returned value to the community. In recognition of the value our programmes deliver young people facing hardship and challenges, in March of this year, Government declared the Foundation's Kiwi Can programme a Covid-19 essential service.

Here in Hawke's Bay, the Foundation is currently delivering Kiwi Can and Career Navigator to nearly 700 tamariki and rangatahi in five schools (primary, intermediate and secondary) in the Hastings District, with ambitious plans to be delivering in every decile 1 – 3 school in the district and across Hawke's Bay.

Our organisation and our school-based programmes are funded almost entirely through grants, donations and sponsorships; with schools contributing a nominal fee per student. We receive very limited government funding. Over the past five years (2016 – 2020), 42% of our funding in Hastings District has been derived from Class 4 Gaming Trusts – a total of \$185,290.00. Without this funding, the Foundation would not have been able to support Hastings District kids.

Any future reduction in gaming trust grants funding availability would threaten our capacity to both maintain our current programme delivery in schools and expand them into more schools across the District.

As with all community groups and not-for-profits, Covid-19 has hit our financial security hard. While we were able to claim the Government wage subsidy and limited additional support through Ministry of Social Development (MSD), there has been no targeted Covid-19 relief for the community and social sectors, despite the increased demand for community support and social services brought about by the challenges Covid-19 has brought for whanau/families.

Gaming Trusts' grants funds were affected by the temporary closures of hospitality venues; and some of our corporate sponsors have suspended their financial support in the wake of commercial pressures brought about by the pandemic.

Demand for our programmes is high, but with traditional funding sources under strain because of Covid-19, we will struggle to meet that demand. Demand on funding for social and community services across the board is high at the very time the pool of funds available has dried up.

That is why we strongly encourage Hastings District Council not to proceed with replacing the cap on Class 4 Gaming Venues with a sinking lid policy. It is our submission that a sinking lid policy, especially where relocation of venues is not allowed, will be detrimental to the community and to the support services our communities and whanau rely so heavily on. This will be counterproductive to the intent of Council to support a thriving community and, in particular, to your stated objectives of:

- Building safer communities
- Providing resilient and adaptable social and recreational infrastructure and support services.

We contend that:

- The proposed policy change to a sinking lid approach is not consistent with the <u>control</u> of class 4 gaming in the district (paragraph 5.1 of the Statement of Proposal), but instead represents an <u>elimination</u> strategy.
- 2) There is no evidence provided to justify an elimination strategy. The Statement of Proposal provides no evidence as to the level of gambling related harm attributed to Class 4 venues in the District (as opposed to other forms of gambling such as Lotto). Therefore, there is no evidence that the benefit of eliminating Class 4 gaming venues would outweigh the harm caused through the loss of grants funds returned to the community.
- 3) A sinking lid on class 4 gambling venues, which by law provide controlled environments, is not going to reduce or stop gambling harm, given the proliferation of alternatives such as online gaming and Lotto which are not captured by any harm minimisation regulations whatsoever.
- 4) With the Hastings District community likely facing tough times ahead as our economy suffers the effects of Covid-19, community and social services, and our own Graeme Dingle Foundation programmes need every possible source of funding available. Now is not the time for Council to turn the tap off.

Graeme Dingle Foundation Hawke's Bay PO Box 692, Hastings 4156 www.dinglefoundation.org.nz

Of the options identified for consideration in terms of a capped versus sinking lid, we support Option Two: current cap level of 293 machines making 15 gaming machines available for existing or new venues (retain relocation policy).

We wish to be heard by way of oral submission to the Council.

Our primary contact is: Alison Prins General Manager Graeme Dingle Foundation Hawke's Bay <u>Alison prins@dinglefoundation.org.nz</u> 027 533 6850

Nāku noa, nā

2 lead

Liz Read Trustee on behalf of the Board Graeme Dingle Foundation Hawke's Bay

Graeme Dingle Foundation Hawke's Bay PO Box 692, Hastings 4156 www.dinglefoundation.org.nz



Submission to HASTINGS DISTRICT COUNCIL: Proposed Class 4 Gambling Venues Policy 2020

OCTOBER 2020

1. INTRODUCTION

This submission outlines The Lion Foundation's (TLF) response to the Hasting District Council's Statement of Proposal - Proposed Class 4 Gambling Venues & TAB Venue Policy 2020.

The Lion Foundation is one of New Zealand's largest gaming machine societies by venue number, machine number and money returned to the community through grants. We currently operate 27 electronic gaming machines (EGMs) at three venues in Hastings.

Formed in 1985, we have given back over \$950m in grants to local, regional and national community causes since our inception and over \$38m in our 2019/2020 financial year.

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

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

The Lion Foundation does not support the introduction of a sinking lid policy - Option Three.

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

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

3. ABOUT THE LION FOUNDATION (TLF)

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

Our focus is on compliance and the reduction of gambling harm. The Lion Foundation is not here to grow or promote Gambling, but to ensure that the proceeds of Class 4 gambling is re-distributed to the communities in which they were generated in the most efficient and effective way possible.

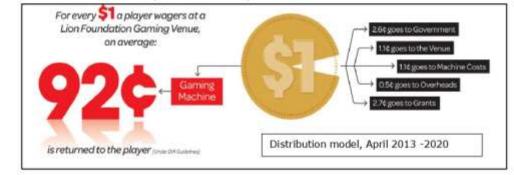
TLF aims to return at least 90% of funds back to the community of origin (where the funds were generated), with the remaining 10% of funds being returned to organisations providing a national benefit to all New Zealanders.

All local and regional grants are considered by a Regional Grants Committee.

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

- Sport: 40%
- Community, Arts & Culture: 30%
- Health : 15%
- Education: 15%

The Lion Foundation distribution of proceeds from its operations is:



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

4. THE LION FOUNDATION IN HASTINGS DISTRICTY COUNCIL

We currently operate 27 electronic gaming machines (EGMs) at three venues in the district. In respect of the figures presented below, it should be noted that one venue, Loading Ramp, only commenced its gaming operations on 12 August 2020.

In the period 1 September 2019 - 30 September 2020 TLF distributed:

- \$234,571 within the Hastings District. The funds distributed can be represented as:
 - Sports \$111,241
 - Community/Arts/Culture \$22,907
 - Education \$59,074
 - Health \$41,349

A list of grants distributed in the Hastings District is attached – Annexure A. Over the same period last year (1 September 2018 – 31 August 2019) TLF distributed \$409,781. This period was not affected by Covid - 19. Unfortunately, due to the inability to generate funds, combined with our inability to access our office to process grant applications, the effect of Covid-19 is evident in the levels of funding.

- Furthermore, during the period 1 September 2019 30 September 2020 TLF distributed grants from funds generated in the Hastings District Council to organisations in the Napier City Council region. A list of said grants is attached – Annexure B. In these instances, the Regional Grants Committee determined that a clear shared interest and benefit extended to these organisations and communities, justifying the regional distribution of funds.
- In addition to the above amount, approximately 10% of funds generated in the Hastings District is allocated to grants distributed to organisations that provide a benefit to all New Zealand communities. Some organisations funded include:

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

It is also important to note that TLF has stringent processes that are employed when a grant is assessed to ensure that grant funding lands where it is supposed to land.

In addition to the distribution of gaming proceeds to a variety of organisations, "pokies in pubs" contributes to the micro-economics of the District. We submit that it is also important to recognise the economic value currently generated by the gambling sector when considering whether or not a sinking lid policy is required and /or appropriate. Venues that are licenced to operate class 4 gaming machines provide employment to numerous residents of the district. Payments are also made to Venue Operators that host gaming machines. This further supports the hospitality industry within the District.

5. PROPOSED POLICY – A DISCUSSION

Adoption of Sinking Lid Policy - Option Three

- As stated, The Lion Foundation <u>does not support</u> the adoption of a of a sinking lid policy and supports the retention of the status quo (Option Two), including the current relocation policy.
- There is, with respect, insufficient evidence to support a change in the policy. The Class 4 Gambling Venues Policy 2017, which imposes a cap on the number of EGMs, is working. The Class 4 Gambling Venues Policy 2017 introduced a cap thereby replacing a sinking lid policy. The Statement of Proposal which has been drafted as part of the current review process does not offer any evidence to suggest that a need for change is required. Venue and machine numbers have continued to decrease since the introduction of the 2017 policy and therefore "why the need for change"?

- In a time of economic crisis and recession, we respectfully submit that now is not the time to adopt a policy, significantly altering the District's previous approach to gambling, with a blunt instrument. This is not sound policy decision-making.
- Expenditure on Class 4 gambling is increasing, despite declining venues and EGMs. Population
 growth, amongst other factors, contribute to this increase.
- Furthermore, in proposing to re-adopt a sinking lid policy, the Council appears to disregard
 research which suggests that 65 % of New Zealand's adult population present as <u>non-problem
 gamblers</u> with a small percentage presenting as low risk gamblers (3.3%), Moderate -risk
 gamblers (1.5 %) and problem gamblers (0.1%).
- Figures from the Ministry of Health's Intervention Client data¹ report that in the Hasting's District a total of 139 clients have sought help in the period July 2017 – June 2018. Of this number – 42 presented as new clients.
- The Class 4 Gambling Venues Policy 2017, coupled with significant measures undertaken by the Class 4 sector to minimise the harm from gambling machines is achieving the objectives of the Gambling Act – which seeks to balance the potential harm from gambling against the benefits of using proceeds from *pokies in pubs* for community fundraising. Significant measures to minimise harm, include by way of example (not an exhaustive list):
 - There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine;
 - There are very restrictive limits on the amount of money that can be staked and the amount of prize money that can be won;
 - Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination;
 - ATMs are excluded from all gaming rooms;
 - All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling;
 - All gaming venues have signage that encourages players to gamble only at levels they
 can afford. The signage also details how to seek assistance for problem gambling;
 - All gaming venues have a harm minimisation policy;
 - All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training;
 - It is not permissible for a player to play two gaming machines at once;
 - The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).

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

- Despite rhetoric from the opponents of gambling, there is no evidence that a reduction in venues or machines results in a reduction in problem gambling². The Hastings District Council does not offer any evidence to suggest that there is a correlation between the number of EGMs and the prevalence of problem gamblers.
- Gaming machine numbers and the number of gaming venues has declined steadily since 2003. Since the peak in Class 4 gaming machine numbers of 25,221 in 2003, the number of machines has declined steadily with the latest figures showing 14,828 machines as at 31 March 2020. Venues numbers have declined from over 2000 venues in 2003, to 1078 at March 2020.³
- The New Zealand National Gambling Study: Wave 4 (2018) noted that the problem gambling
 rate risk did not change significantly from 2012 to 2015 and had remained the same over the
 last 10-15 years despite gaming machine numbers decreasing⁴.
- Of great concern is the fact that problem gambling associated with offshore based online gambling is growing exponentially. Offshore online gambling providers do not have to operate in accordance with the Gambling Act, do not offer any harm minimisation features to protect players; do not contribute to New Zealand communities.
- Furthermore, offshore based online gambling poses considerable risk in that:
 - It is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
 - Has no restrictions on bet sizes;
 - Has no capacity for venue staff to observe and assist people in trouble;
 - Reaches new groups of people who may be vulnerable to the medium;
 - Provides no guaranteed return to players;
 - Is more easily abused by minors;
 - Is unregulated, so online gamblers are often encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.
- A sinking lid policy is unlikely to reduce problem gambling, but will, over time, reduce the
 amount of funding available to community groups. Reducing gaming machine venues reduces
 casual and recreational play. This reduces machine turnover and the amount of funding
 generated for grant distribution.
- It is short sighted to suggest that the effects of a sinking lid policy will only be felt over a lengthy period. One natural disaster in Christchurch significantly accelerated the effects of the sinking lid policy. Community organisations had no warning or time to identify and secure alternative funding sources.

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

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

³ Department of Internal Affairs – Quarterly statistics

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

Relocation Policy:

- The Gambling Act 2003 was amended [September 2013] to enable venues to relocate and retain the same number of EGMs when a Territorial Licencing Authority consent has been obtained.
- Venue relocation is accepted to be an effective harm minimisation tool it allows for venues to relocate from high deprivation areas to more suitable areas. In addition, a venue relocation policy
 - Enables venues to re-establish after a natural disaster, flood, or fire.
 - Enables venues to move out of earthquake-prone and dangerous buildings.
 - Enables venues to move to new refurbished and fit-for-purpose premises.
 - Creates fairness in cases of public works acquisition or lease termination.
 - Prevents landlords demanding unreasonable rentals.
- The Class 4 Gambling Venues Policy 2017 allows for venue relocation only within the Hastings Central Commercial or the Havelock North Village Centre Zones -with one exception.
- · All applications requiring consent are subject to strict criteria.
- Again, no valid reason has been provided for the proposed change to this aspect of current policy.

6. SOCIAL COSTS OF GAMBLING - PROBLEM GAMBLING IN CONTEXT

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

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

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

All gaming machine societies contribute to a problem gambling fund. This fund provides funding to the Ministry of Health to support and treat gambling addiction and to increase public awareness. As previously stated, a very well-funded problem gambling treatment service exists.

The Problem Gambling Foundation have previously relied on a report, titled "Measuring the Burden of Gambling Harm" which was produced for the Ministry of Health by Central Queensland University (CQU) and Auckland University of Technology (AUT) in May 2017. The representation below has been used to represent the key findings of the report by PGF when advocating for sinking lid policies:

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



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

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

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

We would request that the decision makers, in arriving at a balanced decision, read the TBD Advisory report.

7. HARM MINIMISATION

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

We are committed to creating safe gambling environments in all our venues, and minimising the harm caused by problem gambling. Each year the Class 4 Gambling industry contributes significant amounts

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

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

to a problem gambling fund. This funding allows the Ministry of Health to support and treat gambling addiction and to increase public awareness.

We continue to have strong relationships with service providers such as The Salvation Army Oasis Centre, Problem Gambling Foundation, Abacus (problem gambling training provider), and agencies such as the Health Promotion Agency. Our Venue Operators and their staff are proactive in their referring potential problem gamblers to the various service providers.

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

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

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

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







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

8. COMMUNITY FUNDING

Approximately \$280 million is returned to New Zealand communities annually from the Class 4 funding model. Whilst Lotto NZ proudly supports over 3000 good causes every year⁹, the Class 4 gambling sector supports approximately 11 000 community organisations every year¹⁰.

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

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

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

⁹ https://mylotto.co.nz/

¹⁰ http://www.gamblinglaw.co.nz/download/Gaming_Machine_Grant_Data_2018.pdf

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

The full effects of Covid-19 have yet to become evident – more especially after the resurgence of the virus in our communities in August 2020. It is still very much unknown whether or not hospitality venues will be able to keep their doors open post the cessation of various Government subsidies. Class 4 Gaming provides employment opportunities for members of the community - including local hospitality businesses, trusts and societies, equipment providers and technicians – a significant number of jobs in our cities, towns and communities.

9. A RECENT DEVELOPMENT

The Salvation Army and Problem Gambling Foundation have recently released a report commissioned from the New Zealand Institute of Economic Research (NZIER)¹¹. This report suggests that that there would be significant economic benefit to the retail sector in both income and job creation if spending on class 4 "pokies" was stopped. The report estimates that this additional retail spending would generate an additional 1,127 full-time equivalent jobs for 1,724 workers, along with an additional \$58m of GST revenue and additional income tax of \$7m from the retail spend.

The authors, however, do not comment on the economic value **currently generated** by the class 4 gambling sector. In fact, this was specifically acknowledged to have been outside of their scope. We submit that the report is therefore a misrepresentation of the net value of such a move, given that it takes no account of the value that would be lost. What the Salvation Army and Problem Gambling Foundation appear to be saying is that it will be acceptable to deprive the charitable and not for profit sectors of funding and valuable employment opportunities in favour of a profit driven commercial retail sector. This is somewhat disingenuous.

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

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

10. CONCLUSION

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

¹¹ The retail employment and tax costs of Class 4 gambling in New Zealand - June 2020; NZ Institute of economic Research (Inc)

from legitimate gaming. The proposed Sinking Lid Policy does not optimise this balance. The Class 4 Gambling Venues Policy 2017 does optimise this balance.

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

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

Annexure A – Grants 19 September 2019- 21 September 2020

COMMUNITY - CULTURE -	Art Davides Part ins	6757.00
ARTS	Art Hawkes Bay Inc	\$757.00
	Arts Inc. Heretaunga Incorporated	\$5,000.00
	Hawkes Bay Agricultural & Pastoral Soc Inc	\$7,150.00
	Prima Volta Charitable Trust	\$8,000.00
	Hawkes Bay Dog Training Club Inc	\$2,000.00
		\$22,907.00
EDUCATION	Hastings Intermediate School	\$15,000.00
	H F K A - Lucknow Kindergarten	\$5,000.00
	Lindisfarne College	\$2,000.00
	Frimley Primary School	\$3,000.00
	Omahu School	\$10,000.00
	Parkvale School	\$1,074.00
	St Johns College (Hastings)	\$8,000.00
	St Josephs School - Hastings	\$3,000.00
	Te Mata School	\$4,000.00
	Te Tai Timu Trust	\$8,000.00
		\$59,074.00
HEALTH	Brain Injury Assn Hawkes Bay Inc	\$2,500.00
	Cancer Soc of N Z Hawkes Bay Centre Inc	\$4,000.00
	Deaf Aotearoa Holdings Ltd - Hawkes Bay Branch	\$3,000.00
	Hawkes Bay Rescue Helicopter Trust	\$20,000.00
	Heretaunga Womens Centre Inc	\$5,000.00

ITEM 5

	STAROS Affected by Suicide Support Trust	\$6,849.00
		\$41,349.00
SPORT	Bowls Hawkes Bay Inc	\$1,600.00
	Cornwall Cricket Club (Hastings) Inc	\$4,000.00
	Hastings Badminton Club Inc	\$1,770.00
	Hastings Gymnastics Inc	\$1,800.00
	Hastings Rugby & Sports Club Inc	\$8,000.00
	Havelock North Wanderers Assn Football Club	\$1,440.00
	Havelock North Wanderers Assn Football Club	\$3,478.00
	Hawkes Bay Golf Club Inc	\$5,000.00
	Hawkes Bay Mens Evergreen Softball Club Inc	\$2,900.00
	Hawkes Bay Netball Centre Inc	\$15,000.00
	Hawkes Bay Polo Club Inc	\$2,000.00
	Hawkes Bay Rowing Club Inc	\$44,614.00
	Hawkes Bay Women's Evergreen Softball Club Inc	\$2,587.00
	Heretaunga Sundevils Swim Team Inc	\$8,000.00
	Kia Toa Bowling Club Inc - Hastings	\$2,275.00
	Saints Softball Club Inc	\$3,000.00
	Trojans Swim Club Inc	\$277.00
	Western Rangers Football Assn Inc	\$3,500.00
		\$111,241.00
Total		\$234,571.00

COMMUNITY-ARTS-		
CULTURE	Art Deco Trust Inc	\$20,000.00
HEALTH	Napier Group Riding for the Disabled Assn Inc	\$5,000.00
SPORT	Basketball Hawkes Bay Inc	\$7,500.00
	Bowls Omarunui Inc	\$5,000.00
	Hawkes Bay Multisports Club Inc	\$6,000.00
	Hawkes Bay Rugby Football Union Inc	\$20,000.00
	Hawkes Bay Rugby Football Union Inc	\$40,000.00
	Napier Pirate Rugby & Sports Club Inc	\$5,000.00
	Sport Hawkes Bay Inc	\$25,000.00
	Tennis Eastern Inc	\$2,500.00
	Volleyball Hawkes Bay Inc	\$5,000.00
		\$116,000
Total		\$141,000

Annexure B - Grants 19 September 2019- 21 September 2020 - Regional

SECTION 1

Full Name(s): Megan Burney, Treasurer, Heretaunga Sundevils Swim Team Inc

Mailing Address: P O Box 2076, Stortford Lodge, Hastings 4153

Mobile Phone: 027 392 8998

Email: sundevilstreasurer@gmail.com

SECTION 2

Our submission opposes Option 3 – Sinking Lid Policy, we are happy with either of the other two policies

We have been fortunate enough to be the recipient of a number of grants from organisations who distribute gaming proceeds to the community. Putting it simply we would not be the Club we are today without these generous grants.

Since taking the operations back from the Heretaunga Swimming Trust we as a Committee of volunteers have had to contract coaching services and to negotiate lane space contracts with the Council. All of which were previously undertaken by the Trust, the Committee merely ran the swim club and the competitive meets we were involved in.

This also meant we had to then meet these contractual financial commitments. As our members' fees only cover about 60% of our direct costs of lane space and coaching services we needed to apply for funding from organisations who support clubs running expenses.

Over the years we have applied to numerous corporate organisations for ongoing sponsorship, we have been very lucky to have received some support in the past however this has usually been under tight parameters and for a particular purpose which, understandably, promotes their business. One example was when T&G sponsored Lauren Boyle to come to Hastings to talk and swim with our swim team and other teams at our swim meet. This event got good media coverage of which T&G were of course involved. While this was an invaluable experience for our swimmers it did not help to pay our monthly running costs. We can see that these businesses need to see their name out there as a result of their sponsorship and that paying towards our lane space expense does not do this. Coupled with the fact that other clubs will also be looking for corporate sponsorship, it will only be even harder to secure.

We could increase our members' fees to cover our overheads. However, we think that this would have a direct negative result on our membership numbers and thus on this income stream.

We are unable to increase our membership in order to gather more members/fees as we have limited lane space available at Flaxmere Waterworld.

So ultimately without funding from gaming income we would not be able to survive.

Why is it so important that Heretaunga Sundevils Swim Team Inc survive:

- Our aim is to grow great swimmers and great people. It is a well known fact that swimmers, due to their rigorous training schedule, have a great work ethic and ability to manage their time as they juggle their swimming, school, working and other sport commitments.
- We have the strongest swim club in Hawkes Bay with a squad at capacity (92) and a healthy
 waitlist of upcoming swimmers.
- Our Club has been around for over 100 years. Last year we celebrated our Centenary.
- We compete at local, national and international level with huge success and no with
 assistance from Sport HB/NZ, all participation is either self-funded, fundraised by the Club or
 assisted by community grants from gaming proceeds.
- We have had three swimmers represent New Zealand at the Olympics, with one swimmer hoping to trial for the upcoming Olympics in Toyko, after she recently represented New Zealand in China at the World Short Course Champs.
- We have a number of asthmatic swimmers, including our coach. Regular swimming has a direct positive effect on the people with asthma.
- If we and other swim Club's fail as a result of this new policy, the Council will lose their largest income stream from their pool complexes.

Will your change in policy meet your aim (my thoughts)?

- Agreed, this policy may clean up pockets of Hastings where undesirables gather as a result of gaming machines activity and the associated alcohol consumption.
- Remember the reason why the Gaming Policy was established in the first instance, to
 provide adult entertainment. Do we want to become small town NZ by not having this type
 of entertainment?
- Your research points to the fact that the change that needs to be made is the level of time
 people can spend on the machines and the amount they can spend. Maybe there are some
 parameters you could set on the machines (aren't they computers that are programable?)
 because closing down facilities with machines will only encourage users to satisfy their urge
 to gamble elsewhere, in the unregulated, untaxed, credit as opposed to cash gambling
 online. In setting these parameters, users will spend less time in facilities, consuming less
 alcohol and spending less on machines.
- Statistics show that there is no direct correlation between the number of gaming machines in the area and the percentage of people who are problem gamblers. Gaming machine numbers have reduced by 25% in the last 10 years, however the problem gambling rate has stayed the same at 0.2%.
- In fact the Problem Gambling Foundation is funded by the profits from these gaming machines is it not?

Why we oppose the Sinking Lid Policy

 Due to the detrimental effect of COVID lockdown we think now is not the time to be targeting the hospitality industry and clubs who rely heavily on community funding and are already finding it difficult to maintain membership and cover expenses.

- We are a community group that will be severely affected by the loss of community funding from gaming.
- We have tried in the past and have failed to secure ongoing corporate sponsorship to cover our monthly running costs, as this does not give the business sufficient exposure for money spent.
- Our best sponsor would be the Hastings District Council, with a reduction of lane space cost, but given the rigorous negotiation of our lane space contract, we feel this would be unlikely.

Below are some of our members that have been supported in achieving their goals and aspirations in the sport of swimming through the profits of gaming machines.





SECTION 3

We seek the following decision:

That the decision of Council to adopt the Sinking Lid Policy be deferred until the next review period.

SECTION 4

Please indicate whether you wish to be heard in support of your submission.

We are happy to speak at the Hearing in support of our submission.

SECTION 5

Please indicate if you wish to make a joint case.

No thank you.

SECTION 6

Megan Burney, Treasurer



Mitre 10 Park, PO Box 528, Hastings 4156 42 Percival Road, Hastings 4120 T: 06 6504040 www.sportspark.co.nz

12 October 2020

Hastings District Council Private Bag 9002 Hastings

Submission on the revised gambling policy

Mitre 10 Park is a beneficiary of significant annual funds from the gaming industry and I wish to make the following comments in respect of that funding.

In the last two years we have received, on average:

- \$65,000 from First Light Foundation
- \$90,000 from the New Zealand Community Trust.

The First Light payments equate to well over have of the annual venue hire fees we receive from all of our sporting tenants and event users. Meanwhile the New Zealand Community Trust is a cornerstone funder of our main developments and as an example, the recently commissioned Outdoor aquatic centre (canoe polo) would not have happened without their support.

While we have been successful in attracting sponsors, including those illustrated on this letterhead, I do not believe it is possible, especially in the current economic climate, to replace Trust funding with sponsorship.

I am writing this in my capacity as CEO of Mitre 10 Park and have not sought the endorsement our Trustees. I would like to speak to this submission.

Yours sincerely

Jock Mackintosh CEO, Mitre 10 Park









Att: Junior Tuakana Class 4 Gambling and TAB Venue Policies – Submissions Hastings District Council Private Bag 9002 Hastings

Email: juniort@hdc.govt.nz

Class 4 Gambling Venue Policy Review - Submission

Introduction

Grassroots Trust Central Limited (GTCL) is dedicated to providing local funding to local communities. GTCL is also very supportive of positive legislation changes within the industry and all efforts to further minimise harm that is caused from gambling. GTCL has reviewed the Hastings District Council's Statement of Proposal and responds to Council's proposed changes below.

- GTCL <u>SUPPORTS OPTION TWO</u>, and requests Council consider retaining the current capped level of 293 gaming machines and retaining the existing relocation policy.
- GTCL DOES NOT SUPPORT the following options provided by Council:
 - Option One New cap level of 278 which is a reduction from the existing cap of 293 gaming machines.
 - Option Three A sinking lid policy and no venue relocations.

Is the Hastings District Council's proposal fair?

There is no evidence to suggest introducing a sinking lid policy that reduces venue and gaming machine numbers and removing policy provisions that allow venue relocations will reduce gamblingrelated harm. The total number of operating gaming machines and venues across New Zealand continues to naturally decline without the need for Councils to introduce sinking lid policies. In the twelve months ending June 2020 venue numbers dropped from 1277 to 1074 venues and similarly gaming machine numbers dropped from 16,614 to 14847.

Secondly, not allowing a relocation provision in the policy also creates health and safety issues. The current policy allows venue operators to move out of earthquake prone, dangerous and insanitary premises. Removing this option only entrenches venue operators in premises that may be a health and safety risk.

Allowing relocations is a good thing, as new venues tend to be smaller, modern and vibrant premises that create a positive entertainment precinct, supporting the local economy and encouraging tourism. Redevelopments of this nature are positive for the Hastings District and should be encouraged.

Like many businesses, the Hospitality Industry has also been affected considerably by the worldwide COVID-19 pandemic. Almost overnight New Zealand's economy shut down with the country being sent into lockdown and having to endure social distancing restrictions. These restrictions resulted in temporary closure for many hospitality businesses for substantial periods of time and significantly limiting their operations, resulting in sharp declines in revenue.

The survival of businesses relies on the demand for product and supplies. Ensuring customers return, will rely on Hospitality operators doing the research to find out what makes customers feel safe in this new normal that is now faced around the COVID-19 pandemic. This research may include options to relocate their businesses to premises that encourage a positive entertainment area and also support the local economy and tourism.

About GTCL

GTCL is a Class 4 Gaming Society licensed under The Gambling Act 2003 that generates funding for the community through the supply and operation of gaming machines in bars and pubs. Operating from Hamilton, GTCL operates gaming machines at twelve Class 4 Venues across the Bay of Plenty, East Coast, Hawkes Bay, Manawatu, and Wellington Regions. The number of venues will increase over the next couple of months with two new venues also transferring their gaming operation to GTCL. GTCL operates gaming machines at two Class 4 Gaming Venues in the Hastings District:

- Bar 2013 16 Gaming Machines
- Bollywood Star Restaurant 9 Gaming Machines

GTCL is governed by a professional Board of Directors consisting of Chairman, Sean Hannan; and Directors, Kath Grieve (Business Consultant); Mike Knobloch (Accountant); Andrew Lockyer (International Sales Executive) and Martin Bradley (former Lawyer).

Grant Funding

Class 4 Gaming Venues enable extremely valuable funding to be provided to a large range of local community groups. Approximately \$300 million in gaming machine funds is provided to over 11,000 community organisations each year across New Zealand. In 2019, approximately \$7.8m (43% of Gaming Machine Proceeds) was returned in grant funding to the Hastings District. Class 4 Gaming societies are the only gambling operators that focus on supporting grassroots community organisations. No other gambling provider provides this level of support for grassroots organisations. Grants make a positive difference to many community organisations, which would struggle to survive without this funding. There is no easy substitute for these funds.

Funding received by community organisations is critical to their ongoing sustainability. The Lottery Grants Board makes a small number of large grants to large organisations. The New Zealand Racing Board predominately uses the funds from race and sports betting to support the racing industry. The profits from the six commercial casinos are paid out to their commercial shareholders (save for a token amount in community grants). No grant money is paid by offshore-based online gambling providers.

GTCL is required by law to return a minimum 40% of gross proceeds to authorised purposes and it is GTCL's intention to distribute these funds back to the community that it was generated, across the sport, community and education sectors. Our funding turnaround is quick, with grant decisions being made monthly.

Many organisations throughout New Zealand including the Hastings District have benefited from a GTCL grant. For the period 1 July 2019 to 31 August 2020, GTCL made \$293,121.11 in grants to seventy-seven separate organisations who provide essential services to and within the Hastings District – see full list attached to this submission.

With the recent effects of COVID-19 being felt nationwide, the sustainability of our local community organisations has become even more imperative now. Community organisations have suffered significantly with the closure of Class 4 Gaming Venues during Levels 3 & 4, and the shortfall in funding has put their ability to continue providing their essential services at serious jeopardy. GTCL would like to highlight some community organisations within the Hastings District that have benefited from funding from GTCL already:



Bowls Hawkes Bay Incorporated & Bowls Hastings Incorporated

Bowls Hawke's Bay is the governing body for outdoor lawn bowls in the Hawke's Bay, and proudly supports twelve affiliated clubs including Bowls Hastings. Both Bowls Hawkes Bay and Bowls Hastings exist to ensure everyone can participate in and enjoy the sport of bowls at any level – social or competitive.

Bowls has seen significant growth, specifically within casual membership, and GTCL has supported this growth with funding of \$9,200 for Bowls Hawkes Bay and \$1,150 for Bowls Hastings toward essential management salary costs; thus ensuring that that the game has strong leadership and support to continue this upturn in growth.



Waimarama Surf Life Saving Club

We are a swimming nation. New Zealand boasts 15,000 km of coastline and 90% of us live within 40 minutes of a beach. But our glorious surf can be a deadly playground. Since 1910, ordinary Kiwis have volunteered their weekends to patrol our beaches saving thousands of lives and keeping people safe. Surf Lifeguards can be the difference between life and death and every volunteer Surf Lifeguard knows the powerful motivation of saving or protecting a life.

GTCL understands the critical role Waimarama Surf Life Saving plays within the Hastings District by recently granting \$14,500 by way of seven individual grants toward ongoing training and coaching of lifeguards.



Mahora School

Mahora School is a co-educational school delivering learning opportunities to years 1-6. They have a strong belief that all learners (students) should strive to reach their full potential and understand the importance of providing curriculum-based teaching outside the classroom by way of school camps.

To lessen the burden on parents to fund these well worthwhile trips, GTCL recently funded two grants totalling \$3,573 towards camp expenses.



Heretaunga Sundevils Swim Team Incorporated Heretaunga Sundevils Swim Team Incorporated is one of the oldest clubs in New Zealand and was first established in 1908. The club operates from the Flaxmere swimming pool complex and has a strong membership base.

To continue the strong growth and swimming performance of the club, in the past twelve months GTCL provided funding of \$11,000 by way of seven individual grants toward essential coaching services. In 2012, Auckland Council commissioned a community funding survey. The survey data is summarised in the report Community Funding: A Focus on Gaming Grants.¹ The report confirms how essential gaming machine funding is to a very large number of grassroots organisations and how extremely difficult it would be for such funding to be obtained from alternative sources. The key findings of the survey are:

- Most respondents (75%) indicated that their organisation is moderately or totally reliant on gaming machine funding to fund core business activities.
- Most respondents (55%) believed that there would be a high to extreme risk to their organisation and their core business if they did not receive gaming funding. A further onequarter (26%) said that there would be a moderate risk if they did not receive it.
- Two-thirds of respondents (68%) said that they thought that they would be unlikely to find
 another source of funding if gaming machine funding was not available.

Machine Numbers and Gambling Harm

During the period July 2017 to June 2018, there were 48 <u>new</u> problem gambling clients within the Hastings District. For the same period, the total number of active problem gambling clients for the Hastings District was 139.

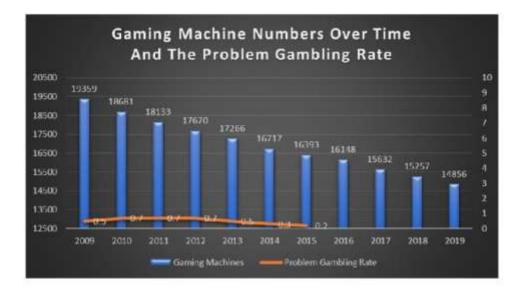
There is no evidence to support the notion that taking Gaming Machines out of our communities will reduce problem gambling. In fact, the problem gambling rate in New Zealand continues to plateau, remaining low for the last 15 years. The New Zealand National Gambling Study: Wave 4 (2015)² found that problem gambling only affects 0.2% of New Zealand's adult population and this is despite a reduction of 10,000 gaming machines in the last 15 years. The Problem Gambling Rate is for all forms of gambling, not just gaming machine gambling.

Ministry of Health figures show that 75% of adult New Zealanders regularly participate in gambling for entertainment, including Lotto, gaming machines, horse and dog racing, sports betting, and casinos. About 33% of those enjoy playing licensed gaming machines. On average, for every dollar that is played in a gaming machine, 91 cents of that dollar is paid out in prizes. This is the highest rate of return for any form of legal gambling in New Zealand.

Reducing machine numbers has been tried as a tool to address gambling-related harm but it has not worked as there is no link between gaming machine numbers and harm caused. The graph below shows the dramatic reduction in gaming machine numbers over the last ten years and the corresponding flat problem gambling rate as reported by the last New Zealand National Gambling Study: Wave 4 (2015) prepared for the Ministry of Health:

¹ www.gamblinglaw.co.nz/download/Research/Auckland_City_Community_Funding_Report.pdf

^{*} www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-6-aug18.pdf



Reducing venues and machine numbers merely reduces community funding and accelerates the migration of gambling to online providers where there is zero return to the community. There is no direct correlation between gaming machine numbers and problem gambling rates. The reasons for an increase or decrease in problem gambling are complex and multi-faceted, not simply the direct by-product of an increase or decrease in machine numbers.

The 2012 National Gambling Survey concluded that the prevalence of problematic gambling reduced significantly during the 1990s and has since stayed about the same. The report confirmed how essential gaming machine funding is to a very large number of community organisations and how extremely difficult it would be for such funding to be obtained from alternative sources. The report stated on pages 17 and 18:

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

The New Zealand National Gambling Study: Wave 3 (2014) 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"

More Help Seeking Does Not Necessarily Mean More Problem Gambling

The fact that more people may now be seeking help does not necessarily mean that problem gambling is increasing. An increase in help seeking could be due to the following contributors:

- New Zealand's estimated resident population reached over 5 million in March 2020. The
 population growth from 4 million in 2003 is thought to be the fastest million in New
 Zealand's History, taking only 17 years to reach this milestone;
- A change in society's attitude towards seeking counselling services and seeking help. People
 are these days more aware of the services available to them and are more inclined to seek
 help;
- The general economic decline. A sharp increase in help seeking experienced in the period from 2008 to 2011 corresponds with the global financial crisis. A reduction in disposable income tends to bring any gambling loss to the fore;
- A corresponding increase in television, radio and newspaper advertising by treatment
 providers has allowed gamblers to be more aware of the counselling services offered.

Harm Prevention & Minimisation - Support & Systems

Class 4 Gaming Societies are heavily regulated by the Department of Internal Affairs, socially responsible and very committed to Harm Prevention & Minimisation. GTCL and its venues are committed to creating a *Culture of Care* for our gambling customers; and operate within a comprehensive Society and Venue Harm Prevention and Minimisation Policy. We expect venue management to support their staff to provide a Culture of Care for gambling customers and to become Responsible Gambling Hosts. We aim to provide an environment that supports Responsible Gambling and understand that although for some people gambling is a form of entertainment for others there are some harmful effects.

There is already a regulatory requirement for staff and managers of Class 4 Gaming Venues to be trained in how to monitor and recognise problem gamblers; and how to intervene appropriately to ensure that they seek help and support for their problem. This, in our view, is the most effective way of helping the very small proportion of people who have a problem to manage that, whilst leaving the greatest proportion of people to fulfil their legitimate desire to gamble responsibly.

GTCL, like all other Class 4 Gaming Societies provide significant funding to the Ministry of Health through an annual Problem Gambling Levy. This equates to almost \$11 million a year that the Government is receiving through the Problem Gambling Levy to help those at risk from their gambling. This funding helps to assist problem gambling support services in the Hastings District, including the Problem Gambling Foundation, The Salvation Army, and the Gambling Helpline.

On top of this Class 4 Gaming Societies across New Zealand spend an additional \$3-4 million each year on Harm Prevention & Minimisation initiatives such as training, compliance checks and administering the Exclusion Process. GTCL provides significant on-going training to venue management and staff on how to identify and support problem gamblers. Dedicated field staff are available at any time to provide the Harm Prevention & Minimisation Training and support to venue management and staff. GTCL also provides the following resources to venues:

- GTCL Venue Harm Minimisation Policies;
- Full Health Promotion Agency Gamble Host Packs including Quick Reference Guides to help identify Problem Gamblers, Posters and Training Tips;
- Problem Gambling Pamphlets;
- Daily Gaming Diary and Problem Gambling Observation Pad to record any problem gambling observations and action staff may take;
- Exclusion Order Books and an Exclusion Order process;
- Signage to display in and around the gaming room.

Example Venue Resources to assist with problem gambling provided by GTCL



GTCL and its venues also fully support the Multi-venue Exclusion (MVE) & National Database Program which operates across New Zealand; providing Problem Gamblers with the option to exclude themselves from multiple venues at once.

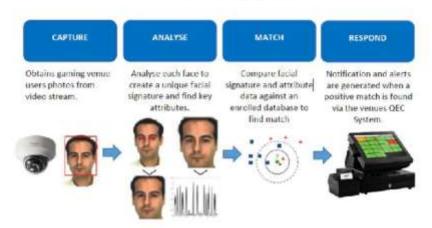
Harm Prevention & Minimisation Technology - Facial Recognition

GTCL is a big believer in staying up to date with the latest technology offered in the industry, such as Facial Recognition and CONCERN/Persons of Interest.

Facial Recognition software known as "The Guardian" is a fully integrated solution for recognising registered problem gamblers as they enter and move around a gaming venue. Multiple high-definition cameras are installed to cover entranceways, thoroughfares, and gaming room activity. Cameras interface with a specialised controller which will detect people entering or moving around the venue and record unique faces.

Once the faces have been detected, they are then sent to the central, cloud-based, facial recognition system, which will compare facial data received from the cameras to identify any persons of interest. These persons of interest may be self-excluded problem gamblers registered in the database. Notifications and alerts are generated through the Venue Management System so that staff become aware of excluded gamblers present at their venue.





This system is cost prohibitive so where Facial Recognition is not installed at a venue, all GTCL venues are provided with CONCERN/Person of Interest, which electronically records Excluded Persons and integrates with the National Exclusion Database. Venue Staff accept new multi-venue exclusion orders electronically received through CONCERN/Person of Interest which is operating on their front of house gaming management system. Venue Staff are also able to regularly view photos to assist with their monitoring of the gaming area.

Unintended Consequences - Increase in Internet and Mobile Phone Gambling

Any reduction in the local gaming machine offering will have unintended consequences, as this simply leads 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.

In April 2020, the Health Promotion Agency released a Report on the Impact of COVID-19³ on Alcohol Consumption, Smoking, Gambling and Health & Wellbeing. The Health Promotion Agency reported that 1190 New Zealanders over the age of 18 took part in the online survey which took place during days 13 – 19 of the Level 4 Lockdown period. The report found that:

- 20% of the respondents were either gambling more than usual online or gambling for the first time online; and
- Of those respondents that reported increased online gambling, 51% advised that the reason for this was "I can't go to my usual places to gamble or to buy tickets so I have switched to gambling online for now".

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.

³ https://www.hpa.org.nz/research-library/research-publications/the-impact-of-lockdown-on-health-risk-behaviours



Offshore-based online gambling, poses considerable risks because it:

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

Any reduction in gaming machines only redirects gamblers to offshore-based internet gambling and there is no harm minimisation advantage in that strategy. By reducing the number of Class 4 Gaming venues, this may actually drive gamblers away from the controlled environment of a gaming lounge, to an uncontrolled environment of online gambling which cannot be monitored at all. In addition, there are further disadvantages in the fact that no community funding is generated for New Zealanders, no tax revenue is generated for the New Zealand Government and no contributions are made via the New Zealand problem gambling levy.

Conclusion

As noted in our introduction, GTCL is very supportive of positive legislation changes within the industry and all efforts to further minimise harm that is caused from gaming.

GTCL requests that the Hastings District Council consider retaining the current cap on gaming machine numbers at 293 (Option Two) and also retaining the relocation policy ensuring venues can continue to relocate to premises that tend to be smaller, modern and more vibrant, often creating a positive entertainment precinct and supporting the local economy and encouraging tourism.

Kind regards On behalf of the Grassroots Trust Central Board of Directors

Sean Hannan Chairman

Junior Tuakana

From:	Angela Hunter <hunan263@gmail.com></hunan263@gmail.com>
Sent	Monday, 12 October 2020 11:02 PM
To:	Junior Tuakana
Subject:	Class 4 Gambling and TAB Venue Policies

Hello

I tried to submit via the online which stated it was open until 11.59pm however it was not working so I am emailing my submission before the deadline.

- · My submission is that:
- Havelock North Wanderers AFC often apply and receive funding from First Light Community Foundation Ltd. This Foundation uses funds from gaming
 machines to positively enhance the wider community. If the Council was to apply a sinking lid policy to gaming machines this would have huge
 consequences for us as a Football club.
- As a football club we support all ages and abilities, this year we had 7 senior Mens and Womens teams (we did have to cut two senior teams at the last
 minute due to covid and other contributing factors) and 49 junior teams. We are very proud to have around 415 juniors and growing.
- We are a club made up of a small team of board members, this year we approached many businesses for sponsorship. Some of our existing sponsors continued their sponsorship. Many of our sponsors were not in the same positive position for funds as they usually are due to the financial strain covid had on their business. The club continued to have financial costs over covid while suffering financially due to covid. Our season, cup, tournament and fundraising opportunities were also limited by covid. Due to our small board member base, limited experience and time we outsource alot of our grand applications. In the past year we applied for 16 grants, of that number we were successful with 6 applications (not always receiving the amount requested). Alot of grants were also reduced or not awarded due to the financial impact of covid.
- We were extremely lucky and grateful that First Light Community Foundation Ltd awarded us 4 out of our 6 applications. In total we received \$6,660 from First Light Community Foundation. We were able to use these funds to get additional uniforms, pay ground fees, insurance costs and for coaching courses. This had a huge impact on the club particularly the Junior section without the support we would have had to raise our club fees by at least \$20 per child to cover costs. This year's junior subs were \$70 per child, this amount was a struggle for a lot of our families and prospective families this year, especially given the covid financial impact. With our junior club growing and the age of our current kit we are in desperate need to upgrade and expand our junior kit. This year we needed to purchase an unexpected extra 32 shorts last minute so our junior kits were complete. This is a huge cost to the club and funding is just not readily available. The board is currently sourcing positive sponsors and funding opportunities to fund this upgrade. However we are also considering having our junior players purchase their own kit, we are concerned this may put many families off having their child playing due to the added cost.
- We wish the Council to vote to keep the current Gaming policy to protect the positive outcomes from the funding that Foundations like First Light Community Foundation and
 others provide. We also apply for grants from other Foundations who use Gaming money. Changes to the policy will see a huge financial impact on the club, particularly our
 Junior section which is extremely popular and growing. We are developing a wonderful foundation based junior football club and as a board would hate to see children miss out
 on the many opportunities we are working on providing due to increasing costs due to losses in funding.
- I seek the following decision:

Attachment 26

· Option Two: Current Cap level of 293 machines, making 15 gaming machines available for existing or new venues (retain relocation policy).

Thank you Angela Hunter HNWAFC Board member

DISTRICT COUNCIL		0 9 OCT 2020	Hasting Private Ba Hasting
Submission For	m	RECEIVED	Phone 06 87 Fax 06 87 www.hastingsdc.c
Submission on Prop Policies	oosed Class 4 Gamb	ling and TAB Venue	
Submissions can be:	5		
Posted to:	Delivered to:	E-mailed to:	Completed online
Class 4 Gambling and TAB Venue Hastings District Council Private Bag 9002 Hastings 4156 Attn: Junior Tuakana	Reception and Customer Service Centre Hastings District Council 207 Lyndon Road East Hastings Attn: Junior Tuakana	juniort@hdc.govt.nz	myvolcemychoic
Submissions may be lode	ged until 12 October 2020		
1. Your details:			
	an Brown		
Full Nama(s)	an Drown	7	
		- 11	1 1 . 1 //
	Brooklands	Drive Havel	lock North
Mailing Address: 18			
Mailing Address: <i>1.8</i> Home phone: <i>.0.6</i> 8	Brook lands	Mobile Phone:	1.6
Mailing Address: <i>1.8</i> Home phone: <i>.0.6</i> 8	Brook lands 77 4650 Hudschwicks+68.0	Mobile Phone:	1.6
Mailing Address: 1.8 Home phone: 0.68 Email: 18xx@K(WLS) 2. My/our submiss (State the nature of your su	Brook lands 77 4650 Hudschwicks+68.0	Mobile Phone:A	DA
Mailing Address: 1.8 Home phone: 0.68 Email: 18.0.00.16164.5 2. My/our submiss (State the nature of your su provisions or wish to have a	Brock lands 77 4650 twelscr.w.665*.68.0 ion is that: iomission, clearly indicating v amendments made, giving re	Mobile Phone:A	DA
Mailing Address: 1.8 Home phone: 0.68 Email: 18.0.00.16164.5 2. My/our submiss (State the nature of your su provisions or wish to have a	<u>Brook lands</u> 77 <u>4650</u> twd.sc <i>t.wtfl</i> 5*fle.fl ion is that: ibmission, clearly indicating v amendments made, giving re	Mobile Phone:A	DA
Mailing Address: 1.8 Home phone: 0.68 Email: 18xx@Ktwt.s. 2. My/our submiss (State the nature of your su provisions or wish to have a necessary).	Brock lands 77 4650 two.sct.w.ces.ee.n ion is that: iom is that: immendments made, giving re	Mobile Phone:A	가요 Main specific n separate sheet(s) if
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Mailing Address: 1.8 Home phone: 0.68 Email: IAKNAR.IKIWI.S. 2. My/our submiss (State the nature of your su provisions or wish to have a necessary).	Brock lands 77 4650 two.sct.w.ces.ee.n ion is that: ibmission, clearly indicating v amendments made, giving re	Mobile Phone:A	9.6 M ppose the specific n separate sheet(s) if
Mailing Address: 1.8 Home phone: 0.68 Email: IAKNAR.IKIWI.S. 2. My/our submiss (State the nature of your su provisions or wish to have a necessary).	Brook lands 77 4650 twol.sct.withs.e.f.a.n ion is that: ibmission, clearly indicating v amendments made, giving re	Mobile Phone:A	9.6 M ppose the specific n separate sheet(s) if
Mailing Address: 1.8 Home phone: 0.68 Email: IAKNAR.IKIWI.S. 2. My/our submiss (State the nature of your su provisions or wish to have a necessary).	Brook lands 77 4650 twol.sct.withs.e.f.a.n ion is that: ibmission, clearly indicating v amendments made, giving re	Mobile Phone:A	9.6 M ppose the specific n separate sheet(s) if
Mailing Address: 1.8 Home phone: 0.68 Email: 18xx/09.15164.53 2. My/our submiss (State the nature of your su provisions or wish to have a necessary).	Brook lands 77 4650 twol.sct.withs.e.f.a.n ion is that: ibmission, clearly indicating v amendments made, giving re	Mobile Phone:A	ppose the specific n separate sheet(s) if
Mailing Address: 1.8 Home phone: 0.68 Email: 18:008.15184.53 2. My/our submiss (State the nature of your su provisions or wish to have a necessary).	Brock lands	Mobile Phone:A	ppose the specific n separate sheet(s) if

18 Brooklands Drive, Havelock North 4130 2 October 2020.

Re: Submission on Proposed Class 4 Gambling and TAB Venue Policies

To Whom It May Concern

As introduction I am now retired after fifty or more years of physical work, and having run my own farming business, and through that time have supported my local clubs activities In sport, committees, working bees and administration and financialy, such as Wairoa Athletic Rugby Club, Wairoa A&P, Wairoa Racing Club, Turiroa School, (now closed because of Government Intervention), Wairoa Rotary and latterly the Kia Toa Bowling club in Hastings where my wife is current Ladies Club Captain. I know how clubs work, I understand their "running's", their problems, and through time have seen the gradual down grading, closures and struggles of many organisations. Two in the above list are now gone. The continual battering by Central Government, Councils and Local bodies and their administrations, that they continually invent, to appease their own egos, minority parties and the so called advantage and betterment of the community and its residents, comes at a cost, Financially, Health wise Physically and Mentally, and Socially to our citizens, then on into our cities and communities.

It is called Over Regulation and Control.

Rural areas have suffered badly with closures of community halls, schools, school baths, sports grounds etc, as have the town and city counterparts although probably not to quite to the same degradation, because of their population numbers, easier transportation and closeness of facilities, but some of the urban problems are worse just because of the numbers of organisations vying for membership and finance. I add here strongly that on many occasions if not all, the amenities that these organisations managed to build (Swimming Pools, Courts, Play Grounds, Sports clubs and Club Houses etc), were at the hands of the locals, giving of voluntary time, expertise, and finance. Administrators have ridden over the top of all this with their regulations and compliances.

Councils would do well to remember all this when faced with decisions they have to make, you should also remember that you are elected by the people for the people. Sometimes your decisions have ramifications well down the track that causes a downward spiral that in many cases is non-reversible. Social, Sport Health Mental issues have now been accentuated I believe because of these decisions.

Just as an example take the closing of many schools swimming pools because of the associated costs accrued with so called health and safety procedures and requirements that has left many children without the ability to learn swimming!

This Gambling Review is another case of over fixing something that is not broken, and therefore, please find my submission following as a written letter.

My thanks for your time to peruse the following.

lan Brown

My Submission Details:

lan John Brown

18 Brooklands Drive,

Havelock North.

Ph. 06 877 4650

Email; ian @kiwistudservices.co.nz

I wish to be heard in support of this submission.

I make this submission as a supporter and active member as part of the Kia Toa Bowling Club Hastings.

I support all other organisations against any changes to Class 4 Gambling Venues and Policy.

Signature:

Date 9/10/2020

My Submission on the Statement of Proposal; Proposed Class 4 Gambling Venue Policy & TAB Venue Policy.

My considerations are that there should be NO CHANGEI Except for the Three Yearly Basis.

In Considering (1) Introduction

1.1; This clause is indeed excessive, causing waste of time and money under a three year regime.

You will answer that it is a Central Government Act but as an elected body by majority of this city it is therefore your job to carry out the wishes of the majority of the people, and if it is to argue the cause to Central government you should have the fortitude to do that and argue for sensible legistration on our behalf.

1.2; The eight objectives here are an attempt to immediately negate any potential review or establishment of gaming machines and venues whether it is new, replacement or update of their buildings or machines and actually offers no room for discussion by any citizen in this city.

In Considering (2) Reason for Policy

2.1; Have already voiced my opinion that Act should be changed. As it is absolutely dictatorship and a waste of Time and Finances of Rate Payers Monies to have them so often.

2.2; You already passed the status quo last review so what has changed in the Amendment to force a review of your last decision, unless it is some minority voice having their input.

2.3; 2.4; 2.5; and 2.6; and the following sections; No 3. What is the Perceived Problem?

No 4. Council Objectives

No 5. Options for Addressing the Problem

No 6. Assessment of Options

I am going to summarize my thoughts in the following Statement.

Firstly I feel you have over dramatized and greatly exaggerated a problem that is not there.

Through History, even world wars, hard times and good times there has always been gambling and there will always be so.

You have apparently found a fact that only 0.2 percent of actual gamblers are problem gamblers, there are plenty of activities carried out by the general public that would achieve higher incidences than 0.2 and do you want to ban them.

If you have already found that 0.2 percent are problem gamblers, then you are already monitoring the situation, and also found that the situation has not changed over many years. So the fact is, that having these facilities is a better option than driving it under ground or out of site and sight. Online Gambling will only rise, there will be no control from both Council and Government, and you will receive no proceeds as well, and there will be a lack of security all round, which could even extend to the payments that are due to the gambler as well, creating a worse problem that you associate with them. So a proposed change will create more of a problem.

Can Council or Government afford to miss out on the current revenue they receive from gaming machines, I do not think so, you will add that loss to rates, expect a backlash!

There is already natural reduction in machines and facilities from 293 to 278. 293 is not a great number in respect of your district size, undoubtedly reduction will probably be in the outer city areas, again further penalising those areas hit hard by government and council regulations and controls.

A sinking Lid and Phasing out of Venues policy has not been well thought through, and fraught with many future problems that have a downward spiralling effect on society, especially in financial terms, sport and fitness and society wellbeing.

Can you not see the effect of the just 8.5 cents in the dollar has to the community? You know where it goes.

You get revenue also from licencing, permits and inspections. So you will lose that as well.

Will you reimburse the monies paid to clubs in the form of grants that are applied for, some \$7.8 million, I do not think so.

It is a user pays society, do you not think that the gambler should pay something for their fun and enjoyment as well.

Governments and Councils have continually expanded on ways to extract funds from society, and clubs are no exception, the permits and inspections of Bars, Kitchens, Toileting, Rates, Health and Safety to name a few, Clubs cannot cover it on Subscriptions and Raffles and Sponsorship alone.

Do you want a society to degrade in health and mental issues because clubs cannot survive?

Perhaps your committees should visit a club and understand the whole scenario. I take the Kia Toa Bowling club as an example. Somewhere round 130 members not all active, average age around 70, (16 to 94) most no longer able to be physically active in other sports like golf. The Club House and grounds are immaculate and beautiful and kept that way by voluntary labour and duties. The members enjoy a physical activity, part of which is mental as well, they enjoy a much needed social side for this age group, and this is accentuated through the wider district in clubs people belong to as well. As an aside perhaps many of our sedentary citizens in our city could well do join a clubs like this, helping in their own wellbeing, but this introduction can only be achieved if the clubs look well, are well run, well maintained and are financial. We achieve this by hard work in sourcing Grants, Sponsorship, Raffles, Bar, Tournaments and Club fund raising activities, but we need to maintain our "Grants" option. In a couple of years we will achieve 100 years of existence. You cannot reach this milestone without good members, voluntary hard work, sponsorship and <u>Grants</u>. Increasing regulations have seen many clubs fold. Can a city afford these losses?

Looking at the above demo graph of age, you would do well to remember or do some research if you are younger, that the majority of this age group came through a lifetime, soon after a World War, times were tough, they went through a period when finance borrowing reached above 22%, they had little superannuation schemes, no Kiwi Saver, and onto times of High House prices for relocation and retirement, and now what little savings they have earns around 1.5%!. These are your average Club members, not great scope for raising monies for club development, maintenance and compliance costs.

Some members reach representative standard and selection, they travel away representing our city raising awareness and mana towards this city. Likewise the numbers arriving to play in Tournaments, Roll ups and just casual visits for exercise as they pass through Hastings, it makes us proud when comments are posted such as "what a beautiful Club", these are comments passed as well from our Sister clubs from the whole of Hawkes Bay.

Hastings and Hawkes Bay need Clubs such as this to attract residents, businesses for the general sustain ability and wellness of the city, Major finance is a must to keep these attractions, the above sponsorships, subscriptions, small raffles etc cannot do it alone. Your compliance costs make it even harder.

A bowling club is unique in some ways, that every twelve to fifteen years there is a requirement to renew the Artificial Bowling Green, some \$230,000 worth, you cannot do that on subscriptions and Sponsorships alone. Let these greens deteriorate too much and patronage certainly falls quickly, we are due shortly for a replacement.

in a changing world with the current restrictions of the last nine months, it is most noticeable that our businesses are reluctant to offer as much support in the form of Sponsorship, and understandably, what happens if and or when it happens again. One of our main long term sponsors, a Travel Agency, has withheld funds into the foreseeable future that is also understandable.

I might add that most Sponsorship does not run into big money, mostly in the region of three to five hundred dollars, and mostly used as Tournament costs and prises, and we understand that every other club in Hastings is vying and duplicating our requests for support.

Surely you can see that the so called "Gambling Money" avenue is a very simple way of providing and collecting such finances to help your Hastings clubs be a vibrant part of yours and our city. Where else are these organisations going to source funds. Government and Councils are going to be very divident in taxing or rating to cover the short fall, besides it too difficult and costly for you to administrate. The organisations like First Light and Lion Foundation etc. do a great job in there administrations of the whole matter, leave experts alone to do their job. Leave the Gambling Venue Policy alone, Partition Governments to relent their three yearly reviews and make systems more practical and cost wise.

On the whole I am sure that the gambling fraternity do not mind that four cents of their dollar goes towards our districts clubs, in fact they too can probably see if they wish to look deep enough, that it is a small part that they can play towards their district and families.

Can you allow our City and District to lose \$7.8 million Dollars? Do you as councillors want to be responsible for this loss?

I remain totally against Hastings District Council Changing Policy in the; Class 4 Gambling and TAB Venue Review.

Many Thanks for your Considerations.

lan Brown

	#20
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Sep 11th 2020, 9:00:25 pm	163.47,237.9
Name	
Tania Smith	
Address	
208 Lyndon Road West	
Phone Number	
02040104138	
Email	
nojoy99@hotmail.com	
My submission is that:	
support the "sinking lid" policy for gumbling machines and the cap of one TAB	3 standalone venue for the Hastings District.
I seek the following decision:	
(No response)	
Please indicate with a tick whether you wish to be heard in su	upport of your submission:
do not wish to speak at the Hearing in support of my submission.	

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 of #21
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Sep 12th 2020, 4:06:50 pm	103.5.108.24
Name	
Lianne Goodwin	
Address	
1234 Raukawa Rd RD4 Hastinga	
Phone Number	
8748864	
Email	
ljgoodwinnz@gmail.com	
My submission is that:	
I am opposed to any renewing of TAB licenses and would like to see a reduction in the city.	Gambling venues for the good of the people and
I seek the following decision:	
I would like to see The District Council unite in agreement to adopt/ create policie tightening of regulations where there is a reduction in Gambling machines / venue reached its end.	es Re: the gambling proposal changes that require a es and to not extend or renew a lease once it has
Please indicate with a tick whether you wish to be heard in sup	port of your submission:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

https://app.wufoo.com/

COMPLETE
cto
121.75.168.73
submission:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	#23 Page 1 o
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Sep 15th 2020, 5:40:18 pm	203,184,50,229
Name	
Aaron Edmonds	
Address	
10 Claudius Street Dannevirke	
Phone Number	
0211507126	
Email	
aedmonds@slingshot.co.nz	
My submission is that:	
I totally support the PROPOSED CLASS 4 GAMBLING VENUE POLICY & TAB VEN I know first hand what harm these machines do to people who cannot think for t they have lost all their money. I have been fiving with a compulaive pokie machin them gone completely, but there are still the online gaming sites.	themselves and are completely mesmerized until
I seek the following decision:	
a second s	
That the Proposal goes through.	
	pport of your submission:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 o
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Sep 25th 2020, 9:04:22 am	27.252.26.141
Name	
Tim ormand	
Address	
18 Raven Grove, Havelock North	
Phone Number	
068770320	
Email	
r.t.ormond@xtra.co.nz	
My submission is that:	
Fam submitting my feedback on behalf of Art Hawkes Bay who rely on grants to hold th	heir Art Exhibition each year.
Art Hawkes bay will not survive without grants as I'm sure will a lot of Community Grou you would want to change something that will affect a lot of community projects.	ups in Hawkes Bay. I cannot understand why
I realize that some people do have a problem with the pokie machines but as is typical & the majority lose out.	ly done these days the minority get their way
Why not keep the status quo, i am sure those who do have problems with the pokie ma money so why should we lose out & push the problem elsewhere	chines will find another way to lose their
I seek the following decision:	
Please hold the status quo & don't let your Community (who elect you) down	
Please indicate with a tick whether you wish to be heard in support	t of your submission:
I do not wish to speak at the Hearing in support of my submission.	
mi	
Please tick this box if you wish to make a joint case:	

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	Page 1 o #25
	#25
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC	55
Sep 25th 2020, 10:03:14 am	103.240.186.130
Name	
Richard Kettle	
Address	
259 Paki Paki Rd RDTI	
Phone Number	
+6468/710119	
Email	
richard@ahdltd.co.nz	
My submission is that:	
Gambling machines are a vital part to the funding of sporting activity in the regior gambling machines are the same ones seen on a Saturday morning coaching and sport.	encouraging kids and youths at there chosen
The revenue created from Gambling machines that goes towards sports in the reg of any chosen sport and it is vital this source of income remains and if anything in	
I seek the following decision:	

The Council is to reverse its decision on reducing the numbers of machines in the region, further more they should review current policy to include the opportunity for more appropriate vanues to install more Gambling machines to ensure funding for sporting activity remains at the highest possible level.

Please indicate with a tick whether you wish to be heard in support of your submission:

I do not wish to speak at the Hearing in support of my submission.

Please tick this box if you wish to make a joint case:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 o #26
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC	6°3
Sep 25th 2020, 1:32:32 pm	202.56.51.148
Name	
Janice Byford-Jones	
Address	
Cranford Hospice 300 Knight Street Hastings 4122	
Phone Number	
068787047	
Email	
janice.byford-jones@cranfordhospice.org.nz	
My submission is that:	

I wish the HDC to give really careful consideration to the proposals and what impacts this may have on the sectors that rely on the funds to support their charity. I fully understand the problems that poke machines may cause if people cant control themselves but also acknowledge that others like a little bet every now and again. The outcomes that we can make with our community due the funding that is available to us assists in our sustainability and heips to top up the 50% community funding we need to raise every year.

Gambling itself is an addition and will not go away if you take away the machines. There are other options to them including internet gambling. And at least a large amount of the money raised through the machines stays in the regions. In addition, we are not going to remove all the alcohol outlets in an attempt to prevent the addition to alcohol...so the logic doesn't apply. So whilst on one hand the issue of 'problem gambling' needs addressing, as someone heavily involved in the charity sector; i am well aware of our current reliance on this source of funding.

I seek the following decision:

Careful consideration is given before decisions are made ensuring the wider implications are taken into account.

Please indicate with a tick whether you wish to be heard in support of your submission:

I do not wish to speak at the Hearing in support of my submission.

Please tick this box if you wish to make a joint case:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Sep 28th 2020, 12:38:36 pm	131.203.226.250
Name	
Cath Healey	
Address	
19 Menin Rd	
Phone Number	
0276319651	
Email	
cathcampbell08@gmail.com	
My submission is that:	
I support a sinking lid policy	
I seek the following decision:	
Sinking lid and more robust gambling host responsibilities that are monitored	d regularly
Please indicate with a tick whether you wish to be heard in	support of your submission:
I do not wish to speak at the Hearing in support of my submission.	

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 o #28
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC	
Sep 29th 2020, 11:54:45 pm	14.161.12.79
Name	
Benjamin Molineaux	
Address	
Raureka, Hastings	
Phone Number	
(No response)	
Email	
ben]amin@mybusiness.ninja	
My submission is that:	
The Clause 5 "Exceptions from Meeting Parts of the Policy" exceptions to the relocation p provide a relocation provision for selected businesses in the defined areas.	provision should be deleted; they essential
If not deleted, they should provide a mechanism for Council to 'sink the lid' in line with th unpopular with the businesses concerned.	e stated aims of the policy, however
This can be justified because if the default position (indicated by deleting 5.1) is going to I within its right to decline a relocation request. End of story.	be no relocations, then Council will be
However in the interests of being pragmatic, AND in line with the stated aim of the policy, clause, and on the basis that the relocation would otherwise be declined, if the party wish relinquish 1/3 (rounded up to nearest whole machine) of their gaming machines at the ner	es to proceed then they will need to
I seek the following decision:	
Any exception to the relocation provision, being a decision that would otherwise be declin require the license holder to reduce the number of gaming machines at the new location i	
Please indicate with a tick whether you wish to be heard in support o	f your submission:
I do not wish to speak at the Hearing in support of my submission.	
Please tick this box if you wish to make a joint case:	

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HDC - Gambling consultation	
CREATED	IP ADDRESS
PUBLIC Oct 1st 2020, 9:17:13 am	131.203.226.25
Name	
Vicki Berkahn	
Address	
210 Lyndon Road West, Hastings 4122	
Phone Number	
022 0435 347	
Email	
vidd@trhor.org.nz	
My submission is that:	
Te Rangihacata Oranga Trust supports:	
"Option Three:	
Sinking lid, no new machines or venues will be permitted in the Hastings Distric drops. Option Three also removes the relocation policy".	ct. As machines are not utilised the number availab
AND	
2.2 Te Rangihaoata Oranga Trust requests amendments to the Hastings Distri Venue Policy (see attached document for details of the requested amendment)	ict Council's Class 4 Gambling Venue Policy and TA s)
I seek the following decision:	
Option Three:	
Sinking IId, no new mechines or venues will be permitted in the Hastings District drops. Option Three also removes the relocation policy.	ct. As machines are not utilised the number availab
AND	
Amendments to the Hastings District Council's Class 4 Gambling Venue Policy details of the amendments)	and TAB Venue Policy (see attached document for
Please indicate with a tick whether you wish to be heard in su	upport of your submission:
I wish to speak at the Hearing In support of my submission; or	
Please tick this box if you wish to make a joint case:	
If you have used extra space for this submission please attac w.	h it to this form by uploading the file b
submission_on_proposed_class_4_gambling_and_tab_venue_policies.docx	

Submission on Proposed Class 4 Gambling and TAB Venue Policies

from Te Rangihaeata Oranga Trust, Hawke's Bay Gambling Harm Service

1.0 My Details:

 Vicki Berkahn, General Manager, Te Rangihaeata Oranga Trust (Hawke's Bay Gambling Harm Services)

210 Lyndon Road West, Hastings 4122, 022 0435 347, vicki@trhor.org.nz

2.0 Our Submission is that:

2.1 Te Rangihaeata Oranga Trust supports:

"Option Three:

Sinking lid, no new machines or venues will be permitted in the Hastings District. As machines are not utilised the number available drops. Option Three also removes the relocation policy".

AND

2.2 Te Rangihaeata Oranga Trust requests amendments to the Hastings District Council's Class 4 Gambling Venue Policy and TAB Venue Policy, as follows:

Under:

"Class 4 Gambling Venue Policy - 3. Objectives of the Policy":

Add:

To ensure responsible gambling practices and attitudes in Class 4 Gambling Venues by:

- Hastings District Council removing Class 4 gambling venues from high deprivation areas within the Hastings District (Hastings Central and Flaxmere), over time at the rate of 6 machines per licence renewal;
- Hastings District Council monitoring and removing Class 4 gambling venues where the operation of Class 4 gambling machines is assessed as being the primary activity and revenue source for the Class 4 venue;
- c. Hastings District Council trialling the closure of areas permitted for conducting Class 4 gambling at peak food and beverage service delivery times, i.e. 12pm-2pm and 5pm-7pm;

- Hastings District Council monitoring and ensuring that all Class 4 venues shall provide:
 - i. approved problem gambling assessment tools;
 - ii. staff training programmes for identification of problem gamblers;
 - iii. procedures to reduce the likelihood of problem gambling;
 - iv. identification of instances of problem gambling;
 - referrals of those identified to the Hawke's Bay Gambling Harm treatment provider <u>www.gamblinghb.co.nz</u>
 - vi. facilitation of any ban/self-ban procedures for problem gamblers, including Identification and notification of breaches.

AND

2.3 Te Rangihaeata Oranga Trust requests amendments to the Hastings District Council's TAB Venue Policy, as follows:

Under:

"3. TAB Venue Conditions":

Add:

To ensure responsible gambling practices and attitudes in TAB Venues by:

- a. Hastings District Council monitoring and ensuring that all TAB Venues shall provide:
 - i. approved problem gambling assessment tools;
 - ii. staff training programmes for identification of problem gamblers;
 - iii. procedures to reduce the likelihood of problem gambling;
 - iv. identification of instances of problem gambling;
 - referrals of those identified to the Hawke's Bay Gambling Harm treatment provider <u>www.gamblinghb.co.nz</u>
 - vi. facilitation of any ban/self-ban procedures for problem gamblers, including identification and notification of breaches.

3.0 Our Reasons for this Submission are that:

A sinking lid policy alone will not achieve the overall outcome which is to:

- i. decrease opportunities for gambling harm, and
- reduce avoidable health-related inequities, i.e. depression and suicide, and
- iii. reduce the resultant social deprivation*, which impacts disproportionately on poorer communities, i.e. child poverty, family violence.

(*HDC's Poutama strategy states Council policy will have a deprivation focus)

4.0 Supporting Discussion:

- 2.1 Te Rangihaeata Oranga Trust's feedback is guided by the premise that a 'sinking lid' approach reduces opportunities for harm arising from exposure to highly addictive gambling machines.
- 2.2 Te Rangihaeata Oranga Trust's feedback is also guided by the following objectives:
 - To reduce gambling-harm-related inequities experienced by Māori, as the group most vulnerable to gambling harm;
 - Māori and other peoples have healthy futures, through the prevention and minimisation of gambling harm;
- The Hastings District community must participate in decision-making about activities that prevent and minimise gambling harm in their communities;
- iv. Healthy policy at the local level prevents and minimises gambling harm in local communities;
- Hastings District Council, the gambling venue operators, communities and family/whānau, understand and acknowledge the range of gambling harms that affect individuals, family/whānau and communities;
- vi. Gambling environments are designed to prevent and minimise gambling harm.

5.0 Gambling Harm Research:

5.1 National Data

Research has shown that the most harmful forms of gambling are the continuous types such as electronic gambling machines (EGMs or 'pokies'). New Zealand gambling surveys consistently show pokies to be the most common source of gambling harm.

Findings from the 2016 Health & Lifestyles Survey – Gambling Report (Health Promotion Agency, 2018) include:

- 1 in 5 NZ adults (22%) have been affected at some time in their life by their own or the gambling of others;
- 6% of NZ adults reported experiencing one form of household gambling harm, e.g. arguments about money spent on gambling;
- The most reported form of gambling associated with household harm was gaming machines at pubs or clubs;

- Māori and those who live in high deprivation areas are most impacted by the gambling of others;
- Gambling machines in pubs or clubs are believed to be the most harmful activity, especially to women.

5.2 Harm from Gambling

The harms caused by gambling can be severe. Research suggests that the harm experienced through high-risk gambling behaviour is of the same magnitude as high alcohol consumption and other health issues such as anxiety and depression. In addition, research shows that cumulatively the harm from gambling is close to twice that of drug use disorders, bipolar affective disorder, eating disorders and schizophrenia combined (Ministry of Health, 2019).

Some facts around gambling harm and suicide (Ronzitti et al, 2017):

- Between 17- 48% of problem gamblers have thought about suicide sometime in their lives
- Between 9 31% have attempted suicide
- Debt is a big predictor of suicidal thinking

Community feedback is that EGM's are socially undesirable, with the overall number of people playing EGM's on the decrease, however the number of problem gamblers remains the same – with every new machine on average creating 0.8 problem gamblers (Abbott & Bellringer, 2018).

Therefore, a true sinking lid approach is successful at reducing harm from gambling over the long term and addresses the current issue of over-supply compared to demand from the community for these machines.

5.3 Heightened Risk for Women (Ministry of Health, 31 July 2019)

There is a heightened risk for women, particularly in community-based gambling contexts. New Zealand women and men engage in non-casino EGM gambling to a similar extent, however the gambling risk associated with this practice is heightened for women – over and above the effects of other factors related to gambling risk (e.g. age, ethnicity, socioeconomic deprivation, psychological distress, and other coexisting issues).

Addressing gambling harm for women in New Zealand is a multi-faceted phenomenon. There are key tensions between positioning women's gambling harm as an individual issue (to be 'treated'), and a public health approach which attends to the social environments in which gambling harm for women is produced and experienced. Reducing EGM gambling opportunities in community settings is necessary because community-based EGMs constitute a serious health-risk for women (and men).

Community EGM venue operators have a legal responsibility to look after their gambling patrons, akin to the care and consideration required when serving alcohol (DIA, 2014), however monitoring conducted by the regulator shows that host responsibility practices are inconsistently and inadequately carried out in these venues (DIA, 2014, 2017b). Bold policy action is called for to prevent gambling harm that is clearly associated with the availability of products in particular settings, in the absence of appropriate host responsibility (Wardle, Reith, Langham, & Rogers, 2019). Research suggests that the removal of EGMs from all community venues is likely to have a positive effect on gambling harm for women and other groups (Nuske, Holdsworth, & Breen, 2016).

5.4 Data for the Hastings District Community:

Te Rangihaeata Oranga Trust (TRO), also trading as Hawke's Bay Gambling Harm Services, delivers 'preventing & minimising gambling harm' services to the wider Hawke's Bay region.

TRO is funded by the Ministry of Health to provide counselling, health promotion, and public health advocacy to individuals, whanau, and communities affected by gambling harm in some way. TRO is the only specialised gambling harm provider for the Hawke's Bay region, and receives referrals from Probation, DHB Community Mental Health Service, General Practitioners, Police Family Harm team, and self-referrals.

One of the most well utilised services which TRO provides is the 'Multi Venue Exclusion' process in which we facilitate the legal process of banning individuals from entering a gambling venue containing pokie machines and/or TAB betting opportunities.

We have individuals waiting outside our door on Monday morning wanting to put a ban in place to experience relief from all the social and financial damage they have experienced over the weekend.

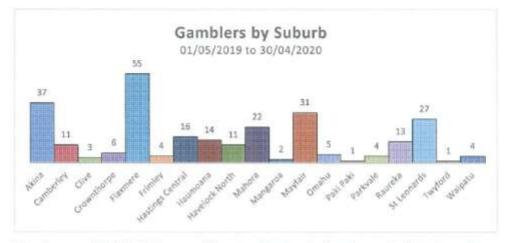
There are currently 3,689 active exclusions (MVE) in total for the Hawke's Bay region that Te Rangihaeata Oranga covers, for the period 18/6/2019 to 18/6/2020.

The total number of unique individuals who took out an MVE during the period – 18/6/2019 to 18/6/2020 is 78.

Between May 2019 - April 2020, there were a total of 357 clients seen by Ministry of Health funded gambling harm intervention services (Te Rangihaeata Oranga) from the Hastings Territorial Authority area. Of the 357 clients, 57% were Mãori, which is disproportionately high, and demonstrates an inequitable level of harm to the Mãori population of Hastings district. Of these, 308 cited non-casino gaming machines (pokies) as one of the modes of gambling causing them harm. 86% of the mode of gambling causing harm is attributed to pokie machines.

Grand Total	357
Pacific	25
Other	130
Maori	202

Row Labels	Non-Casino Gaming Machines
Maori	175
Other	113
Pacific	20
Grand Total	308



The above graph highlights how gambling harm is a deprivation issue and affects those in lower socio-economic suburbs.

6.0 Linkages with other HDC Policies:

TRO has identified linkages to the HDC 'Māori Responsiveness Strategy', the 'Well-beings' articulated in the HDC Annual Plan, and the HDC Safer Hastings goal of 'reducing harm from addiction'.

Evidence from our service user data (above) clearly demonstrates higher Māori than non-Māori affected rates, and our venue exclusion numbers which demonstrate that harm from gambling venues is evident in Hastings district.

This feedback is intended to provide guidance to the Hastings District Council on future directions to explore for the changes being sought in this policy, and considerations for the wider context of health equity.

6.1 HDC Māori Responsiveness Strategy (Poutama):

In the areas of 'Council Influence' the Poutama strategy states under 'Prosperity & Well-Being' that Council policy will have a **deprivation focus** and work with others to meet the needs of Māori.

6.2 HDC Safer Hastings Strategy:

The HDC Safer Hastings Strategy has a goal to reduce addiction-related harm and reduce the number of gambling opportunities in the District.

6.3 HDC Annual Plan:

The Hastings District Council should explicitly state under its Regulatory Functions that under section 101 of the Gambling Act 2003 it is required to have a policy that guides if, where, and how many Class 4 (pokies) and venues may be established.

7.0 Community Loss to Pokie Machines for the Hastings TLA:

This report on grants and analysis for the Hastings TLA was requested by Te Rangihaeata Oranga Trust for the review of Hastings District Council's Class 4 Venue Policy.

The author has used figures from DIA's electronic monitoring system (EMS), which monitors Class 4 gambling venues, and population numbers are taken from the 2018 census information via statistics NZ.

7.1 Community Loss to Pokie Machines 1 January 2020 to 31 March 2020:

Gross machine proceeds (GMP) for Hastings TLA for the March quarter 2020 was \$4,006,329.65 – DIA statistics (that is the money left after paying out prizes).

Overall the Hastings TLA has the 25th highest loss per head (18yrs and over) of all 67 TLA's for the March 2020 period.

Pokie Trusts	Venues	Number of Pokies
Clubs Hastings Incorporated	Club Hastings	30
Clubs Hastings Incorporated	The Elbowroom Sports Bar	18
First Light Community Foundation Limited	Zabeels Sports Bar	18
Havelock North Club Inc	Havelock North Club	10
Infinity Foundation Umited	Bollywood Star Restaurant	9
Infinity Foundation Limited	Gravity 101 Bar	16
National Service Club Inc	National Service Club	18
New Zealand Community Trust	Clive Hotel	18
New Zealand Community Trust	Cru Bar	18
New Zealand Community Trust	Currizza's Tavern	9
New Zealand Community Trust	Level 1	18
New Zealand Community Trust	Turk's Bar	18
Racing Industry Transition Agency	TAB Stortford Lodge	18
The Lion Foundation (2008)	Horse And Hound Hastings	18
The Lion Foundation (2008)	Stortford Lodge Social Club	4
Trust House Foundation	Flaxmere Tavern	18
Youthtown Incorporated	Magpies	18

7.2 Hastings venues and gaming machine numbers - March 2020:

HDC - Gambling consultation	#30 COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 2nd 2020, 11:13:06 pm	121.79.251.81
Name	
Teena Moody	
Address	
091 Williams Street, Mahora, Hastings	
Phone Number	
3767882	
Email	
eena.moody@ecopex.co.nz	
My submission is that:	
support the proposal to implement a sinking lid policy with no relocation for gaming machines.	
seek the following decision:	
No response)	
Please indicate with a tick whether you wish to be heard in support of your	submission:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 #31
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 8th 2020, 1:53:54 pm	203.109.218.17
Christina McBeth	
Address	
1004 Karamu Road North, Mayfair, Hastings	
Phone Number	
0274252316	
Email	
christina@nourishedfornil.org	
My submission is that:	
On behalf of Nourished for Nil, I oppose the sinking lid proposal. As a not-for-profit organisation providing an essential community service, No sources including gaming machine proceeds.	urished for Nil is reliant on funding from a number of
Without the gaming machine sourced grants received over the last two years, number of initiatives e.g. daily security guard for customer safety, fuel for del running costs for rescued food collection and delivery, and volunteer expense	iveries to low decile schools and kohanga reo, vehicle

There are few options for the not-for-profit organisations when seeking funding, and this year has seen a reduction in the wealth distribution at a local community level.

I believe that a pragmatic community approach to gaming machines is essential.

I seek the following decision:

I seek a review of the proposal with a decision to retain the number of gaming machines in the greater Hastings area.

Please indicate with a tick whether you wish to be heard in support of your submission:

I wish to speak at the Hearing in support of my submission; or

Please tick this box if you wish to make a joint case:

If others make a similar submission please tick this box if you would consider presenting a joint case with them at the Hearing.

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 o #32
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 8th 2020, 9:52:40 pm	222.153.162.78
Name	
Jim Stevenson	
Address	
151 Main Road Clive	
Phone Number	
068700225	
Email	
J.Vatevenson@xtra.co.nz	
My submission is that:	
i am not a gambler and would never play the machines my Scottish beritage w	muld never allow it but I annoss any changes to the

i am not a gambler and would never play the machines my Scottish heritage would never allow it but i appose any changes to the currant gambling policy the status quo is working very well and assisting great no of charitable organizations with funding, sports clubs, youth organizations, maracs, churches

clubs, youth organizations, maraca, churches. First light community foundation assist many organizations with funding from gambling, without this funding a number of clubs would fail because putting up fees would loose members, you will be thinking get funding from other sauces like corporate sponsorship have you ever tried its pretty daunting no one has money to give away after covid, very few people who gamble and play the machines get involved in voluntary work and this is there way of helping charitable organizations without getting involved, taking away the gambling machines won't stop people gambling,online gambling is gaining popularity more every week and no money goes to the government or charitable organizations or to help problem gamblers. If a bar changed its venue and could not take its machines it would not survive, money from he proceeds of gambling may be dirty money but it does more good than harm.

I seek the following decision:

leave the currant gambling policy as it is the status quo

Before the councilors vote they need to think long and hard about there decision it is not a conscious vote every descant kiwl hates gambling machines but they are a necessary evil, everyone at the council table at some time has benefited from money from the gambling machines, so vote with your brain and not your heart

Please indicate with a tick whether you wish to be heard in support of your submission:

I wish to speak at the Hearing in support of my submission; or

Please tick this box if you wish to make a joint case:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 o #33	
HDC - Gambling consultation	COMPLETE	
CREATED	IP ADDRESS	
PUBLIC Oct 9th 2020, 10:23:26 am	118,149,84,88	
Name		
.yn		
Address		
Email		
(No response)		
My submission is that:		
support the new sinking lid policy.		
seek the following decision:		
Sinking lid.		
	port of your submission:	
Please indicate with a tick whether you wish to be heard in supp		
Please indicate with a tick whether you wish to be heard in supp wish to speak at the Hearing in support of my submission; or		

If you have used extra space for this submission please attach it to this form by uploading the file belo

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	Page 1 o
	#34
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC	693
Oct 9th 2020, 1:00:11 pm	222.152.202.253
Name	
Lisa Tamati	
Address	
87 Dover Road, Flaxmere, Hastings	
Phone Number	
068799037	
Email	
lisa_tamati@hotmail.com	
My submission is that:	
r Freedow waardoo a waarddhaw haaf tulidad wabde waarddaare efectiada to aladaa ay tifar	

I dont condone gambling, but I think pokie machines already in clubs eg. National, RSA Clubs, and clubs should stay, so long as they continue to monitor the machines and ppl playing them. But new establishments should not be allowed to have pokie machines in them.

I hope that the regulations and rules are strict and doesn't exceed the amount of machines allowed in one facility. They can be for entertainment purposes but I'm aware that they are addictive, and if there is gambling info available, or where you can get help displayed. Then at least they are seen to be helping.

I seek the following decision:

The outcome of what the rulings are, and what policies have been passed and the critrea will be from having machines in facilities existing and now.

Please indicate with a tick whether you wish to be heard in support of your submission:

I do not wish to speak at the Hearing in support of my submission.

Please tick this box if you wish to make a joint case:

If others make a similar submission please tick this box if you would consider presenting a joint case with them at the Hearing,

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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HDC - Gambling consultation	#35 COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 9th 2020, 1:19:09 pm	163.47.237.30
Name	
Andy Heast	
Address	
237 Shanley Road, RD9	
Phone Number	
02040516037	
Email	
andyheast@me.com	
My submission is that:	
I am writing in on behalf off and in my capacity as Chair of Arts Inc. Heretaunga, followir September 2020, in relation to the Statement of Proposal PROPOSED CLASS 4 GAMBLING VENUE – POLICY & TAB VENUE POLICY,	ng a meeting of our Board on the 29
This submission is to highlight specific concerns related to imposing a 'sinking lid policy a. This policy may well prove counter-productive to the targeted group b. Council addressing how community groups might mitigate the loss of vital income th	
Firstly the board would completely acknowledge the damage to individuals, their famili bring in whatever form and certainly we are totally in support of appropriate addiction :	
However, as with many past-times, the problem is with the addiction, not necessarily th underground would do more harm than good, with addicted gamblers driven to find oth that gaming machines in pubs and clubs are very visible and can be monitored with pro	er outlets, on-line, illegal etc. it was noted
If the sinking lid policy was introduced, the loss of income to community groups who do loss: For context, Arts Inc. Heretaunga will raise over \$50,000 from gaming charities in unless other local government/government funding opportunities are made available.	such amazing work would be an enormous 2020. This is funding not easily substituted
It was felt that both of the above concerns should be part of the consideration in makin	g any decision.
I seek the following decision:	
If these concerns are unable to be addressed, we would wish to see a decision support with no changes to the current policy.	ng the status quo regarding machine numbe
Please indicate with a tick whether you wish to be heard in support	of your submission:
I do not wish to speak at the Hearing in support of my submission.	
Please tick this box if you wish to make a joint case:	

Page 2 of 2

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	#36
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC	
Oct 11th 2020, 8:36:41 am	222.155.213.67
Name	
Thompson Hoklanga	
Address	
136 flaxmere ave	
Phone Number	
0212537717	
Email	
thokianga@yahoo.co.nz	
My submission is that:	
Gambling in general has become noticably harmful in our communities and i s in Hastings . I would prefer a total abolishment of gaming machines .	upport any reduction in gaming venues or TAB venue
I seek the following decision:	
I support the 1 TAB venue for Hastings	
Please indicate with a tick whether you wish to be heard in s	upport of your submission:
I do not wish to speak at the Hearing in support of my submission.	
Please tick this box if you wish to make a joint case:	

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 11th 2020, 4:35:41 pm	103.130.78.183
Name	
Hans Doevendaris	
Address	
244 Crystall Road	
Phone Number	
0292009079	
Email	
hans@qmacs.co.nz	
My submission is that:	

end, it organizes an annual exhibition which is also a competition and a sales opportunity for artists, based in Hawke's Bay. Art HB has been engaged in this activity for the past fourteen years. The average age of participating artists is above retirement age. The average age of committee members is similarly above

retirement age.

The annual exhibition is funded from grants and sponsorships. Each year, it appears to become harder to find sponsors. Prizes and a workshop are all funded by sponsors. Sponsors react to economic circumstances. A good economy leads to more sponsorships. Most of the operational costs of the exhibition itself are funded by grant providers. The operational costs of the exhibition represent

95% of all Art HB's annual costs. Without these grants, the event cannot be funded. As chair of Art Hawke's Bay Inc., I am concerned that the Hastings District Council makes a decision which jeopardizes the funding of Art Hawke's Bay and its annual exhibition and other activities. As I understand it, under option 3 ('sinking lid') unforeseen circumstances may cause the permanent loss of this funding option.

It seems that the timing of an option 3 decision would be highly unfortunate. The Art HB exhibition is one of the things that keeps its members busy, engaged, enthused and creative.

I seek the following decision:

Having read the three options, I would ask for the HDC to vote for option two, "Current Cap level of 293 machines, making 15 gaming mechines available for existing or new venues (retain relocation policy).

Please indicate with a tick whether you wish to be heard in support of your submission:

I wish to speak at the Hearing in support of my submission; or

Please tick this box if you wish to make a joint case:

If others make a similar submission please tick this box if you would consider presenting a joint case with them at the Hearing.

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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#38
COMPLETE
IP ADDRESS
161.65.254.21
s will be less money to distribute to aports bodi bserved on facility cameras could operate from

Please indicate with a tick whether you wish to be heard in support of your submission:

Please tick this box if you wish to make a joint case:

If others make a similar submission please tick this box if you would consider presenting a joint case with them at the Hearing.

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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HDC - Gambling consultation	#39 COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 11th 2020, 7:28:41 pm	121.75.174.113
Name	
Ben Hutton	
Address	
58 Whakatomo Place, Havelock North	
Phone Number	
021508135	
Email	
membership@trojans.org.nz	
My submission is that:	
I am the chairperson of Trojans Swim Club which operates out of the Clive Pool, a I is made up of families from a number of Hastings District communities, including C Longlands.	
As with many other swimming clubs, we rely on external funding to support our op swimming an affordable activity for our diverse range of families. We deeply value Clive Pool and Aquatics Hastings over a number of years, and recognise their effor	the relationship we have built up with the team a
In order that our fees remain accessible for as many families as possible, we make help to support the income from coaching fees. We have also worked particularly h membership - which brings with it extra membership fees, but also additional lane	hard during the last 12 months to grow our
In an environment where the access to community grants is already predicted to b such as commercial sponsorship, are unrealistic for a club of our size - a club whic our coaching resource). I make this judgement based on my experience in a profes experience in the fundraising environment - both as a sponsor and also seeking sp	h is also run by volunteers (with the exception of sional capacity, where I have considerable
Any substantive change to the availability of community grants will quite literally t threaten our ability to be an anchor tenant for the Clive Pool.	threaten our club's viability, which would also
I seek the following decision:	
i support option 2, no change to the existing policy.	
Please indicate with a tick whether you wish to be heard in supp	port of your submission:
I do not wish to speak at the Hearing in support of my submission.	
Please tick this box if you wish to make a joint case:	
If you have used extra space for this submission please attach i w.	t to this form by uploading the file bel

	Page 1 of
	#40
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 11th 2020, 11:04:29 pm	103.130.78.16
Name	
Ross Webb	
Address	
460 Dartmoor Road, RD 6	
Phone Number	
0272836695	
Email	
webb.ross50@gmail.com	
My submission is that:	
Rowing in the District provides an opportunity for youth and adults to experience th Through the sporting environment participants develop the values of discipline, reservellance. Annually a couple of hundred athletes on the East Coast take to the water to train a support volunteers can be found competing successfully with their peers from arou making it to World and Olympic Events. Mest enjoy their school and club competitic The cost of participation, providing good quality plant and maintaining to a high stat expanding numbers and those with specials needs such as Para Athletes, continues Fundraising happen annually they make up the lesser amount in meeting the seasor Without gaming funds fees would have to rise perhaps three or four field. The outcor their sport. Clubs are already operating as banks offering payment plans apread over Without gaming funds it will be almost impossible to keep plant at a competitive less grow the plant to support the numbers participating. The outcome will be the stead of athletes. Without gaming funds the sport will decline over time and with it the opportunity ou	spect, teamwork, commitment, and striving for nd compete, and with their coaches and club nd the country. Some make it to Elite Levels ans and for many it becomes a family affair, indard, developing facilities to cater for it o grow and while Subscriptions, Sponsors and as expenses. me would be the loss of athletes unable to fund if the year, el and stay up to date with Technology, let alor y drop in competitiveness and ultimately the lo
I seek the following decision:	
We would ask for the status quo be retained. The current cap of 293 machines and t retained	the retention of the relocation policy to be
Demand on the gaming funds continues to increase as do club expenses and we will	be unable to provide for our sport without the

current levels of support.

Please indicate with a tick whether you wish to be heard in support of your submission:

I wish to speak at the Hearing In support of my submission; or

Please tick this box if you wish to make a joint case:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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		Page 1 o #41
HDC - Gambling consulta	tion	COMPLETE
all bo dall bill bonouta		111022479547932455
CREATED	UPDATED	IP ADDRESS
PUBLIC Oct 12th 2020, 11:00:27 am	Oct 14th 2020, 8:39:52 am	131.203.226.250
Name		
Anita Nelson		
Address		
Phone Number Email		
(Na response)		
My submission is that:		
support a sinking lid policy.		
I seek the following decision:		
Sinking lid policy		
Please indicate with a tick whether y	ou wish to be heard in support of yo	ur submission:
wish to speak at the Hearing in support of my	submission; or	
Please tick this box if you wish to ma	ke a joint case:	

If you have used extra space for this submission please attach it to this form by uploading the file belo

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	#42
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 12th 2020, 11:32:51 am	131.203.226.250
Name	
Heneriata Edmonds	
Address	
349c Flaxmere Ave	
Phone Number	
0284294306	
Email	
(No response)	
My submission is that:	
support a sinking lid policy	
I seek the following decision:	
Sinking lid policy	
Please indicate with a tick whether you wish to be heard in	support of your submission:
I do not wish to speak at the Hearing in support of my submission.	

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	#43	
HDC - Gambling consultation	COMPLETE	
CREATED	IP ADDRESS	
PUBLIC Oct 12th 2020, 11:40:13 am	103.231.91.52	
Name David Harding		
Address		
PO Box 846 Hastings 4156		
Phone Number		
06 876 0855		
Email		
jedh@xtra.co.nz		

My submission is that:

The benefits of the current policy ensures the community benefits from the grants that are secured by many organisations significantly. Funds are allocoated widely including schools and sports clubs. Children will be affected by their schools not being able to provide facilities and experiences deemed necessary assisting in thier development as individuals and groups. Schools would be required to go to parents, grandparents and friends for additional funding which many would not be able to meet or assist. Sports Club and their members would also be affected significantly having to cover costs in full which continue to increase = these are out of their control e.g. Council Rates & insurance. Most clubs facilities are required to meet regulations imposed on them and require updating from time to time to meet such regulations e.g. kitchens, bathrooms, bars. The likes of Bowling Clubs need to provide playing surfaces of high quality for their members and these require updating/replacing from time. Grants from the Trusts enables this to occur. The same applies to Golf Clubs and others. Maintonance is crucial for facilities and buildings. Many of these members are in the senior age group and could not afford the increased costs through subscriptions forcing their resignation losing the benefits they get i.e. physical activity, social interaction. Alternative funding is not available elsewhere in the community. Businesses are not always able to meet sponsorship requests across the community especially in the current financial climate. To impose a "ainking lid" policy would have a negative impact across the community. The funds available must be retained so the community benefits socially and financially.

I seek the following decision:

I request that the current situation of 293 gaming machines be retained along with the existing relocation policy. Strong consideration should also be given to allow an increase in the number of machines (say 15 over a 24 month) taking into account the increase in the local population.

The funds allocated benefit the community from the young through their schools receiving grants to our senior citzens able to be involved in organisations and clubs and enjoy the social interaction and physical activity.

Please indicate with a tick whether you wish to be heard in support of your submission:

I wish to speak at the Hearing in support of my submission; or

Please tick this box if you wish to make a joint case:

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

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	Page 1 of 1 #44
HDC - Gambling consultation	COMPLETE
CREATED	IP ADDRESS
PUBLIC Oct 12th 2020, 4:37:23 pm	163.47.230.120
Name	
Paula Snowdon	
Address	
PGF Group	
Phone Number	
021577904	
Email	
psnowden@pgf.nz	
My submission is that:	
Please see the PGF Group written submission attached. I would like to speak at the Hearing via Zoom or Teams if possible.	
I seek the following decision:	
(No response)	
Please indicate with a tick whether you wish to be heard in support of y	our submission:
I wish to speak at the Hearing in support of my submission; or	
Please tick this box if you wish to make a joint case:	

If you have used extra space for this submission please attach it to this form by uploading the file belo w.

hastings_district_council_gambling_venue_policy_submission.pdf

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HASTINGS DISTRICT COUNCIL CLASS 4 GAMBLING AND BOARD VENUE POLICY 2020

Name: Paula Snowden Role: Chief Executive Phone: 021 577904 Email: psnowden@pgf.nz

CONTENTS

Executive summ	1ary	1
Class 4 Gamblin	g in New Zealand and Hastings	2
Exp	enditure and national gambling trends	. 2
Clas	ss 4 Gambling in Hastings	. 2
Gar	nbling, the cost of living, and threshold of harm	2
Fun	iding	. 2
Cor	nmercial implications	3
What makes a g	ood policy?	4
Sin	king lid policies	4
PGF recomment	dations on gambling policy	5
Gar	nbling License and Liquor License	5
Social cost of ga	mbling	б
Har	mful gambling and children	6
Gar	nbling and crime	.7
Fan	nily violence	.7
Eco	nomic degradation	.7
Ren	nedies to problem gambling	. 7
Pokie machines	: location, density and deprivation	9
Vul	nerability	10
The ethics of ga	mbling funding	11
Hov	w pokie trusts work	11
Reg	ressive nature of gambling funding	11
Imp	pact of proposed policy on community funding	12
Abo	but PGF Group	13
Appendices		14
App	endix 1. Measure of gambling-related harm	14
App	endix 2. Clients assisted by primary gambling mode	14
App	endix 3. Gambling expenditure statistics	15
App	pendix 4. Deprivation levels of gambling venue locations in Hastings	15
App	endix 5. Hastings District quarterly spend vs EGM numbers 2010-2020	16

Item 5

EXECUTIVE SUMMARY

We commend the Hastings District Council for proposing to introduce a sinking lid policy with no relocations and for taking a harm minimisation approach when considering its policy options. We agree with the subcommittee when it considered that the benefit from community grants derived from pokie profits did not outweigh the community harm from gambling, particularly in vulnerable communities.

EGMs or 'pokies' that are in pubs, clubs and TABs are the most harmful form of gambling in New Zealand (Appendix 2), and although PGF Group advocates for sinking lid policies, we believe even this policy does not go far enough to minimise the harm from gambling in our communities.

Gambling machine numbers in Hastings are reducing but only in small numbers, from 309 to 276 over the last five years. We continue to have 50% of pokies in our most deprived communities; 30-60% of the money being lost on pokies by problem gamblers, and a national spend that has been trending upward since 2014.

While these factors remain, harm will continue. It is important to note that the extent of harm cannot be measured by presentations to treatment services alone, because evidence shows that most people do not present to services for help, and every person with a gambling problem affects approximately six other people.

Information provided to the Council policy analyst may have included a risk assessment tool to enable an evaluation of gambling harm in Hastings, sourced from a Ministry of Health (MoH)/KPMG Gambling Resource for Local Government (2013). PGF Group has been advised by the MoH that this tool was found to have errors and was removed from the Ministry's website in 2014. The findings, therefore, cannot be relied on and will not provide an accurate assessment of gambling harm in the District.

The extent of gambling harm in Aotearoa is often misrepresented in council hearings when it is said problem gambling is limited to 0.2% of the population. The Ministry of Health's Strategy to Prevent and Minimise Gambling Harm 2019/20 to 2021/22, estimates 252,000 people are being harmed, which is the population of Hamilton, our fourth largest city. An effective policy at a council level is critical and importantly, it is an area over which Council can exercise its authority.

Funding communities based on a model that relies on our lowest income households putting money they cannot afford to lose into pokle machines is unethical and inequitable; disproportionately impacting Māori and Pacific peoples who generally live in the areas where the majority of these machines are situated.

We urge you to read Ending community sector dependence on pokie funding, a white paper authored by PGF Group, The Salvation Army, and Hapai Te Hauora Tapui.

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

CLASS 4 GAMBLING IN NEW ZEALAND AND HASTINGS

Expenditure and national gambling trends

Expenditure on the four major sectors of gambling in New Zealand in the 2018/19 financial year was \$2.4 billion, continuing a trend of increases since 2009/10 (Appendix 3). Class 4 gambling accounted for 38.46% of the 2018/19 spend with \$924 million, a figure which has also risen each year since 2013/14 (the 2017/18 Class 4 component was \$895 million).

Almost half (48.3%) of the gamblers who sought professional help in 2017/18 cited non-casino pokies as their primary mode of gambling (Appendix 2). Over \$939 million was lost on pokies in the 2019 calendar year¹ or \$2.57 million a day. A conservative estimate is 40% of pokie losses are incurred by those with a gambling problem.² Pokie machines are also disproportionately located in the poorest areas. There are five times as many pokies in the most deprived areas of New Zealand as the least deprived areas.⁵ The deprivation levels of Hastings' gambling venue locations are included as Appendix 4.

Class 4 Gambling in Hastings

Based on Census 2018 population data, and gambling statistics from the Department of Internal Affairs (DIA), Hastings currently has:

- 17 gambling venues hosting 276 pokies a machine for every 218 adults in the District.
- 12 of the 17 gambling venues are sited in areas with a deprivation level categorised as very high. A
 breakdown of the progression of Class 4 gambling venue locations versus deprivation is included as
 Appendix 4.
- \$18.2 million lost to pokies in 2019; \$49,871 a day; each pokie machine making an average of \$65,953.13 during this period.
- Hastings currently has the 24th highest average Class 4 spend per adult of the 66 TLAs. The District's
 annual figure per adult in 2019 was \$302.28, or \$25.19 per month.

Gambling, the cost of living, and threshold of harm

The median income in Hastings is \$28,400 per annum, \$3,400 less than the national average. This is a weekly income of \$546. The median rental is \$280 per week so the remaining \$266 (before tax) must then provide food, power, petrol, the doctor, clothes, school trips etc.

The National Gambling Study finds a regular spend of \$50 or more a month to be a common risk factor towards harmful gambling, and calculates the percentages of people playing pokies once or more a year to be 8.2% for pubs, and 3.7% for clubs.⁴ In 2019, the Health and Lifestyles Survey calculated the national weekly participation to be 1.3%⁵

Funding

PGF Group, Hapai Te Hauora and The Salvation Army Oasis released a white paper in June 2020 titled <u>Endina</u> <u>community sector dependence on pokie fundina</u>, that explains the unethical nature of funding community and sports groups from pokies.

In 2019, from losses of \$939 million in pokie machines in pubs, clubs and TABs, a total of \$241 million was paid out in grants to community and sports groups.

Fifty percent of the 14,828 machines (7,414) are in the most deprived communities. Problem gamblers contribute between 30% - 60% of the amount paid out in community grants meaning that people

experiencing harm either lose the amount equal to grants or considerably more: \$282m, \$376m or \$563m. We have provided you with a copy of this paper.

The Gambling Harm Reduction Needs Assessment (2018), prepared for the Ministry of Health, raises fundamental questions about the parity of the Class 4 funding system:

"While there is little doubt about the community benefits associated with funding of the charitable sector, the policy rationale for compelling gamblers alone to make a special ond very substantial contribution to funding these community benefits is rather unclear. There is no reason to assume that gamblers have a particularly high ability to pay (a principled policy rationale for progressive income taxes) and thus might be better placed to support charitable purposes than the rest of the community. In fact, the opposite seems to be the case: gambling tends to be more prevalent in lower income households and, as noted in section 4.3, the concentration of gambling venues tends to be higher in areas of high deprivation. Therefore gambling taxation and redistribution to community purposes tends to be regressive, i.e., placing a higher burden on the less-well-off ... Some organisations take an ethical stance to not receive funds from gambling sources".⁶

Commercial implications

We have argued in our white paper that the use of Class 4 gambling to raise community funds is not efficient, fair, or transparent. The question to consider is whether the sector provides an economic impetus to the economy of the Territorial Local Authority (TLA).

This issue has been addressed on several occasions; for instance, the Australian Productivity Commission states that pokle machines are not a good way of providing impetus to local economies.

Another way of looking at this is through analysis of the NZ household expenditure data which suggest that:

Class 4 pokies are a significant spend for deprived households.

If this spend were diverted to the retail sector there would be:

- More successful businesses
- More jobs created
- More tax collected both income and GST.

It seems reasonable to assume that the council has as one of its aims, maximising business development and prosperity in the TLA. For this reason, the provision of Class 4 gambling opportunities should be limited as much as possible and the council should set in place policies which encourage commercial/retail development. In this case, it can be achieved by the cash currently going through pokies being diverted to expenditure on retail and other businesses.

Successful businesses can sponsor and support community groups and community sports without those groups being dependent on gambling losses. This also ensures benefits remain in the community.

WHAT MAKES A GOOD POLICY?

There is much stigma attached to gambling harm which means problems are often hidden and not confronted until sufferers are deep in crisis. A strong Class 4 gambling policy has a number of advantages. It is preventative, would support early help-seeking and address stigma by raising awareness in the general community about the risks associated with Class 4 gambling. A strong and clear policy is also consistent with the purposes of the Gambling Act 2003.

The purpose of the Gambling Act is to:

(a) control the growth of gambling; and

(b) prevent and minimise harm from gambling, including problem gambling, and

(c) authorise some gambling and prohibit the rest; and

(d) facilitate responsible gambling; and

(e) ensure the integrity and fairness of games; and

(f) limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling; and

(g) ensure that money from gambling benefits the community; and

(h) facilitate community involvement in decisions about the provision of gambling.

Sinking lid policies

PGF Group commends the Hastings District Council on its decision to consult on a sinking lid as the preferred option with no relocations permitted. The Council's Statement of Proposal shows the harm minimisation approach taken when assessing options for addressing the problem and the policy that will best give effect to the Council's objectives.

A sinking lid policy is compromised where venues and clubs are permitted to merge. Allowing mergers enables the maintenance of existing numbers and risks creating 'pokie dens.' Research supports the argument that increased numbers of pokie machines leads to increased problem gambling prevalence.⁷

We note that a cap policy will be set to the one TAB venue which we commend.

Twenty three of the 67 TLAs around New Zealand have already introduced sinking lid policies. This is partly driven by strong public opinion about harm and partly TLA's concern to promote community wellbeing. This is consistent with the purpose of the Gambling Act 2003 and section 4 where the definition of gambling harm includes harm to society at large.

There are two main arguments against sinking Ild policies. The first is that they don't work, based on numbers of people presenting to treatment services. Class 4 pokies account for almost 50% of gambling harm yet the number of pokie machines is still only coming down very slowly – the 12 months to September 2019 saw a reduction of 448 machines from 15,342 to 14,894. This reduction in machine numbers is primarily not occurring in the most deprived communities which is where it is needed.

The second argument is that there would be no community funding if machine numbers continue to go down. TLAs with sinking lid policies have seen no drastic or immediate reduction in the amount of community funding going to national or local community interest groups.

PGF RECOMMENDATIONS ON GAMBLING POLICY

PGF recommends the policy should include the following two provisions:

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

PGF recommends these provisions:

- 1. Restrictions on venue and machine consents:
- The Council will not grant consent for the establishment of any additional Class 4 venues or additional gaming machines under this policy.
- (ii) Venue relocation is prohibited. A gambling venue consent is for one venue (one premises) and is not transferable to another venue. The consent is given to a venue at a given address, not to a person or business. To remove doubt, if a corporate society proposes to change to a new venue, a new consent is required under s 98 (c) of the Gambling Act 2003 and clause (i) of this policy applies.
- (iii) Club mergers are prohibited. Once a venue or club ceases to operate, the machine numbers will not be allocated to any new or existing venue or club.
- (iv) Council will not provide consent under Sections 95(1)(f) or 96(1)(e) of the Gambling Act 2003 to any application by corporate societies with Class 4 licences seeking Ministerial discretion to increase the number of gaming machines permitted at a venue.

PGF recommends that the Hastings District Council include Best Practice Guidelines with the policy and encourages council to undertake a duty of care in monitoring venues.

Gambling License and Liquor License

Some Class 4 venues struggle financially and use the income from pokie machines to "prop them up." This is non-compliant with both the Gambling Act 2003 and the Sale and Supply of Alcohol Act 2012. This occurs when the primary activity is not entertainment, nor from the sale of alcohol and food.

Although the Gambling Act 2003 does not provide any legislative powers for councils to remove gambling licenses, District Licensing Committees can and have refused liquor license applications where the primary activity has been gambling. The most relevant decision was made by the Gisborne District Licensing Committee vs Kaiti Club Hotel Tavern. This was upheld by the Alcohol Regulatory Licensing Authority.

Class 4 venues operating in this manner need to be identified by either the Department of Internal Affairs or District Licensing Committees; however, this has not been the case in practice, and it took community action in both cases above to identify these issues. PGF Group recommends that council dedicate resources to investigating and monitoring venues to ensure all are compliant with legislation.

SOCIAL COST OF GAMBLING

Recent research confirms the broad proportion of New Zealanders experiencing gambling harm is higher than the prevalence for problem gambling (Appendix 1). One in six New Zealanders say a family member has gone without something they needed or a bill has gone unpaid because of gambling." In results on secondhand harm from the 2018 Health and Lifestyles survey, 7% of adults (268,000) reported:

experiencing at least one form of household-level gambling horm (including having an orgument about time or money spent on gambling, or going without or bills not being poid because too much money was spent on gambling by another person. Maori respondents were most likely to be affected by household gambling harms.

Broader harm for many is also critical harm for some. A number of studies have shown a clear link between problem gambling and suicidality[®] and PGF regularly see people who have considered or attempted taking their own lives. Suicide is another acute phenomenon in New Zealand and should be carefully considered in terms of gambling policy making.

Harmful gambling and children

Children suffer greatly as a result of harmful gambling. They can regularly miss out on basic essentials if a parent has gambled away household money and there is a far greater risk the children of problem gamblers will inherit the same issue themselves.³⁰

Children become aware their parents cannot provide them with items such as presents, school trips and even food, not because of a lack of money but as a direct result of gambling behaviour. If a child's most basic needs are not met, they can suffer from health problems due to poor nutrition or malnutrition and the responsibility of meeting these needs may fall on extended family, schools and social services.

The children of problem gamblers can also suffer emotionally, and feelings of neglect can be a daily struggle. The parent may spend a great deal of time gambling, move out due to arguments about their gambling or disappear unpredictably. Their relationship with their child or children can be damaged as they become more secretive, unreliable and prone to breaking promises. The parent's personality can become unrecognisable to their children, who feel gambling has become more important than family.¹¹

A study of gambling in Māori communities outlines a model of how children are at risk if gambling is part of their young lives. When exposed to gambling activities from an early age, children grow up seeing gambling as a normal activity and central to social life – they may also participate from a young age. Dysfunction at home, in the form of financial problems or domestic violence increases the risk that they will look to gambling for an escape. As they grow, their gambling may become more intense until it has become problematic.¹²

Children of problem gamblers face higher likelihoods of having some of the following disorders at some point in their life as compared to the general population.

- Alcohol disorders (31% vs 4%)
- Major depression (19% vs 7%)
- Drug use disorders (5% vs 2%)
- Antisocial personality disorder (5% vs 0%)
- Generalised anxiety disorder (8% vs 0%)
- Any psychiatric disorder (50% vs 11%)¹⁸

Gambling and crime

Offending by gamblers has been investigated in a number of New Zealand and international studies. Despite difficulties in determining the extent of gambling-related crime and the causal pathways, it appears that problem gamblers are at high risk of committing crimes in order to finance their gambling activities.¹⁴

In 2008 a New Zealand study found that 25% of those engaged in criminal activity would not have done so if it had not been for their gambling. This suggests that a quarter of the relevant population, or about 10,000 people, committed illegal activities because of gambling.¹⁵

Studies of problem gambling and links to criminal activity suggest that much of the related crime goes unreported.³⁶ Apart from the financial cost of gambling-related crime to organisations and individuals directly involved, further serious consequences are experienced by problem gamblers and their families if they are convicted of criminal activities.³⁷

A 2009 New Zealand study found that "gamblers and significant others believe that a relationship exists between gambling and crime" and "there is substantial unreported crime, a large proportion of which is likely to be related to gambling and that there are a large range of crimes committed in relation to gambling (particularly continuous forms of gambling), and not just financial crimes".¹⁸ They suggest that 10% of people experiencing problem gambling and two thirds of those receiving counselling for gambling-related issues have committed a crime because of their gambling.

Family violence

The Ministry of Health and Auckland University of Technology have recently released research highlighting the links between problem gambling and family violence. Fifty per cent of participants (people seeking help from problem gambling services) claimed to be victims of family violence, and 44% of participants claimed to be perpetrators of family violence, in the past year.²⁹

Economic degradation

There is limited data and analysis regarding the economic impact of gambling in New Zealand. However, New Zealand and international research has revealed the losses offer a sharp contrast to the often celebrated economic gains. Money for gambling is diverted from savings and/or other expenditure, and can have a negative impact on local businesses and the economic health and welfare of whole communities.²⁰

Employment, normally considered a standard business cost, is framed within the gambling industry as a special benefit to the community. Even if gambling does create employment opportunities, a comparison of gambling and retail in terms of jobs created for every million dollars spent shows that gambling creates about half as many jobs as retail.²¹ A 2008 report noted that jobs and economic activities generated by gambling expenditure would exist elsewhere if that money was spent outside the gambling industry.²²

Remedies to problem gambling

A New Zealand study acknowledged there are many forces at play that can reduce problem gambling prevalence, including public health work, adaptation (when no new pokies are introduced) and policy. The report found strong support for the "access thesis," which says that increases of non-casino pokies lead to an increase in problem gambling prevalence. The study found that there is an increase in problem gambling by nearly one person per each new machine.²³

The report concludes that, "from the perspective of public policy, and particularly harm minimisation, holding or reducing electronic gambling machine numbers would appear to be prudent based on our findings, and is likely to lead to reduced harm both through reduced availability and by enabling adaptation processes." The same study supported the view that restricting the per capita density of gambling machines leads to a decrease in gambling harm.²⁴

There is evidence that problem gambling harms can be reversed. This means that there is the potential to reduce the prevalence of problem gambling, and with it, the prevalence of many other problems as well.

A range of other studies have also indicated a link between the availability of some types of legal gambling and problem gambling. The evidence for the availability hypothesis has been considered by official review bodies in New Zealand, Australia, the United States, and Canada. Each concluded that increased availability of opportunities to gamble was associated with more gambling and more problem gambling.

A later study in the UK acknowledged that decreases in gambling-related problems are a complex process involving not only social adaptation, but also the implementation of public health policies and the provision of specialist services. The adaptation process also seems to be inconsistent across communities; different groups of people are affected differently by the process.

Most reliable research would indicate that there is no single cause which triggers problem gambling. The phenomenon is a result of the combination of several factors, some of which have been outlined in the following diagram. Several of these factors can be influenced by the Council.



POKIE MACHINES: LOCATION, DENSITY AND DEPRIVATION

Pokie machines are disproportionately located in the poorest communities. According to a report commissioned by the Ministry of Health, *Informing the 2015 Gambling Harm Needs Assessment*, there are five times as many pokies in the most deprived areas of New Zealand as the least deprived, and pokies in the most deprived areas provide over half (56%) of the total expenditure.

The report goes further to discuss the likelihood of people living in areas of the highest deprivation developing harmful gambling, and that the proportion of pokies in these areas is growing:

The NZHS [New Zealand Health Survey] highlighted that the likelihood of problematic gambling increased as the level of deprivation increased. People living in neighbourhoods with the highest levels of deprivation (i.e. the most deprived) were five times more likely to report moderate-risk/problem gambling than those living in neighbourhoods with the lowest levels of deprivation (i.e. the least deprived). Neighbourhoods with higher levels of deprivation also appear to be more likely to offer apportunities for gambling. In 2014, 54.2 percent of NCGMs were located in CAUs with average deprivation deciles of 8 and higher – a slightly higher proportion than in 2011 (52.4 percent), and notably higher than 2009 (48 percent).

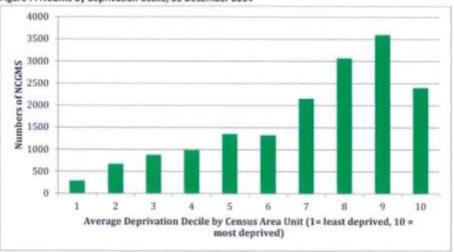


Figure 7: NCGMs by deprivation decile, 31 December 2014

The key drivers for the abundance of non-casino pokie venues in disadvantaged areas and areas with high proportions of "at risk" groups are unclear. On the demand side, there may be greater incentives to allocate pokies in areas where they will be used more intensively, and potential returns are highest. However, another explanation for the location may be in the distribution of venues, such as hotels and taverns.

Affluent areas have a greater ability to resist the location of hotels and taverns in their communities; communities with high rates of home ownership tend to take a more long-term view of planning and zoning issues. Whatever the explanation, the location of venues tends to concentrate the social costs in communities that are less able to bear them.²⁶

Page | 9

25

Vulnerability

Factors contributing to being a risky gambler include ethnicity, deprivation, major life events, psychological distress, cannabis use and various gambling behaviours.²⁷

Måori and Pacific adults are over-represented in problem gambling prevalence rates:

Māori and Pacific people continue to have very high problem gambling prevalence rates. This means that unless more focus is placed on understanding why this is the case, and processes put in place to change the current situation, Māori and Pacific communities will continue to be disproportionately affected by gambling-related harm.⁷⁸

- Maori populations comprise 31% of intervention service clients²⁹, but make up only 15% of the population.⁸⁰
- There has been a rise in the number of Māori women seeking help for gambling problems. Māori
 women seeking help for their gambling problems almost exclusively (85.6% in 2008) cite pokies as
 their problematic mode of gambling.³¹
- Pacific populations comprise 21.2% of intervention service clients³², but make up only 7% of the population.³³
- Problem gambling strongly linked to mental health state and disorders.³⁴
- Many problem gamblers also use tobacco, alcohol and other drugs.¹⁵

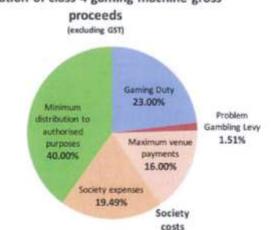
THE ETHICS OF GAMBLING FUNDING

How pokie trusts work

Pokie trusts were established under the Gambling Act (2003) in an attempt to offset harm by returning some of the profits in the form of community grants. Although the purpose of the trusts is to distribute money to the community, the purpose of gambling is not to raise money for the community, and it should not be perceived as such. Pokie machines are licensed to operate in pubs and clubs solely as a form of community fundraising³⁶ and licence holders must distribute their net proceeds to the community by way of grants.

Trusts and societies are currently required to distribute a minimum of 40% of their GST exclusive gross proceeds for each financial year according to the Gambling Regulations 2004 (Class 4 Net Proceeds: Part 2 Section 9 (1) and 10)).³⁷

Legislation dictates that each dollar of gross proceeds (i.e. turnover [aggregate stakes] minus user winnings) must be distributed in accordance with the pie chart shown in the figure below.⁸⁸ These include the fixed amounts towards gambling duty and the problem gambling levy.



Allocation of class 4 gaming machine gross

Every year approximately \$300 million is returned to the community from the proceeds of gambling on pokies outside of casinos. In 2015, 49% of the total funding (\$122m) went to sports, up from \$106m in 2014.

While the grants made by community funding bodies like the New Zealand Lottery Grants Board are well documented, no comparable aggregate statistics are readily available for the allocation to authorised purposes of the profits of pokle machines.³⁵

There needs to be a more open, lower cost, and transparent system of reporting for the gambling trusts system. Of particular concern are issues of personnel and conflicts of interest, compliance with the Gambling and Sale and Supply of Alcohol Acts and providing greater clarity around the criteria by which funding is administered.

Regressive nature of gambling funding

Gambling generates significant funding for community purposes. However, gambling funding comes with a very high human cost and more equitable and less harmful forms of funding should be investigated. International and New Zealand studies have identified that gambling is sharply regressive. Income is effectively being redistributed away from low income communities.⁴⁰

One attraction for governments to collect public funding through gambling is that it appears to be "painless" or "voluntary" – meaning those contributing are less aware they are doing so through their participation in an activity not overtly framed as a form of taxation. The "painless voluntary donation" view has been criticised on grounds that it exploits the false hopes or financial risk-taking of those on lower incomes.⁴¹

The cognizance of problem gamblers, who supply such a large proportion of the funds, at the time of making their contribution is another argument against this form of fundraising. A study by Dowling et al., 2015, cited in a needs assessment prepared for the Addictions Team, Ministry of Health, reports:

prevalence estimates of psychiatric disorders in individuals seeking psychological or pharmacological treatment for problem gambling. Results from 36 studies were included and the authors found that:

- 56.4% had nicotine dependence
- 18.2% alcohol abuse
- 15.2% alcohol dependence
- 11.5% cannobis use disorder⁴²

The same study also found "that nearly three quarters had either a current or past psychiatric co-morbidity. The main current psychiatric disorders found were mood disorders (23.1%), alcohol use disorders (21.2%) and anxiety disorders (17.6%)⁴³ In other words, for a problem gambler, the contribution is not a voluntary or painless one.

Studies involving cost/benefit analysis have argued that the benefits from gambling for the majority of people are individually very small relative to the costs borne by the minority of people experiencing gambling harm.⁴⁴ People who are already socially and economically disadvantaged are most susceptible to gambling problems.⁴⁵

The revenue generated by gambling within a community is often spent in a more affluent community.⁴⁶ A 2004 study examining distribution of community benefit funding from six major pokie trusts found that more affluent areas (such as Central Auckland and the North Shore) were receiving considerably more funding per capita than the lower income areas (such as Manukau City).⁴⁷ It is our experience that jazz festivals and sports fields in wealthier suburbs are well funded, while high deprivation suburbs are not.

Impact of proposed policy on community funding

Pokie trusts often espouse that many community groups would not survive without pokie money. While it is true that some groups would suffer, pokie trusts account for only 10.2% of charitable giving in New Zealand; as a comparison, personal giving accounts for 58% of charitable giving in New Zealand.

Existing pokie venues are not affected by a sinking lid policy. A sinking lid only prevents new venues from being granted a licence, so the decline in venues and pokies happens gradually. Therefore, a sinking lid policy should not have an immediate or significant impact on community funding.

Some groups have even argued that pokie handouts actually weaken community groups and that traditional fundraisers are much better at building community spirit and keeping sports and other groups strong.⁴⁸

PGF recognises the risks online gambling poses to people with gambling problems. However, pokie trusts often attempt to divert attention from pokies to online gambling. Some pokie trusts have gone so far as

saying "a sinking lid accelerates the migration to online gambling" from which communities lose all funding benefits.

There is no research to say that people move, or are moving from pokies to online gambling. The 2018 Health and Lifestyles survey shows that the proportion of New Zealanders gambling online via overseas websites has actually fallen since 2014.⁴⁵ Gambling clients report they do not experience the same 'pull' of online gambling as pokies. If a person has a problem with sports betting, for example, it does not necessarily follow that they will be harmed by pokies; a person addicted to online slot machines cannot be assumed to gamble harmfully when playing cards. Gambling behaviour cannot be generalised in this way.

Councils do not set online gambling policy as this the responsibility of central Government. Approximately half the people receiving counselling from problem gambling services are doing so because of their addiction to non-casino pokies. This is something that Council can help address, and PGF strongly encourages Council to do so by adopting a true sinking lid.

About PGF Group

The Problem Gambling Foundation of New Zealand is now trading as PGF Group (PGF), the 'umbrella brand' for PGF Services, Asian Family Services, and Mapu Maia. Services are delivered under contract to the Ministry of Health (MoH) and funded from the gambling levy to provide free, professional and confidential counselling, advice and support and deliver a broad programme of public health to prevent and minimise gambling harm.

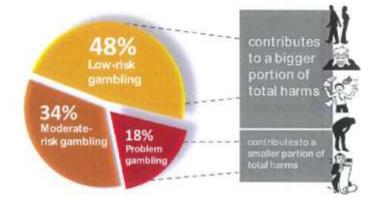
Asian Family Services provides free counselling and support in eight languages: face-to-face, via the Asian Helpline, and also through public health services for the Asian community. Asian Family Services operates from bases in Auckland and Wellington and supports clients working from Hamilton and by phone to Christchurch.

Mapu Maia is a Pasifika service, providing free counselling, support and public health services to the Pasifika community. Services operate from bases in Auckland, Wellington and Christchurch.

APPENDICES

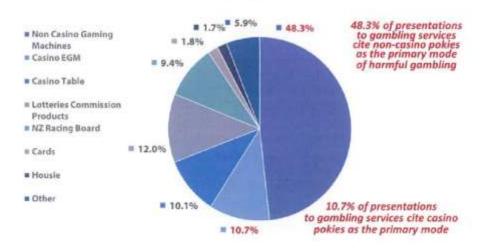
Appendix 1. Measure of gambling-related harm

Central Queensland University and Auckland University of Technology. (2017). Measuring the Burden of Gambling Harm in New Zeoland. Wellington: Ministry of Health.



Appendix 2. Clients assisted by primary gambling mode

Ministry of Health Manatū Hauora. (2019). Clients assisted by primary problem gambling mode [Excel spreadsheet]. Retrieved from www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#ppgm





Appendix 3. Gambling expenditure statistics

Department of Internal Affairs Te Tari Taiwhenua. (2020). 2011-2019 Gombling Expenditure Statistics (XLSX). Retrieved from www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics

Gambling operators' key financial statistics (actual)

8 Te Tari Taiwhenua AB values are actual (not inflation adjusted), in NZ dolla nearest million (\$'000 Internal Affairs **Financial Year** 2010/11 2011/12 2012/15 2015/14 2016/17 2017/18 2014/15 2015/16 2018/19 NZ Racing Board (TAB) 273 283 294 310 325 342 338 350 332 Expenditure Prizes (dividends) 1,336 1,422 1,522 1,748 1,761 1,928 1,907 1,913 1,925 Turneyer 1,533 1,619 1,717 1.833 2.073 2.270 2.245 2,262 2,258 NZ Lotteries Commission 404 419 Expenditure 432 463 420 437 555 561 530 Prizes 921 473 529 515 526 537 652 688 645 Turriover 948 947 926 089 894 974 1,207 1,246 1,175 Gambing Machines (outside casinos) Expenditure 1156 154 827 806 218 843 870 895 928 Prizes. 8,365 8,395 1,166 7,976 8.550 8.141 8,991 9.154 9,440 Tuttover 9,222 9,245 8,995 8,783 8.949 0.303 9,801 10.049 10.364 Casinos Expenditure 440 483 ann 486 527 586 572 578 615 Tetal Expenditure 1,982 2,038 2,042 2,065 2,091 2,209 2,334 2,383 2,402

Note: This table must be read in conjunction with the explanations included with this data release (tab 4).

Totals may differ from the sum of column entries due to rounding.

with each new release of this information, gandaling operators review their previous years' data and, where necessary, provide revised information

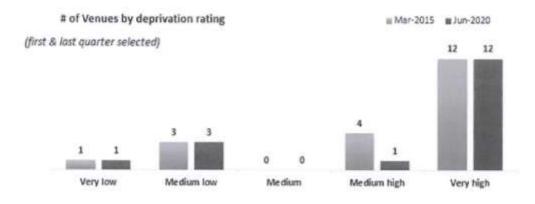
Please disregard previously released gambling expenditure statistics for the above financial years.

Disclaimer: The Department has compiled these statistics using information from the Electronic Monitoring System and gambling operators.

The Department of Internal Affairs disclaims and excludes all liability for any claim, lass, demand or stamages of any kind whatsever (including for negligence) aroung out of, or in connection with, the use of this information.

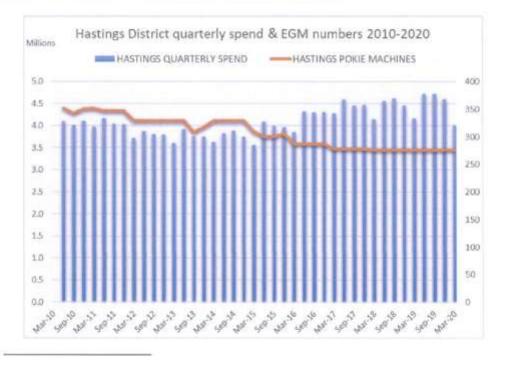
Appendix 4. Deprivation levels of gambling venue locations in Hastings

Te Tari Taiwhenua | Department of Internal Affairs. (2020). GMP guarterly dashboard (as at June 2020) [Excel file]. Retrieved from www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gaming-Machine-Proceeds-(GMP)-Data



Appendix 5. Hastings District quarterly spend vs EGM numbers 2010-2020

Financial and EGM data sourced from the Te Tari Talwhenua | Department of Internal Affairs. (2020). Gaming machine venues, numbers and expenditure by territorial authority/district [Excel files]. Retrieved from https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gaming-Machine-Venues-Numbers-and-Expenditure-by-Territorial-AuthorityDistrict



¹ The Department of Internal Affairs Te Tari Taiwhenua. (2020). Closs 4 Gambling Key Performance indicators Updated 12-February-2020. Retrieved from www.dia.govt.nz/diawebsite.nsf/Files/Sambling-Statistics/Sfile/C4-A3-KPIs-2019.pdf

² Productivity Commission. (2010). Gambling, Report no. 50. Canberra, Australia.

³ Allen & Clarke. (2015). Informing the 2015 Gambling Horm Needs Assessment. Report for the Ministry of Health, Wellington: Allen & Clarke Policy and Regulatory Specialists Ltd.

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⁵ Health Promotion Agency Te Hiringa Hauora. (2020). *Gombling participation frequency 2018*. Retrieved from https://kupe.hpa.org.nz/#l/gambling/gambling-participation-frequency

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² Centre for Social and Health Dutcomes Research and Evaluation. (2008). Assessment of the social impacts of pambling in New Zealand. Retrieved from https://www.health.govt.nz/system/files/documents/publications/social-impacts-gambling-n208.pdf

* Abbott, M. W. (2012). Knowledge, views, and experiences of gambling and gambling-related harms in different socio-economic groups in New Zealand. Austrolian and New Zealand Journal of Public Health, 36(2), 153–159.

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¹¹ Dyall, L. T. (2009). The Impact of gambling on Möori. Ngö Pae o te Märamatanga. Ngä Pae o te Märamatanga.

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¹³ Shaw, M. F. (2007). The effect of pathological gambling on families, marriages and children. CNS Spectrums, 12(8).

⁴⁴ Abbott, M. B. (2009). Problem gambling: formative investigation of the links between gambling (including problem gambling) and crime in New Zeoland. Auckland University of Technology. AUT Gambling and Addictions Research Centre, prepared for the Ministry of Health. Retrieved from https://www.health.govt.nt/our-work/mental-health-and-addictions/problem-gambling/research-andevaluation/implementation-2004-2007/formative-investigation-between-gambling-including-pg-and-crime-nz

¹⁵ Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Retrieved from https://www.health.govt.nz/system/files/documents/publications/social-impacts-gambling-nz08.pdf

¹⁶ Abbott, M. B. (2009). Problem gambling: formative investigation of the links between gambling (including problem gambling) and crime in New Zealand.

¹¹ Productivity Commission 2010, Gambling, Report no. 50. Canberra, Australia.

³⁵ Abbott, M. B. (2009). Problem gambling: formative investigation of the links between gambling (including problem gambling) and crime in New Zealand.

²⁸ Auckland University of Technology. (2017). Problem Gambling and Family Violence in Help-Seeking Populations: Co-Occurrence, Impact and Coping. Wellington: Ministry of Health.

²⁰ Harrison, B. (2007). Cosinos and regeneration: the story so far, briefing paper no. 1. London: IPPR (Institute for Public Policy Research, UK).

²¹ Per million dollars spent, gambling generates approximately 3.2 jobs while retail produces approximately 5.3. South Australian Centre for Economic Studies with the Department of Psychology, University of Adelaide. (2005). Problem gambling and horm: Towards a national definition. Victoria: Department of Justice. Retrieved from http://www.gamblingresearch.org.au/CA256902000FE154/Lookup/GRA_Reports_Files1/Sfile/FinalReportPrinter.pdf

³² Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social impacts of gambling in New Zealand. Retrieved from https://www.health.govt.nz/system/files/documents/publications/social-impacts-gambling-nz08.pdf

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²⁴ Hancock, L., O'Nell, M. (2010). Risky business: Why the commonwealth needs to take over gambling legislation (Alfred Deakin Research-Institute). Retrieved from http://www.deakin.edu.au/alfred-deakin-research-

institute/assets/resources/publications/workingpapers/adri- working-paper-11.pdf; Francis Group. (2009). Informing the 2009 problem gambling needs assessment: Report for the Ministry of Health Manatů Hauora;

²⁷ Abbott, M., Bellringer, M., & Garrett, N. (2018). New Zealand National Gambling Study: Wave 4 (2015). Report number 6. Auckland: Auckland University of Technology, Gambling and Addictions Research Centre.

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^{as} Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social imports of gambling in New Zealand. Retrieved from https://www.health.govt.nz/system/files/documents/publications/social-impacts-gambling-nz08.pdf

²² For the period, July 2017–June 2018. Ministry of Health (2019). Intervention Client Data: Clients assisted by ethnicity. Retrieved from https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-data/intervention-client-data#ethnicity

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²⁴ Sapere Research Group. (2018). Gambling Harm Reduction Needs Assessment. Wellington: Ministry of Health.

*As above

³⁸ Clubs are permitted to be societies and to operate their own machines in their own clubrooms. They are not required to make grants to other community organisations but can do so.

³⁷ Government also receives tax revenue from gambling taxes and levies which it redistributes for public purposes. NCGM gambling machines are the largest source of tax revenue: 20% tax rate, 1.1% problem gambling levy and GST (Inland Revenue 2006).

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⁴¹ Bostock, W. (2005) Australia's gambling policy: motivations, implications and options. *Journal of Gambling Issues*, 13. Retrieved 2013 from http://jgl.camh.net/doi/full/10.4309/jgl.2005.13.4

42 Sapere Research Group. 2018. Gambling Harm Reduction Needs Assessment. Wellington: Ministry of Health.

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⁴⁴ Centre for Social and Health Outcomes Research and Evaluation. (2008). Assessment of the social imports of gambling in New Zeoland. Retrieved from https://www.health.govt.nz/system/files/documents/publications/social-impacts-gambling-nz08.pdf

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** Health Promotion Agency. (2018). Kupe 2018: Health and Lifestyles Survey [Indicator: Online gambling on overseas website]. Retrieved from http://kupe.hpa.org.nz/

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	Page 1 of #45
HDC - Gambling consultation	COMPLETE
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Name	
Alan McDonald	
Address	
2 Tauroa Road	
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mcdonald-whareragextra.co.nz	
My submission is that:	
I make this submission as president of the Hawkes Bay Goif Club. I aupport Option Money available from gaming funding is invaluable to our organisation. It represen to carry out a number of important initiatives. Without the funding we would be fo unlikely to help as a rise in subscriptions would make it too expensive for a signific drop off membership and a subsequent shortfall of funds. Our club caters for a diverse range of people and members are from a range of eth important to be able to offer an affordable option in Hawkes Bay. Any sinking Lid policy would inevitably lead to reduced availability of funding. We are already making significant efforts to acquire funding from other sources but	Its a significant percentage of income and allows us reed to increase subscriptions. However this is sant number of members and would result in a unic and socio-economic backgrounds. We feel it is
I seek the following decision:	
I support Option Two, to keep the current cap of 293 machines	
Please indicate with a tick whether you wish to be heard in sup	port of your submission:
I wish to speak at the Hearing in support of my submission; or	
Please tick this box if you wish to make a joint case:	
If you have used extra space for this submission please attach i w.	it to this form by uploading the file belo

https://app.wufoo.com/

TAB

TAB New Zealand's Feedback on Hastings District Council's Gambling Venue Policy

Introduction

- TAB New Zealand (TAB NZ), formerly the New Zealand Racing Board, is a statutory body established through the Racing Industry Act 2020 which provides betting services to New Zealanders and makes returns back to New Zealand racing and sporting organisations.
- When you bet with the TAB on the gallops, trots or greyhounds, take a punt on the All Blacks or European football, every betting dollar contributes to grassroots racing and sports in New Zealand as well as the livelihoods of thousands of Kiwis involved in these sectors. Each year, around \$170 million is returned to New Zealand racing and sports.

Summary

- 3. TAB NZ invites Council to:
 - Roll over the existing Class 4 Gambling Policy.
 - Roll over the existing TAB Board Venue Policy.
 - Retain the current relocation provision.
- 4. TAB NZ opposes the introduction of a sinking lid policy.

Gambling & Class 4 Gaming Machines Facts

- The Gambling Act 2003 seeks to balance the potential harm that can occur from gambling against the benefits of using gaming machines as a mechanism for community fundraising.
- 6. In the 2018 calendar year, approximately \$276m of grant funding was approved across 28,000 grants to 11,000 different organisations¹. In addition to this, over \$71m was 'applied' by the New Zealand Racing Board (TAB) (\$14m), Youthtown Foundation (\$8m) and various RSAs and Workingmen's and Chartered Clubs across New Zealand (\$50m) to support their own activities.

Quite simply, this funding is crucial.

 Gambling is an extremely popular form of entertainment. The New Zealand National Gambling Study: Wave 4 (2015)² found that 75% of New Zealanders had participated in some form of gambling in the previous 12 months.

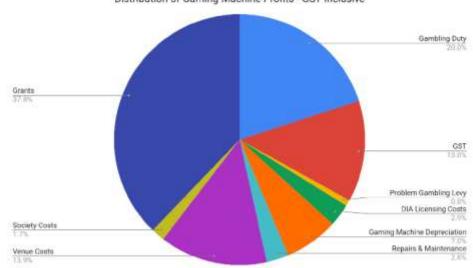
¹ https://www.gmanz.org.nz/resource/2018-community-distribution/

² https://www.health.govt.nz/system/files/documents/publications/national-gambling-study-report-6-aug18.pdf.

- Gaming machines have been present in New Zealand communities since the early 1980swith the first gaming licence being issued on 25 March 1988, 32 years ago.
- Gaming machines have been in natural decline since the introduction of the Gambling Act 2003 when New Zealand had 25,221 gaming machines in operation. As of March 2020, New Zealand had 14,828 gaming machines in operation.
- New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 4 (2015)³ found the problem gambling rate for ALL forms of gambling was 0.2% of people aged 18 years and over.
- 11. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$20 million per annum to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.
- 12. An excellent, well-funded problem gambling treatment service exists. The problem gambling helpline is available 24 hours a day, 365 days per year. Free, confidential help is available in 40 different languages. Free face-to-face counselling is also available and specialist counselling is available for Māori, Pasifika and Asian clients. An anonymous, free text service (8006) is available. Support via email is also available (help@pgfnz.org.nz).
- Class 4 Gaming societies (non clubs) are required to return a minimum of 40% of their gross proceeds to authorised purposes and contribute nearly 34% on Gambling Duty, GST and the Problem Gambling Levy.
- In the year 2018/19 financial year, class 4 gambling contributed over \$320m to the New Zealand Government by way of taxes, duty and levies.
- 15. Revenue breakdown;

As per the regulations - the 'return to player' on a non-casino gaming machine is required to be set between 78% and 92%, with most being set at 91.5%. On average, for every \$1.00 gambled, 91.5 cents is returned to the player as winnings. The money retained (Gaming Machine Profits) is typically allocated as follows:

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



Distribution of Gaming Machine Profits - GST Inclusive

The Current 2017 District Council Policy is Reasonable

- The current policy is reasonable, given the current environment of high Government regulation and naturally reducing machine numbers, and should be rolled over;
- 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.
- The 2012 National Gambling Survey⁴ concluded that the prevalence of problematic gambling reduced significantly during the 1990s and has since stayed about the same. The report stated on pages 17 and 18:

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

 The New Zealand National Gambling Study: Wave 3 (2014)⁵ 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:

http://www.health.govt.nz/system/files/documents/pages/national_gambling_study_report_2.pdf
http://www.health.govt.nz/system/files/documents/pages/national-gambling_study_final-report-report-ro.5.pdf

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...

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

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

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

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

- 21. A more restrictive policy is unlikely to reduce problem gambling, but will, over time, reduce the amount of funding available to community groups. 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 online gaming.
- Retaining the current policy cap or setting a cap at current gaming machine numbers is appropriate as:
 - The gaming machine numbers have already declined considerably.
 - The problem gambling rate, for all forms of gambling, is low (0.2% of the adult population) and likely to remain low.
 - There is no direct correlation between gaming machine numbers and problem gambling rates. Over the last ten years, the problem gambling rate has remained static, despite gaming machine numbers declining rapidly (4,472 gaming machines have been removed from the New Zealand market).

 The current restrictions are accelerating the migration of the gambling spend to offshore internet- and mobile-based offerings that make no community grants and pay no New Zealand taxes.

Existing Gaming Machine Safeguards

- The current policy is appropriate given the significant measures that are already in place to minimise the harm from gaming machines.
- 24. The Gambling Regulations and Game Rules contain a range of measures to aid the key intention of the Gambling Act 2003 to control the growth of gambling, and to prevent and minimise the harm caused by gambling including;
 - There is a statutory age limit that prohibits persons under 18 years of age playing a gaming machine.
 - Restrictions on venues suitable for hosting gaming machines, the primary activity of all gaming venues must be focused on persons over 18 years of age
 - No automated teller machines (ATMs) allowed in the gambling area of a venue
 - There are restrictive limits for Maximum stake (\$2.50) and prize limits (\$500) for gaming machines
 - A feature on every gaming machine which interrupts play at intervals of not more than 30 minutes of continuous play (the messages display information about the duration of play, amount of money spent and net wins or losses) - A message is then displayed asking the player whether they wish to continue with their session or collect their credits.
 - Restrictions on jackpot amounts (\$1,000), branding and advertising
 - Requirement to give venue staff problem gambling awareness training
 - Requirement to make information about problem gambling available to provide information about the characteristics of problem gambling and how to seek advice for problem gambling to patrons
 - Gaming machines in New Zealand do not accept banknotes above \$20.00 in denomination.
 - All gaming venues have a harm minimisation policy.
 - All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling.
 - All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.
 - Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
 - It is not permissible for a player to play two gaming machines at once.

- All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
- 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).
- It is not permissible to use the word "jackpot" or any similar word in advertising that is
 visible from outside a venue.

TAB Board Venues

- 25. A Council's TAB Policy only applies to standalone TAB Board Venues. The policy does not apply to Pub TABs, venues with TAB self-service terminals and remote forms of TAB betting. Any new restriction or prohibition on the establishment of TAB Board Venues will simply result in an increase in the number of TAB agencies that are incorporated in bars, clubs and hotels. Any new restriction or prohibition on TAB Board Venues will also lead to an increase in betting online, with the TAB or with offshore betting providers (e.g. www.centrebet.com.au). Offshore betting providers do not contribute to New Zealand via taxes. Offshore betting providers do not contribute to the New Zealand problem gambling levy. Further, the harm minimisation procedures of offshore-based betting providers are unknown.
- 26. A TAB Board Venue provides an environment with staff who are extremely well trained to identify potential problem gamblers and to intervene and provide assistance. Such intervention and assistance is not as readily available when race and sports betting is conducted via a TAB agency incorporated in a bar, club or hotel, or when betting is done remotely online.
- 27. The Current TAB Board Venue Policy is reasonable.
- 28. Understanding the Different Types of TAB Venues;

TAB Board Venues

 Below are established TAB Board Venues - council <u>has</u> jurisdiction over these types of venues:



TAB Te Rapa, Hamilton - TAB Board Venue



Albany, Auckland TAB Board Venue

Pub TABs

30. Below is a 'Pub TAB' - council has no jurisdiction over these types of venues.



Venues with Self-service TAB Terminals

31. The photos below are of a TAB

self-service terminal venue (council has no jurisdiction over these types of venues):



Kamo Club, Whangarei

TAB Board Venues and Harm Minimisation

- 32. TAB NZ takes its statutory responsibilities under the Racing Industry Act 2020 to minimise problem gambling very seriously. TAB NZ conducts its business activities with integrity and is committed to providing a safe and enjoyable environment for customers to wager responsibly.
- All TAB Board Venues are connected via closed circuit television to a central monitoring office.
- 34. All TAB Board Venues have signage displayed that encourages players to gamble only at levels they can afford. This includes the TAB's Has the Fun Stopped? Take a Time-out responsible gambling campaign, which is prominently displayed in all TAB Board Venues. The signage provides advice on how to seek assistance for problem gambling
- 35. TAB Board Venues are subject to regular internal audits and spot checks to ensure adherence to the legislative and regulatory requirements, along with the TAB NZ's own problem gambling policy requirements.
- 36. No automatic teller machines are located at any TAB Board Venues.
- 37. TAB NZ provides problem gambling awareness training to each employee and agent.

The New TAB Board Venues are Clean, Well-lit and Open

38. The TAB Board Venues in New Zealand are being remodelled. Gone are the days of poorly lit venues that are designed to shield those inside from the gaze of the general public, and are attractive to people in low socio-economic areas. New TAB Board Venues are designed to ensure that the gambling activity is transparent and attractive to customers in higher socio-economic areas. The photos above show the clean, well-lit, modern look.

Alcohol Free Environment a Positive

39. All the TAB Board Venues are alcohol-free. All the TAB facilities that are not contained within a formal TAB Board Venue are located in venues where there is alcohol available (such as pubs, clubs and hotels). It is counterproductive on harm minimisation grounds to require all race and sports betting to be available where alcohol is sold. It is well documented that alcohol consumption is known to contribute to problem gambling.

40. The Baron and Dickerson study⁶ found that two or more alcoholic drinks increased reports of difficulty in resisting urges to gamble. The study also found that continued alcohol consumption during a gambling session resulted in unplanned, extended gambling. The report stated:

Results indicated a consistent theme of alcohol use contributing significantly to impaired control of gambling behaviour.

A gambler's choice to resist urges to either start or stop gambling and to limit expenditure may be seriously affected under the influence of alcohol.

... These exploratory findings present a picture of a regular gambler drinking alcohol prior to a session of gambling and having increasing problems with control in resisting urges to begin a session of gambling (one in eight players (13.3%) found it 'difficult to resist playing the card machines after having a few drinks'). Continued drinking of alcohol appears to be moderately associated with progressive levels of impaired control within a session of gambling, and appears to further add to the problems of ending a session of play for the gambler.

41. In the commentary of the special edition of the Journal of Gambling Studies⁷, Peter Nathan commentated on the link between alcohol consumption and gambling and noted that it was no wonder that so many casinos provide free drinks to their patrons. The commentary stated:

> Moderate intoxication, especially of pathological gamblers, apparently increases time spent gambling, rate of "power bets," and proportion of losing hands played. All three reflect impaired judgement that presumably leads to greater gambling losses. No wonder so many casinos provide free drinks to their patrons.

42. The link between alcohol use, smoking and problem gambling was noted by the Ministry of Health in the 2009 document A Focus on Problem Gambling: Results of the 2006/07 New Zealand Health Survey^a as follows:

> Problem gambling was significantly associated with current smoking and hazardous alcohol consumption. Compared to people with no gambling problems, problem gamblers had:

- 3.73 times the odds of being a current smoker
- 5.20 times the odds of having hazardous drinking behaviour

after accounting for possible confounding factors.

43. In addition to the direct link between problem gambling and alcohol use, the serving of alcohol and food is a distraction for venue staff and reduces the level of supervision and problem gambling monitoring. On busy nights, bar staff can often spend their entire time addressing the queues at the bar, rather than paying close attention to the patrons at the venue who are gambling. In the standalone TAB Board Venue environment, the staff are solely dedicated to monitoring gambling and are never distracted from their core host responsibility role. Photos below demonstrate the difference between the two types of venues on a Friday night.

Baron, E., and Dickerson, M.G. (1999). Alcohol consumption and self-control of gambling behaviour, Journal of Gambling Studies, 15(1), 3-15 (www.gamblinglaw.co.nz/download/Misc/Baron_Dickerson.pdf). Nathan, P. (2005) Commentary, Special Issue, Journal of Gambling Studies, 21(3), 355-361 (www.gamblinglaw.co.nz/download/Misc/Nathan.pdf).

http://www.health.govt.nz/system/files/documents/publications/a-focus-on-problem-gambling-results-200607-nz-health-survey.p



Sports Bar with a TAB terminal

TAB Board Venue

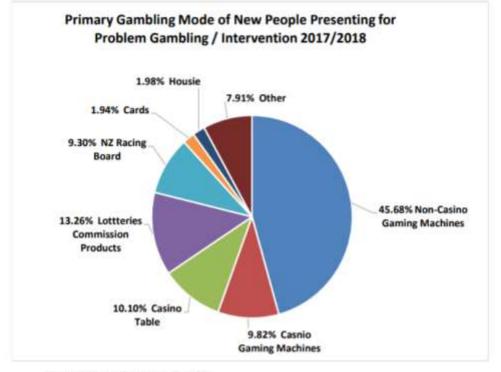
TAB Board Venues Have Modest Trading Hours

44. The TAB offering in bars, clubs and hotels is available until the early hours of the morning. The trading hours of TAB Board Venues are modest. The standard trading hours of TAB Board Venues are:

> Monday: 11am - 7pm Tuesday: 11am - 7pm Wednesday: 11am - 8pm Thursday: 11am - 10pm Friday: 11am - 10pm Saturday: 9am - 8pm Sunday: 11am - 7pm

Race & Sports Betting Does Not Need the Same Restrictions as Gaming Machine Gambling

45. Race and sports betting does not need the same restrictions as gaming machine gambling. TAB Board Venues are different from gaming machine venues. Race and sports betting is different from the rapid and repetitive gambling undertaken on a gaming machine. Race and sports betting does not have a high prevalence of problem gambling. Only approximately 9.3% of all new problem gamblers indicate a problem with race or sports betting. In contrast to this, approximately 55.5% of new problem gamblers report a problem with gaming machines (both casino gaming machines and non-casino gaming machines).



Source: Ministry of Health Website

http://www.health.govt.nz/our-work/preventative-health-wellness/problem-gambling/service-user-data/intervention-clie nt-data#total_assisted.

Relocations

- 46. The current Relocation Provision in the policy is supported.
- Venue relocation is a harm minimisation tool. Allowing venue relocation is positive and enables venues to move out of residential areas to more suitable areas, such as;
 - From a high deprivation area to a lower deprivation area.
 - From an unsuitable site such as a residential area or an area close to a sensitive site (e.g., a school or library) to a more suitable area such as a central business district.
 - To new, modern, vibrant, refurbished premises.
 - Out of earthquake-prone buildings.
 - Out of large blocks of land that could be used for more suitable purposes, such as new high-density affordable housing.
- 48. TAB NZ does not understand nor support the position taken by certain lobby groups in complaining that too many venues are in high deprivation areas, and then

recommend councils not allow relocations (gold standard sinking lid policy). This position entrenches venues in unsuitable and unsafe locations.

Unintended Consequence - Rise in Online and Offshore Gambling

49. The Gambling Act addresses responsible gambling, focusing on;

- · The Integrity of gambling Lawful, fair and honest participation.
- · The environment gambling is conducted in is safe and secure.
- Gambling without pressure or devices to encourage gambling at levels that may cause harm.
- Informed participation in gambling who understand the nature of the activity and do not participate in ways that may cause harm.
- Any reduction in the local gaming machine venue offerings will have unintended consequences - simply leading to a migration of the gambling spend to other forms of gambling, namely offshore online gambling sites, without responsible gambling attributes.
- 51. It's illegal to advertise offshore gambling within New Zealand. However, it is not illegal for New Zealanders to participate in offshore online gambling sites, and a simple Google search can result in easy access to all forms of online gambling including exact replicas of the gaming machines currently available in Class 4 venues.
- 52. The Lotteries Commission reported in its 2018/19 Annual Report that online sales accounted for 19 percent of its total sales (\$227.6m) compared with 16 percent of its total sales (\$201.1m) in the previous year and 13 percent the year before that.
- SkyCity launched an offshore-based online casino in August 2019 with over 1,300 online games available and within a year had over 35,000 registered customers.
- TAB NZ online channels makes up nearly 60 percent of its total betting turnover, up 2.2 percentage points on last year.
- TAB NZ estimates that total online spend with offshore gambling websites by New Zealanders for the previous 12 months to August was \$570-\$580m. This consists of;
 - \$120-\$125m on offshore wagering providers, and
 - \$450-\$455m on offshore online casino game providers.
- TAB NZ estimates that total online spend with offshore casino game providers has increased 56% year-on-year and 40% on a three year compound annual growth rate.
- TAB NZ also estimates that the pend for the July quarter was \$139m, this is an increase of 133% on the July Quarter 2019.
- The above highlights the increase in online gambling. Offshore online gambling poses a considerable risk to New Zealand, as it:

- Is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
- Has no restrictions on bet sizes, provides no guaranteed return to players;
- · Has no capacity for venue staff to observe and assist people in trouble;
- Reaches new groups of people who may be vulnerable to the medium;
- Is more easily abused by minors;
- Has reduced protections to prevent fraud, money laundering or unfair gambling practices; and
- Is completely 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 offshore sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.
- 59. Offshore-based online gambling does not generate any community funding, nor does it generate any tax revenue for the Government, nor does it make any contribution to the health and treatment services as no contribution is made to the problem gambling levy.

Oral Hearing

60. TAB New Zealand would like to make a presentation at the upcoming oral hearing.

Niall Miller TAB New Zealand https://www.health.govt.nz/our-work/mental-health-and-addictions/gambling/service-user-dat a/intervention-client-data#total_assisted.