

REPORT 2
(1215/52/IM)**ORAL HEARINGS – DRAFT GAMBLING VENUES
POLICY**

Time	Name	Organisation	Submission Number	Page
11.50	Jocelyn O’Kane	WelCOSS	16	
12.00	Graeme Ramsey	Problem Gambling Foundation of NZ	39	
12.10	Phil Holden	Lion Foundation	17	
12.20	Bernard O’Shaughnesy	BAG (Bernard Against Gambling), BAB, RATrs, TIN DO, HART	4	
12.25	Caleb Anderson (TBC)		45	
12.30 LUNCH				
1.00	Martin Cheer	Pub Charity	49	
1.10	Paul Matheson	NZ Community Trust	31	
1.15	Donald McDonald		3	
1.20	Stephanie McIntyre	Downtown Community Ministry	48	
1.25	Stuart Grant	Capital E	33	
1.30	Vicki Hirini	Salvation Army Oasis Centre for Problem Gambling	26	
1.35	(5 minute buffer)			
1.40	Sue Paterson	NZ International Arts Festival	41	
1.50	Jarrold True	NZ Racing Board	9	

SUBMISSION
NUMBER

16

Brian OSullivan

From: welcoss@actrix.co.nz
Sent: Wednesday, 7 April 2010 12:59 p.m.
To: BUS: Policy Submission
Subject: Gambling Venues Policy

The following details have been submitted from the Gambling Venues Policy form on the www.Wellington.govt.nz website:

First Name: Debbie
Last Name: Delaney
Street Address: 75 Ghuznee Street
Suburb: City
City: Wellington
Phone: 021 164 3350 - Jocelyn Frances O'Kane
Email: welcoss@actrix.co.nz

I would like to make an oral submission in April: Yes

I am making this submission: on behalf of an organisation

Organisation Name: Wellington Council of Social Services (WelCOSS)

Do you have comments on the proposed amendment to the Gaming Venues Policy: WelCOSS supports a population cap on pokies within areas of concern, however WelCOSS advocates for an additional sinking lid policy on top of the population cap.

Given that access to gambling is necessary for the development of problem gambling, reducing access is a key public health approach. The Ministry of Health strategic plan (MoH, 2005) suggests that the prevention and minimisation of problem gambling requires a multi-faceted public health approach to gambling harm. An approach that includes

- limit the availability of gambling
- prevent the development of problem gambling to reduce demand
- reduce harms generated by problem gambling by limiting the source of the problem

Do you have comments on the policy approach for the Central Area Zone:



WelCOSS advocates that current policy of no limitations on the number of TABs, Pokies or gambling venues is inadequate and recommends a sinking lid policy for all zones throughout the city.

There is incentive for Council to allocate machines in areas where they will be used most intensively and potential returns are highest. This is anathema to Council's policy objective of managing the growth of gaming machines, given that availability will continue to produce demand and therefore people will continue to be harmed by problem gambling.

Do you have comments on the policy approach for the suburban zones:
WelCOSS advocates that the proposed changes for the suburban zones of a population based cap are a positive move toward eliminating gambling harms. However, WelCOSS advocates for a district wide sinking lid policy, in addition to the population cap.

A ban on any new venues and machines is preferable to a cap (DIA 2006). It is possible that a cap on machine numbers or venues may result in a greater number of licensed venues and machines being located in poorer communities (i.e. venues shift from more prosperous localities, suburbs or town centres). In the case of Wellington it may force an increase in the number of venues in other areas that council has not identified and simply shift the problem from one area to another.

Any other comments: WELCOSS would like to advocate a pokies-free Wellington but many of our member organisations depend on the funding that pokies generate - of the 37% of pokies profits that are distributed through grants, only a small proportion of that small amount goes to the social services, community and voluntary sector.

WELCOSS acknowledges that Wellington City Council is obliged to review its Gambling Venues Policy every three years and proposes only very minor changes – like a population cap in some areas at this time. We can see the increase in bars with TABs and pokies dens, and would ask you to consider the issue more widely and to see that the pokies are really harmful – devised by psychologists for maximum hook, commissioned by the mafia as a tool to increase profits from gambling. 73% of all those asking for help with problem gambling, cite their problem as the pokies. While Wellington City Council has identified areas vulnerable to problem gambling, in decile 9 areas (eg Newtown) there is one pokie machine for every 75 people, and in decile 1 areas (eg Khandallah) there is 1 pokie machine per 465 people (PGF 2009)

As a start, WELCOSS supports a public health approach to the pokies and asks the Wellington City Council to work with our sector to find alternative ways to fund the work we do.

Many of our social services, with the exception of mostly church based

organisations, are dependent on grants from pokies trusts. Yet there is no way of knowing how much of the approximately 4 million dollars that is gambled on the pokies each quarter in Wellington, is returned to this region.

To our sector, pokies trusts make grants for 'things' and the process is simple – two quotes for the 'thing' a little bit about why and a plug for the work you do in an application. While other funding sources are shrinking, this locks us even further to needing to apply to update equipment for example. Yet 45% of all profits are retained by the pokies trusts, and we are seeing the effects of problem gambling on vulnerable people and know that one in 5 regular pokie players is likely to have a gambling problem and every problem gambler affects between 5 and 17 people with their gambling – family, friends, community and workplace(PGF Mat 2009)

WELCOSS will continue to work with its member organisations to find ways to minimise harm – like multi venue exclusion policies for those who want to minimise their access to gambling and find ways to get profits from the pokies returned as much as possible to the community that generated the losses.

SUBMISSION
NUMBER

39

Sharon Bennett

From: Katherine Reweti [katherine.reweti@pgfnz.org.nz]
Sent: Friday, 9 April 2010 12:26 p.m.
To: BUS: Policy Submission
Cc: Graeme Ramsey; Glenda Northey; Jude West; Tony Milne
Subject: Wellington submission for the gambling venues policy
Attachments: Word Report Wellington.pdf; Wellington TLA Submission March 2010 (2).doc; Cover letter Wellington Submission 2010.doc

Brian O'Sullivan,

Attached is a submission for the gambling venue policy review and the gambling report for the Wellington TLA. Please note the cover letter from Graeme Ramsey who would like to present an oral submission on 22 April 2010.

Nga mihi,

Katherine Reweti

Public Health Promoter
Problem Gambling Foundation of New Zealand
3rd Floor, Community House, 84 Willis St
PO Box 11179, Wellington 6142
Phone: (04) 473 4360 Fax: (04) 473 4890
Mobile: 0272290028
Email: katherine.reweti@pgfnz.org.nz

12/04/2010

Submission on Class 4 Gambling and TAB Venues Policy
C/- Brian O'Sullivan
Senior Policy Advisor
Wellington City Council City
101 Wakefield Street
Wellington 6140

9 April 2010

Attention Brian O'Sullivan,

RE: WELLINGTON CITY COUNCIL'S GAMBLING VENUE POLICY

Please find attached our submission regarding the above review.

We oppose the proposal because we would like the Council to support a "sinking lid" – a complete ban on any new venues or machines in all of Wellington.

The Problem Gambling Foundation would like to be heard.

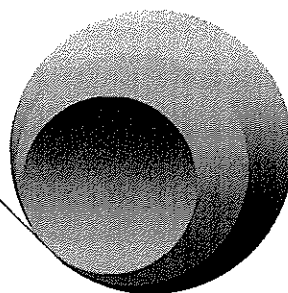
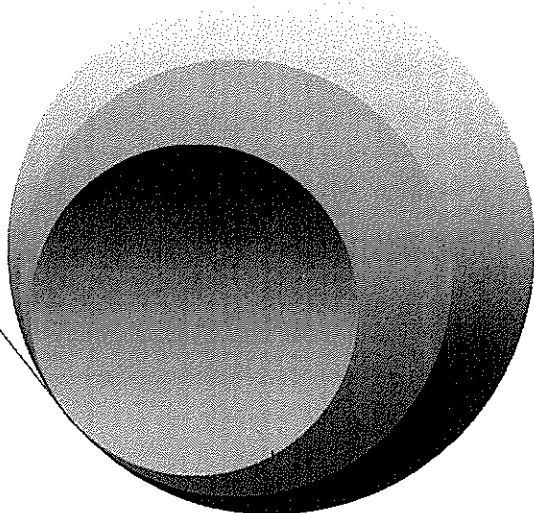
With kind regards,

Graeme Ramsey

Chief Executive Officer
Problem Gambling Foundation of New Zealand
128 Khyber Pass Road
Grafton
PO Box 8021,
Symonds Street
Auckland 1150

Phone 09 3690606

TE RŌPŪ ĀWHINA MATE PETIPETI O AOTEAROA
**Problem Gambling Foundation
of New Zealand**



GAMBLING REPORT WITH GRANTS & ANALYSIS

WELLINGTON TLA

Historical Grants 1/4/05-31/1/10
Recent Grants Year 2009

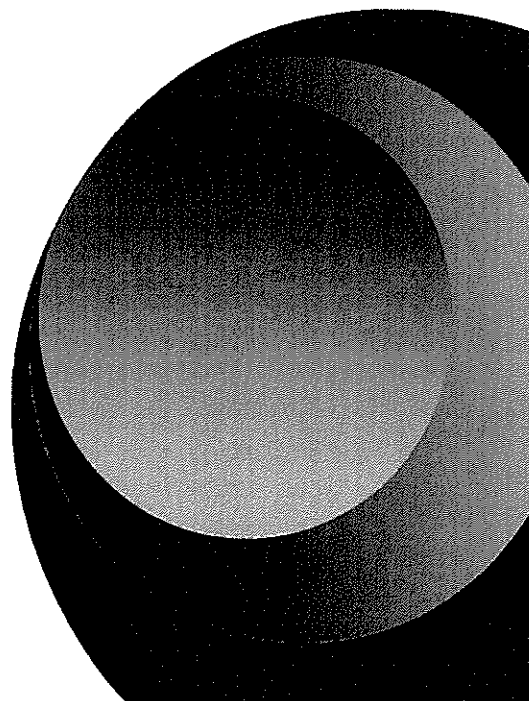




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INTRODUCTION

DISCLAIMER: - *The information within this report is based on the PGF data base which has been created by searching out grant data available and released by the contributing Pokie Trusts. This is data available in the public domain i.e. by using the net and accessible printed matter. Every effort has been made to ensure this information is accurate. However the data given is only as accurate as its' original source and PGF holds no responsibility for errors in published information. Additionally, although every effort is made to make this an all-inclusive list of grants, PGF cannot guarantee that all grants that have been made under the Class IV legislation, have been found and included in the list.*

REQUESTED REPORT

This report was requested by Tony Milne and Katherine Reweti of PGF who has asked to provide an updated Gambling Report with Grants and Analysis for Council submissions.

As all grants are published at different times, the author has analysed the PGF data within specified periods to get an overall view, historically (i.e. past and present) and then for the 2009 Year.

This report has been written by Donna Aitken, Media/Data Analyst for PGFNZ.

FORMAT OF REPORT

All grants the Problem Gambling Foundation (PGF) have on record have been used for calculations within the following report. The author has chosen to divide the analysis into the following areas

- **Historical Grants**, (i.e. past and present combined)

This gives an overview of **Wellington** with it's historical data analysis to January 2010.

- **Recent Grants**

This is the data that is the most recent to Wellington. In this report the author has chosen the **2009 Year** as this coincides with the DIA's latest released figures.

The Data used in this analysis has been collected by PGF over the last five years. This data bank has been collected from on-line and published grants i.e. grants made available to the public.

At the time of writing this report, the PGF data bank had **126,289 separate grants** listed and it is this data the author has used for this analysis together with figures from the DIA's EMS. (*Link below*)

http://www.dia.govt.nz/diawebsite.NSF/wpg_URL/Resource-material-Information-We-Provide-Gaming-Statistics?OpenDocument

This data base has recently been audited by the Ministry of Health. They point out that some grants may have been missed and therefore room for error. We accept this comment. Also, some organisations don't give the name of the TLAs the grant is going to and therefore PGF has to rely on web sites to determine the specific TLA. This can be very difficult if the organisation does not have a web site.



Nevertheless, to date this is the most comprehensive data base available .

The statistics from the DIA has been taken only over the last 2 ¼ years, (i.e. since it has become necessary for all Charity organizations with pokies to declare their takings electronically), whereas the PGF Data goes back to approximately 2004 (However for this report the author has gone back to April 2005 for historical calculations)

It should also be noted that there has also been a lot of movement within the Charities recently i.e. merging, renaming and closing. This has meant a change of venues and pokie numbers.

We have been informed of the merging of Perry Foundation and Lion Foundation. This will make it by far the biggest Pokie Trust in New Zealand. However this merger doesn't occur until January 2010 and as such we will not see the results of distribution of grants until June 2010 at the very earliest.

DATA PERIODS

The Data period for this report is from all available grants made to the public to the date of 1/4/05 -31/1/10 (Historical) and 2009 year (Recent).

Some data periods from the Pokie Trust grants list may differ in duration and dates due to the way the grants are initially published and/or taken directly from the Charities own web sites. Some Charities do not attach their grants to their web site and many that have, are not current. Therefore PGF has taken the history of grants given and calculated a prorata system from information gathered to ascertain the trend of grants made.

TYPES

All data has been sorted into types. You will find that in the area of sports some have been identified specifically when it was found that they dominated the data. These are separated as follows:-

- Rugby
- Soccer
- League
- Cricket
- Netball
- The remainder are grouped under 'Other Sports'

SPECIFIC CATEGORIZING

Racing & Maori grants

- **NB:** - Racing is treated separately. This was decided after much interest by several parties, including the DIA, of grants going specifically to this section at the cost of community good. Racing is made up of Horse Racing and Greyhound Racing.

- **NB: - Maori** – While there are grants made to Marae which obviously fall into this category, PGF decided the Te Reo group should be grouped under ‘education’ and the Maori sports put under ‘sports’ and not Maori.



SHARED TLAS

A portion of the data covers several TLAs. (e.g. Cricket Wellington, or Sport Wellington Region – which is Lower and Upper Hutt, Wellington, Porirua etc)

However there is no indication given to the proportion that may be shared within the TLA areas, so the author has concentrated on those organizations that are specifically aligned to Wellington.

SPECIFIC TERMS USED FOR MONEY GOING THROUGH POKIE MACHINES

The use of specific terms in regard to money going through pokie machines needs clarification.

Turnover is the amount of money (either real or virtual) which is wagered in the machines. Pokie players make decisions that commit each dollar and cent in wagers to this level of dollars and cents.

Losses (*net proceeds*) are the amount of money that players put into machines (Turnover) and do not get returned to them. This is also the figure that the machine operators call their revenues. It is the figure that is used in the calculation of the gambling levy. So, you could say that the levy for non-casino pokie machines is a percentage of player losses - or operator revenues - the same figure. It is the figure published by the DIA through reports from their Electronic Monitoring System.

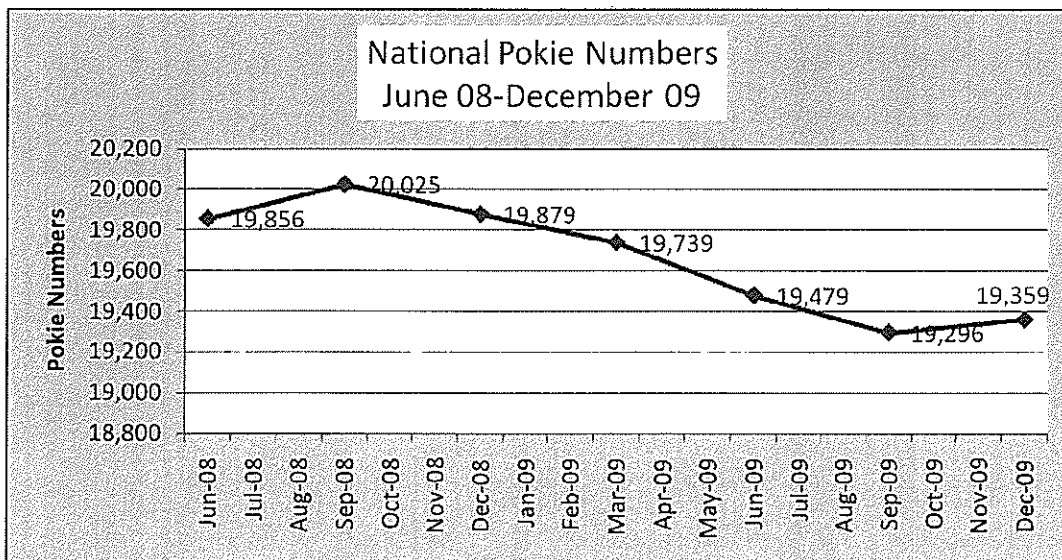
General NZ Statistics

There has been a steady decrease in both venues and pokie machine numbers over the last year according to DIA statistics.

From December 2009, the DIA released figures showing New Zealand has 19,359 pokies in total, a rise from the September quarter.

Nationwide

Quarter	Total Venue Numbers	Total Pokie Numbers
December 2009	1491	19,359
September 2009	1486	19,296
June 2009	1501	19,479
March 2009	1527	19,739
December 2008	1537	19,879
September 2008	1551	20,025
June 2008	1552	19,856





Gaming Machine Statistics in the Wellington

Adult Population (<i>last census</i>). Adult = 18 yrs and over	141,126
No of Gaming venues (<i>DIA - Dec 2009</i>)	54
No of Pokies (<i>DIA - Dec 2009</i>)	797
No of Contributing Charities Wellington - Historically (1/5/04-31/1/10)	34
No of Contributing Charities Wellington -Recent (2009 Yr)	19
Main Type of Grant Historically (1/1/05-1/9/10)	Community Group - \$9,373,633.91
Main Type of Recent Grants (2009 Yr)	Other Sports - \$1,468,337.94

Changes in Venue & Pokie Numbers in Wellington 2009 Year

Quarter	Venues	Pokie Numbers
December	54	797
September 2009	54	797
June 2009	57	820
March 2009	58	831

Summary of Venues in Wellington with Pokie Numbers



Venues and numbers by territorial authority as at 31 December 2009 - Generated: 01-Feb-2010 (DIA)

Society	Venue Name	Pokies
NZCT	BACKBENCHER PUB & CAFE	3
NZCT	BAY 66 BAR & BISTRO	18
NZCT	BLACK HARP	9
TRUST HOUSE CHARITABLE TRUST	BULL AND BEAR	18
INFINITY FOUNDATION LTD	BUS STOP	18
NZCT	CAFE 162	17
THE LION FOUNDATION	CAMBRIDGE HOTEL	18
CUESPORTS FOUNDATION LIMITED	CASA BAR	18
INFINITY FOUNDATION LTD	CLOCKWORKS	18
NZCT	CORNER BAR 169	18
NZCT	CUE ROOM	18
NZCT	FEATHERSTON BAR & GRILL	18
NZCT	FOUR KINGS	18
THE LION FOUNDATION	HOTEL BRISTOL	18
TTCF	ISLAND BAY BOWLING CLUB	4
ISLAND BAY SERVICES CLUB INC	ISLAND BAY SERVICES CLUB	3
PELORUS TRUST	JAY'S BAR & CAFE	18
NZCT	JJ MURPHYS	18
THE JOHNSONVILLE AND DISTRICTS RETURNED SERVICES ASSOCIATION INCORPORATED	JOHNSONVILLE AND DISTRICTS RETURNED SERVICES ASSOCIATION INC	13
JOHNSONVILLE BOWLING CLUB INC	JOHNSONVILLE BOWLING CLUB	2
JOHNSONVILLE CLUB INCORPORATED	JOHNSONVILLE CLUB	18
THE LION FOUNDATION	KILBIRNIE TAVERN	18
NZCT	LOVELOCKS SPORTS BAR	18
WATER SAFETY EDUCATION FOUNDATION	MERMAIDS	18
TRUST HOUSE CHARITABLE TRUST	NEWTOWN SPORTS BAR	18
ENDEAVOUR COMMUNITY TRUST	OCCIDENTAL	18
THE PARK BOWLING CLUB - KILBIRNIE(INC)	PARK BOWLING CLUB - KILBIRNE	3
THE LION FOUNDATION	QUIET LADY	18
ENDEAVOUR COMMUNITY TRUST	SANTA FE	8
SEATOUN RETURNED SERVICES ASSOCIATION INC	SEATOUN RETURNED SERVICES ASSOCIATION	4
MAINLAND FOUNDATION LIMITED	SHOOTERS BAR	18
NZCT	STADIUM BAR	18



TTCF	TAB COURTENAY PLACE	18
TAWA R S A INC	TAWA RSA	5
INFINITY FOUNDATION LTD	TEMPERANCE BAR & BRASSERIE	9
NZCT	THE CORNER	18
NZCT	THE CUTTING SPORTS CAFE	18
NZCT	THE DOWNTOWN LOCAL	18
PUB CHARITY	THE GARDEN CLUB	9
NZCT	THE GREEN MAN	9
PELORUS TRUST	THE INNKEEPER AT NEWLANDS	18
TTCF INCORPORATED	THE INNKEEPER OF JOHNSONVILLE	18
TRUST HOUSE CHARITABLE TRUST	THE ISLAND BAY BAR	18
TRUST HOUSE CHARITABLE TRUST	THE KIWI PUB	18
NZCT	THE LOCAL BAR	18
NZCT	THE OFFICE CAFE & BAR	18
THE LION FOUNDATION	THE REALM TAVERN	16
MANA COMMUNITY GRANTS FOUNDATION	THE SKIPPING BULL	18
TTCF INCORPORATED	THE VILLAGE PATISSERIE CAFE AND BISTRO	9
PUB CHARITY	THE WATERLOO BAR AND GRILL	10
NZCT	TRAX BAR & CAFE	18
NZCT	WELLINGTON SPORTS CAFE	16
NZCT	WINDMILL BAR AND CAFE	18
INFINITY FOUNDATION LTD	ZOOPAR	18
TTCF INCORPORATED	THE INNKEEPER OF JOHNSONVILLE	18
TRUST HOUSE CHARITABLE TRUST	THE ISLAND BAY BAR	18
TRUST HOUSE CHARITABLE TRUST	THE KIWI PUB	18
NZCT	THE LOCAL BAR	18
NZCT	THE OFFICE CAFE & BAR	18
THE LION FOUNDATION	THE REALM TAVERN	16
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NZCT	TRAX BAR & CAFE	18
NZCT	WELLINGTON SPORTS CAFE	16
NZCT	WINDMILL BAR AND CAFE	18
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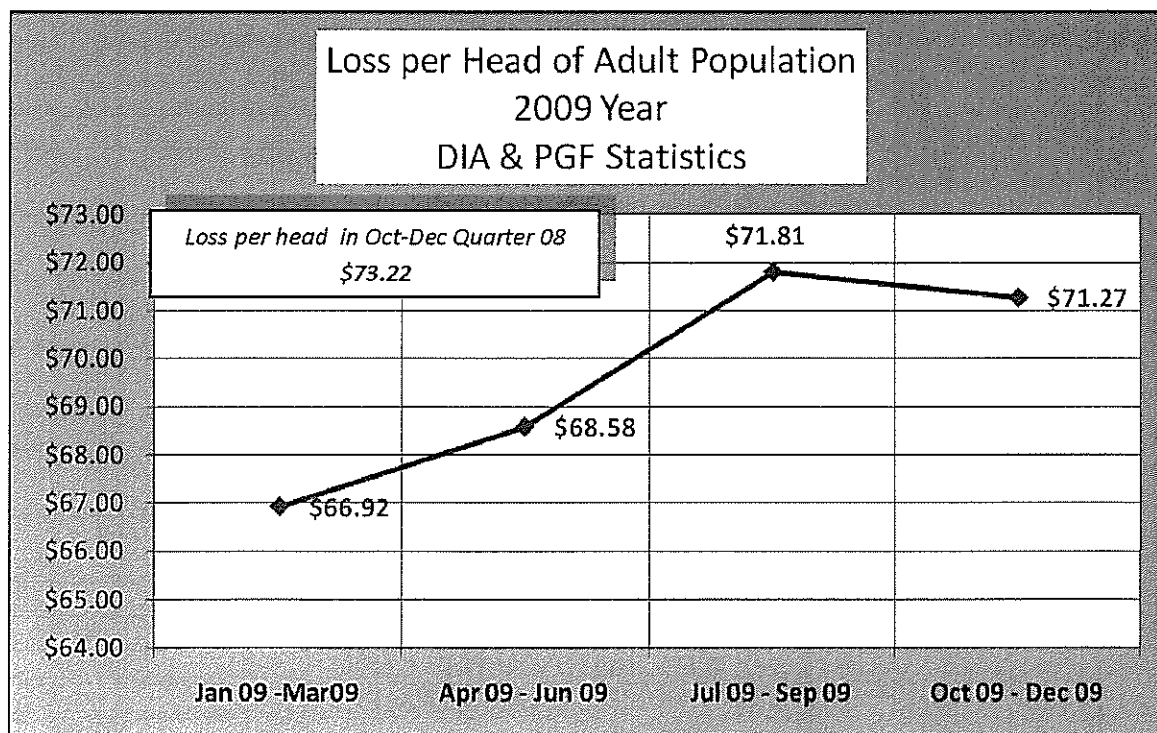
**Above venues and pokie numbers released by the DIA – December 2009*

Wellington – Loss per head (Adult population)

Loss Per head of Adult Population - based on DIA figures & PGF calculations.

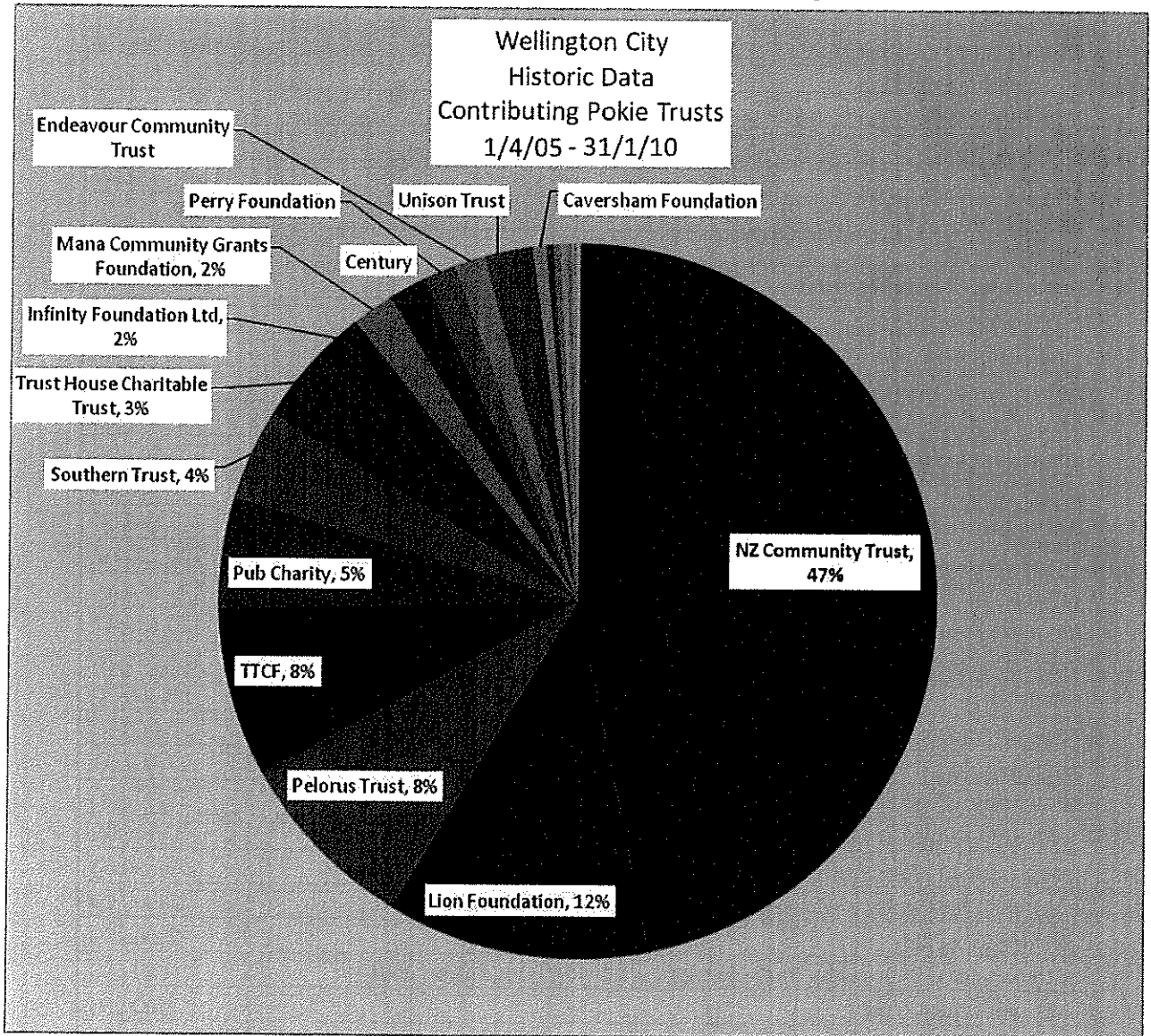
December 2009	\$71.27
September 2009	\$71.81
June Quarter 2009	\$68.58
March Quarter 2009	\$66.92
Total pokie loss to TLA for the year of EMS recorded (Jan 09-Dec 09)	\$39,315,809
Total loss to TLA for the Dec Quarter, 2009 (Oct-Dec, 2009)	\$10,058,270

NB - Losses are the amount of money that players put into machines (Turnover) and do not get returned to them. This is also the figure that the machine operators call their revenues (See 'Specific terms used for money going through Pokie Machines - Page 5)



NB: - PGF has found there is a trend. Normally the losses in the first quarter of each year dip but then steadily increase as the year progresses. This may be due to the summer season when punters chose to be outdoors more. This has happened at the start of the 2009 year for Wellington.

Historical Grants to Wellington – Sorted by Pokie Trusts

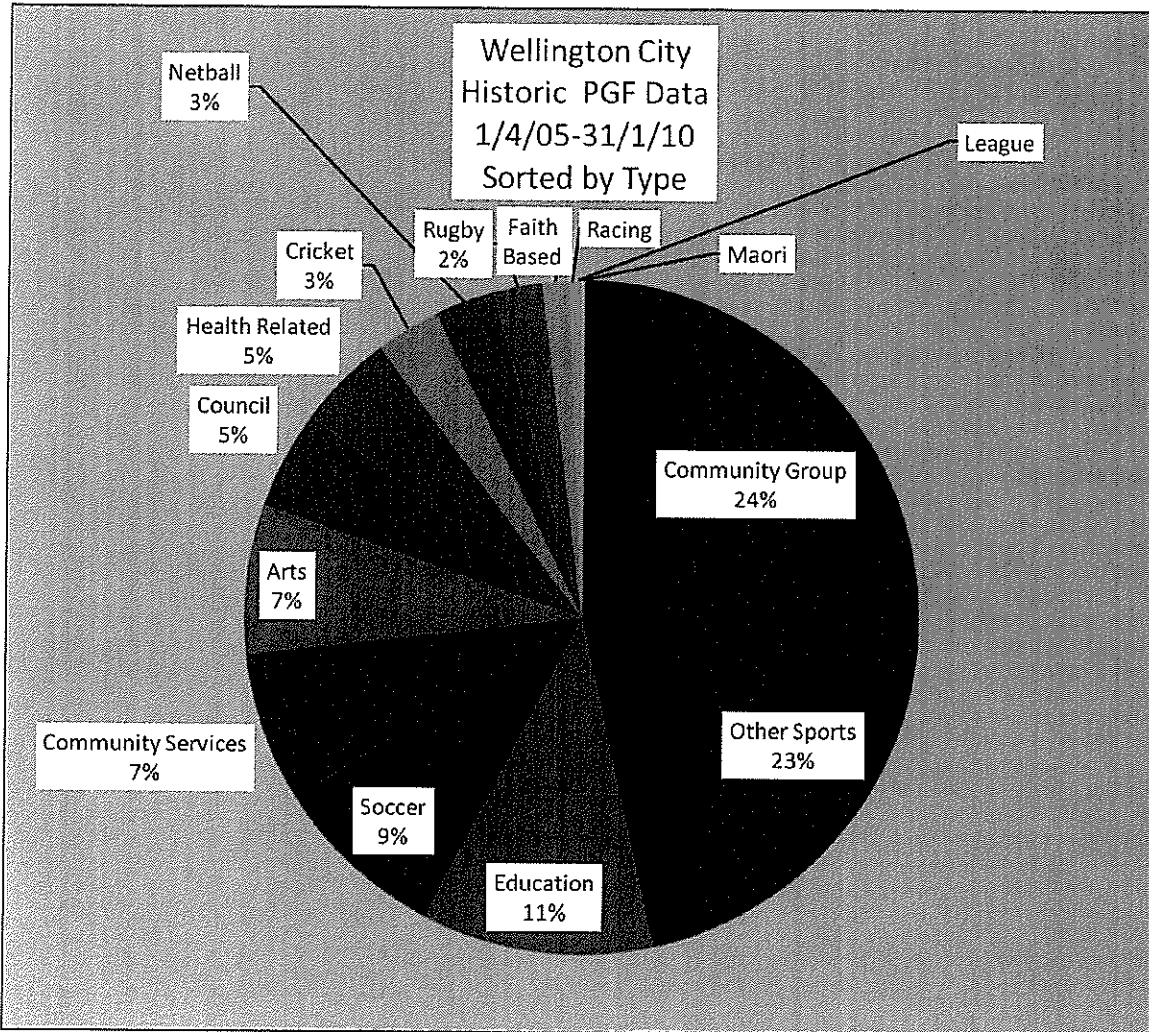




Historical Breakdown of contributing Pokie Trusts – PGF Data

Charities	Sum of Amount
NZ Community Trust	\$ 18,782,144.54
Lion Foundation	\$ 4,727,716.00
Pelorus Trust	\$ 3,336,789.25
TTCF	\$ 3,081,600.54
Pub Charity	\$ 2,008,409.72
Southern Trust	\$ 1,643,447.69
Trust House Charitable Trust	\$ 1,325,785.87
Infinity Foundation Ltd	\$ 877,765.81
Mana Community Grants Foundation	\$ 748,533.30
Century Foundation - Now merged with Perry	\$ 709,745.62
Perry Foundation	\$ 599,729.00
Endeavour Community Trust	\$ 535,961.00
Unison Trust	\$ 456,588.00
Scottwood Trust - now merged with Perry Trust	\$ 428,064.00
Caversham Foundation	\$ 229,237.07
Community First Foundation (closed)	\$ 139,080.45
Cuesports Foundation Limited	\$ 129,472.47
Mainland Foundation - was Canterbury	\$ 103,770.26
Trillian Trust	\$ 83,209.00
Water Safety Education Foundation	\$ 29,800.00
First Sovereign Trust	\$ 27,482.55
Horowhenua Charitable Trust	\$ 25,400.00
Prime Community Trust	\$ 22,514.00
Phoenix Trust (Wound up)	\$ 19,330.00
Beneficial Charitable Trust - Ceased operating in March 2009	\$ 17,500.00
ILT Foundation Ltd	\$ 10,000.00
South Auckland Charitable Trust - Merged with Lion Foundation 2008	\$ 9,500.00
Kiwi Community Trust	\$ 5,000.00
Eureka Trust	\$ 2,500.00
St Kilda Community Sports Society	\$ 1,000.00
Pacific Sports and Community Trust (Now changed to Nautilus Foundation)	\$ 1,000.00
Mataura Licensing Trust (M.L.T)	\$ 500.00
Mt Wellington Foundation Limited (was Mt Wellington Charitable Trust)	\$ 500.00
Ohai Nightcaps Lions Club	\$ 100.00
Grand Total	\$ 40,119,176.14

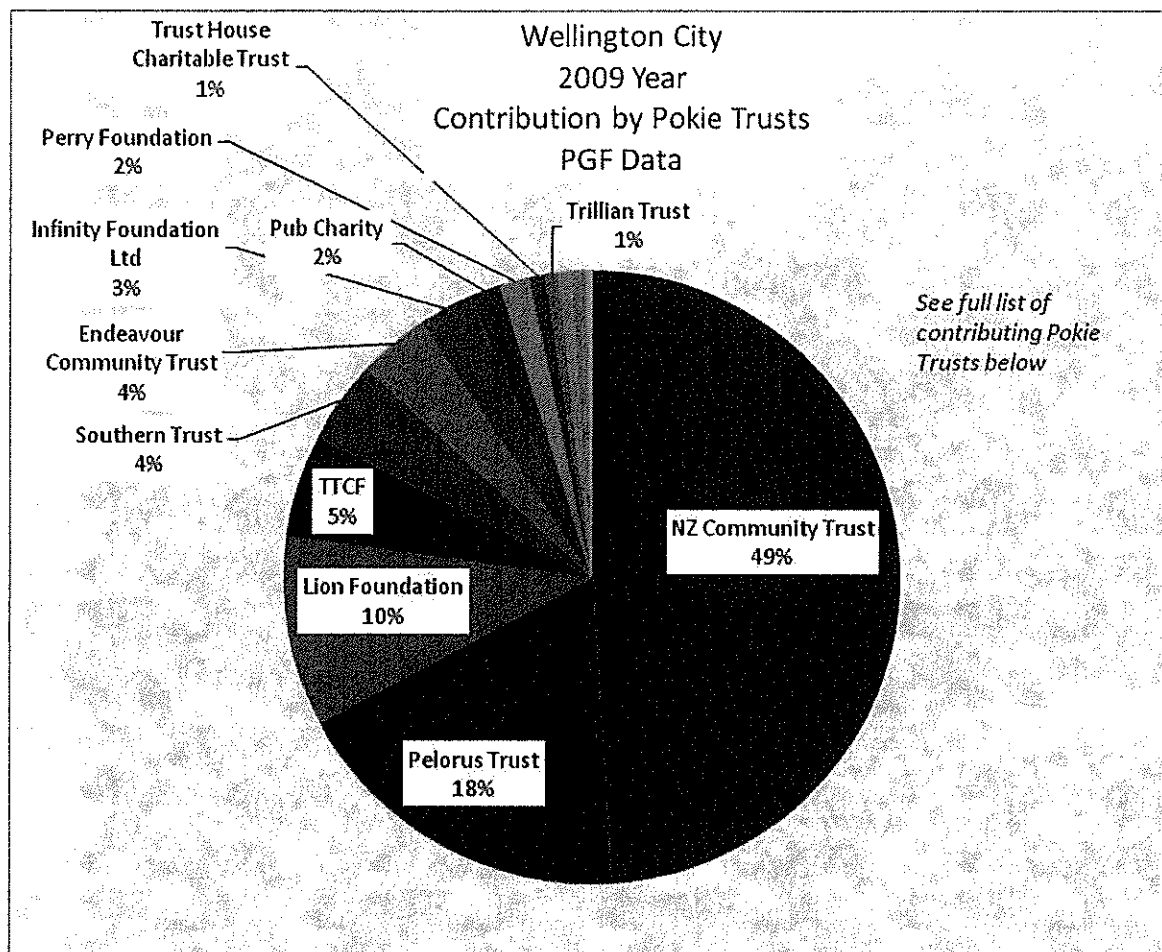
Historical Grants to Wellington – Sorted by Type



Community Group	\$ 9,373,633.91
Other Sports	\$ 9,276,350.67
Education	\$ 4,438,805.91
Soccer	\$ 3,343,487.23
Community Services	\$ 2,914,840.59
Arts	\$ 2,880,030.06
Council	\$ 1,915,451.40
Health Related	\$ 1,850,535.28
Cricket	\$ 1,243,273.33
Netball	\$ 1,154,945.97
Rugby	\$ 929,719.71
Faith Based	\$ 504,331.89
Racing	\$ 120,200.00
League	\$ 120,063.19
Maori	\$ 53,507.00
Grand Total	\$ 40,119,176.14



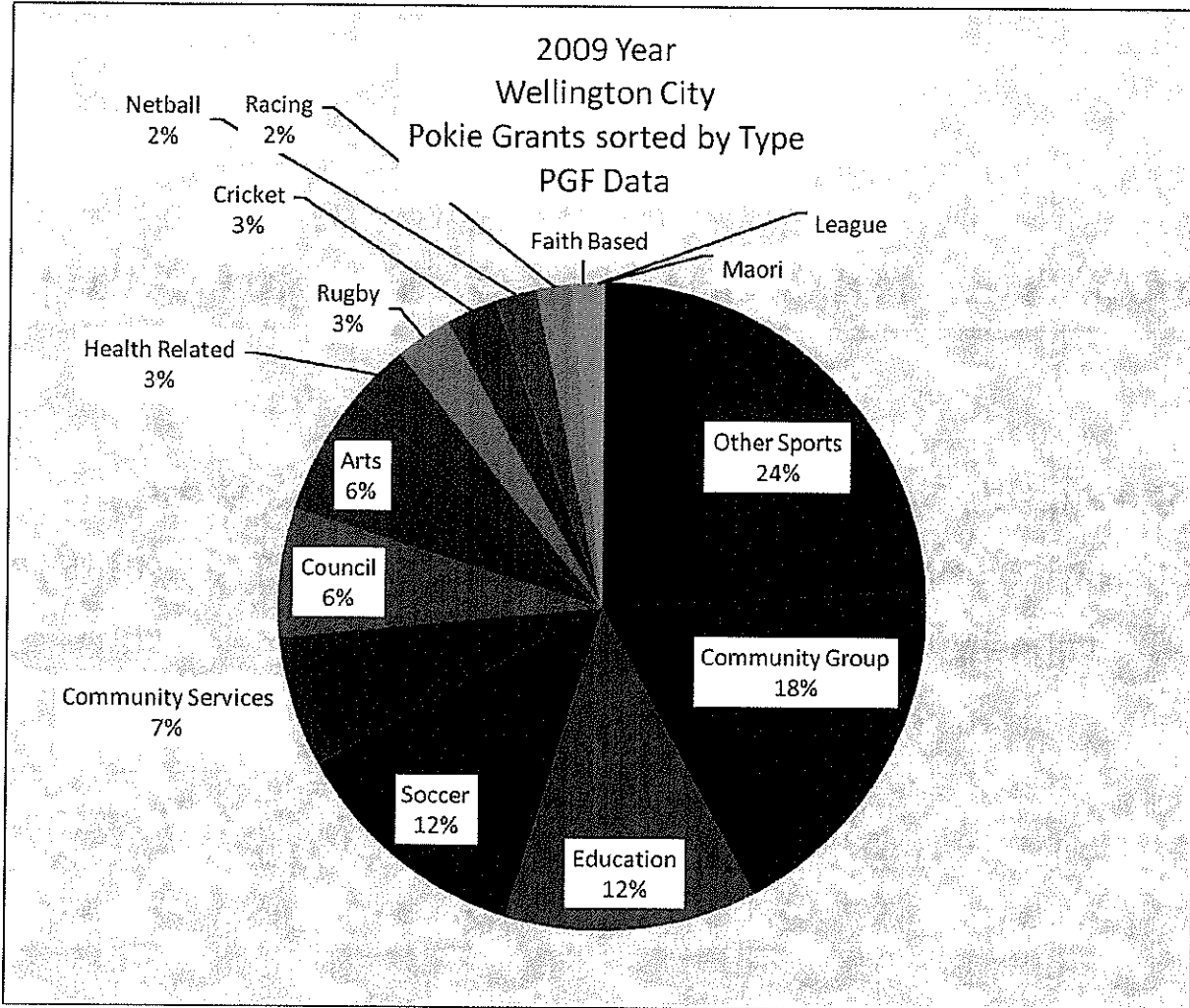
2009 contribution to Wellington by Pokie Trusts



NZ Community Trust	\$ 2,985,619.00
Pelorus Trust	\$ 1,107,017.50
Lion Foundation	\$ 612,412.25
TTCF	\$ 329,432.18
Southern Trust	\$ 268,071.63
Endeavour Community Trust	\$ 223,677.33
Infinity Foundation Ltd	\$ 172,050.20
Pub Charity	\$ 102,142.20
Perry Foundation	\$ 95,067.67
Trust House Charitable Trust	\$ 51,947.00
Trillian Trust	\$ 42,825.67
Mainland Foundation - was Canterbury	\$ 37,309.00
Mana Community Grants Foundation	\$ 33,357.51
Cuesports Foundation Limited	\$ 18,895.41
First Sovereign Trust	\$ 12,041.28
Prime Community Trust	\$ 2,649.50
Eureka Trust	\$ 2,500.00
Caversham Foundation	\$ 1,152.00
Mt Wellington Foundation Limited (was Mt Wellington Charitable Trust)	\$ 500.00
Grand Total	\$ 6,098,667.31



Pokie Grants to Wellington 2009 Sorted by Type



Other Sports	\$	1,468,337.94
Community Group	\$	1,108,094.93
Education	\$	757,416.25
Soccer	\$	743,116.67
Community Services	\$	401,658.99
Council	\$	390,000.00
Arts	\$	380,372.85
Health Related	\$	190,206.06
Rugby	\$	171,319.99
Cricket	\$	159,427.37
Netball	\$	126,790.00
Racing	\$	106,100.00
Faith Based	\$	61,328.25
League	\$	28,498.00
Maori	\$	6,000.00
Grand Total	\$	6,098,667.31

NB: -PGF acknowledges that this is not the entire grants made to Wellington for the 2009 year as not all grants have been released to the public. Trusts differ in the timing of publishing their specific grants. For example, some publish yearly grants which end in March and therefore can not be included in this report.

This lack of uniformity in the release of pokie grants by the different Trusts makes analysis extremely difficult and PGF would like to see release of such information all be published at the same time.



GRANTS BY TOP 4 CONTRIBUTING POKIE TRUSTS

NB: - All top 4 contributing Pokie Trusts' data covers January to September 2009. The last 3 months of grants for 2009 is not yet available to the public.

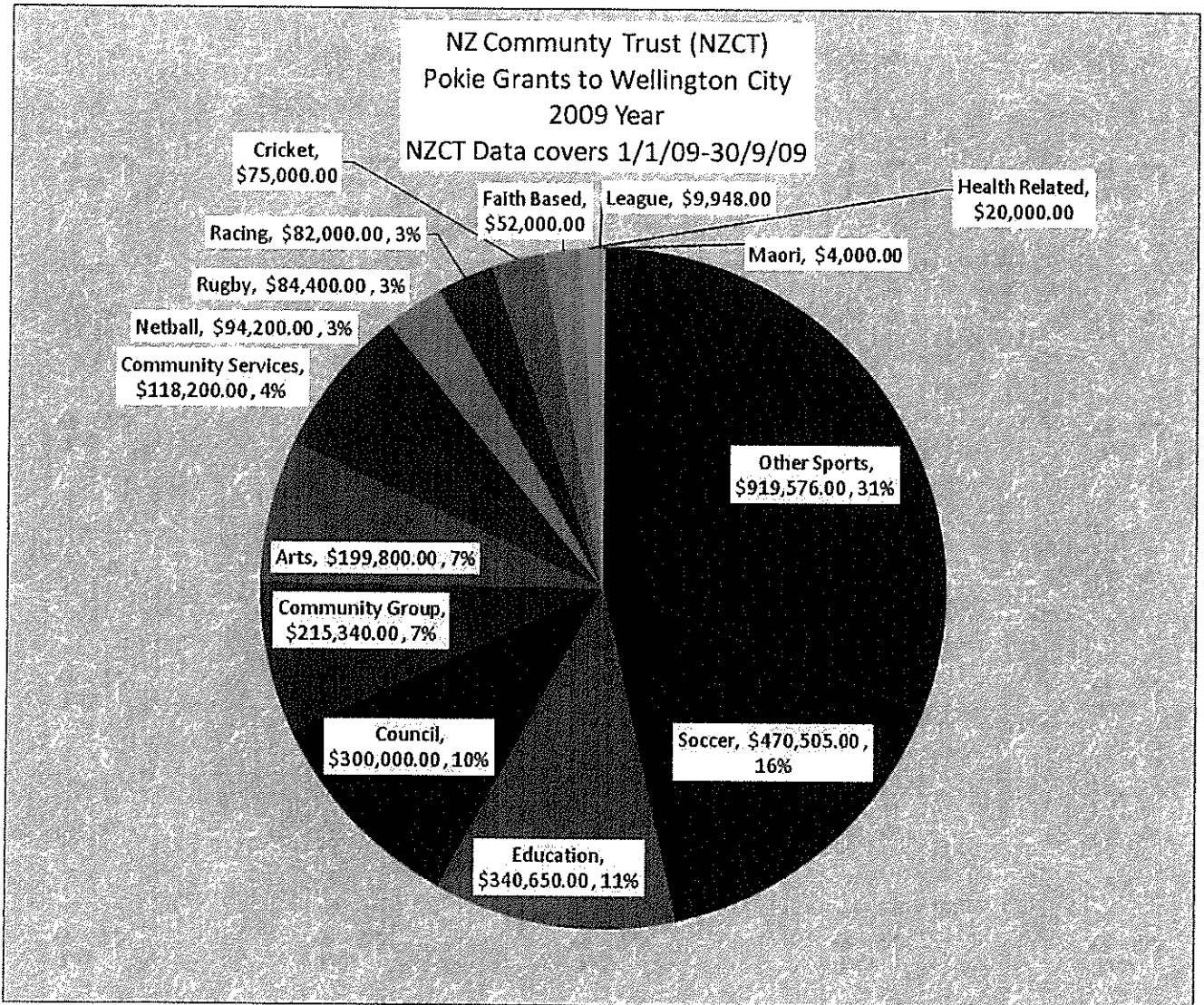
NZCT

This Trust has **2,364** pokies in total Nationwide. (Source: *Community Gaming Association, data for 30/09/09*)

It has a total of **26 Venues** in Wellington TLA with **412 pokies**. It is the dominant Pokie Trusts in this area.

Its' largest single grant during the 2009 year was Carter Observatory Trust with \$300,000 followed by the Wellington City Council of \$250,000 and \$50,000

The available data from this Trust covers the period of January to September 2009.



Since MARCH 2005, PGF's data shows that the Wellington City Council has received \$1,915,451.40 from pokies. As not all grants are in the author suspects this amount, in fact, may be higher.



Pelorus Trust

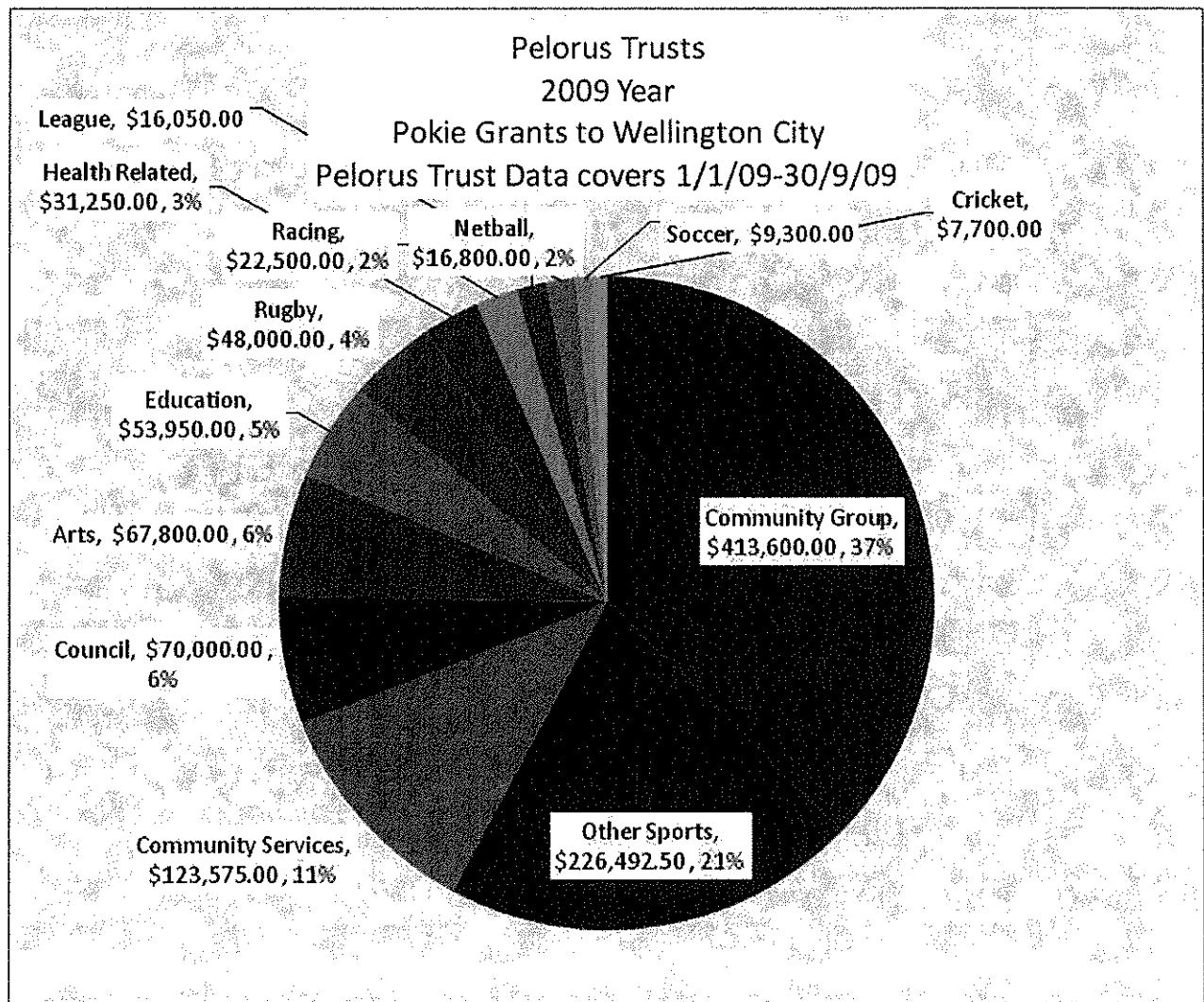
Pelorus Trust has 387 pokies (Sept 2009 CGA) Nationwide. And its Head Office is based in Wellington.
(Source: Community Gaming Association, data for 30/09/09)

It has just **2 venues** in Wellington with **36 pokies**

Its' main grants is to Community Groups for the 2009 year (37 %%).

Its largest single grants were to Carter Observatory Trust - \$300,000.

The data available for this Pokie Trust covers January 2009-September 2009



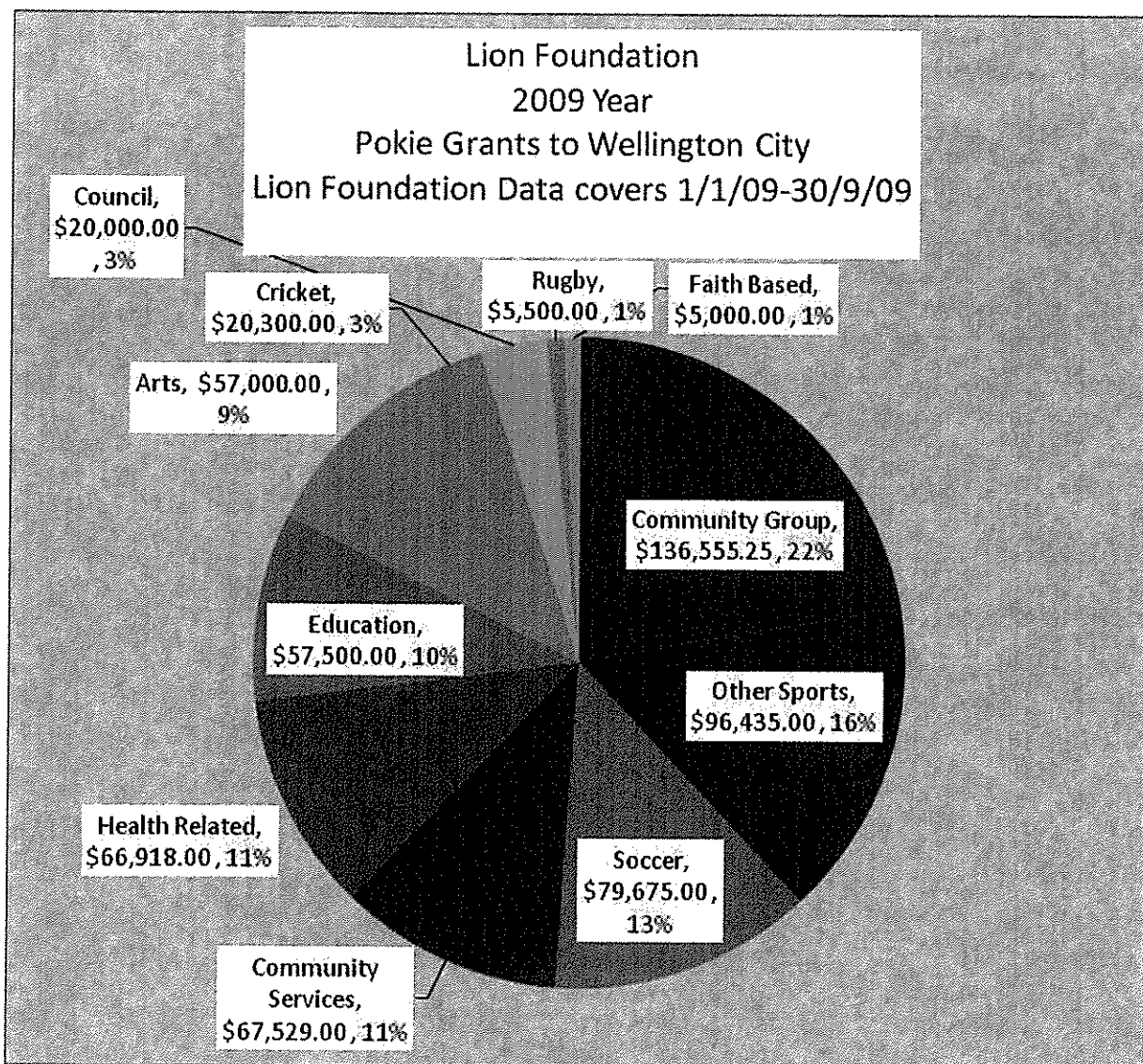
Lion Foundation

The Lion Foundation has combined with the Perry Foundation and between them have 3902 pokies. However in 2009, the Lion Foundation was independent from Perry and therefore the grants within this report are attributed solely to Lion Foundation.

This pokie trusts has **4 venues** in the Wellington City TLA with **68 pokies**.

Its biggest single grant was to Wellington Free Ambulance Service Inc - \$50,000.

The data available for this Pokie Trust covers January 2009-September 2009





TTCF (The Trusts Charitable Foundation Inc)

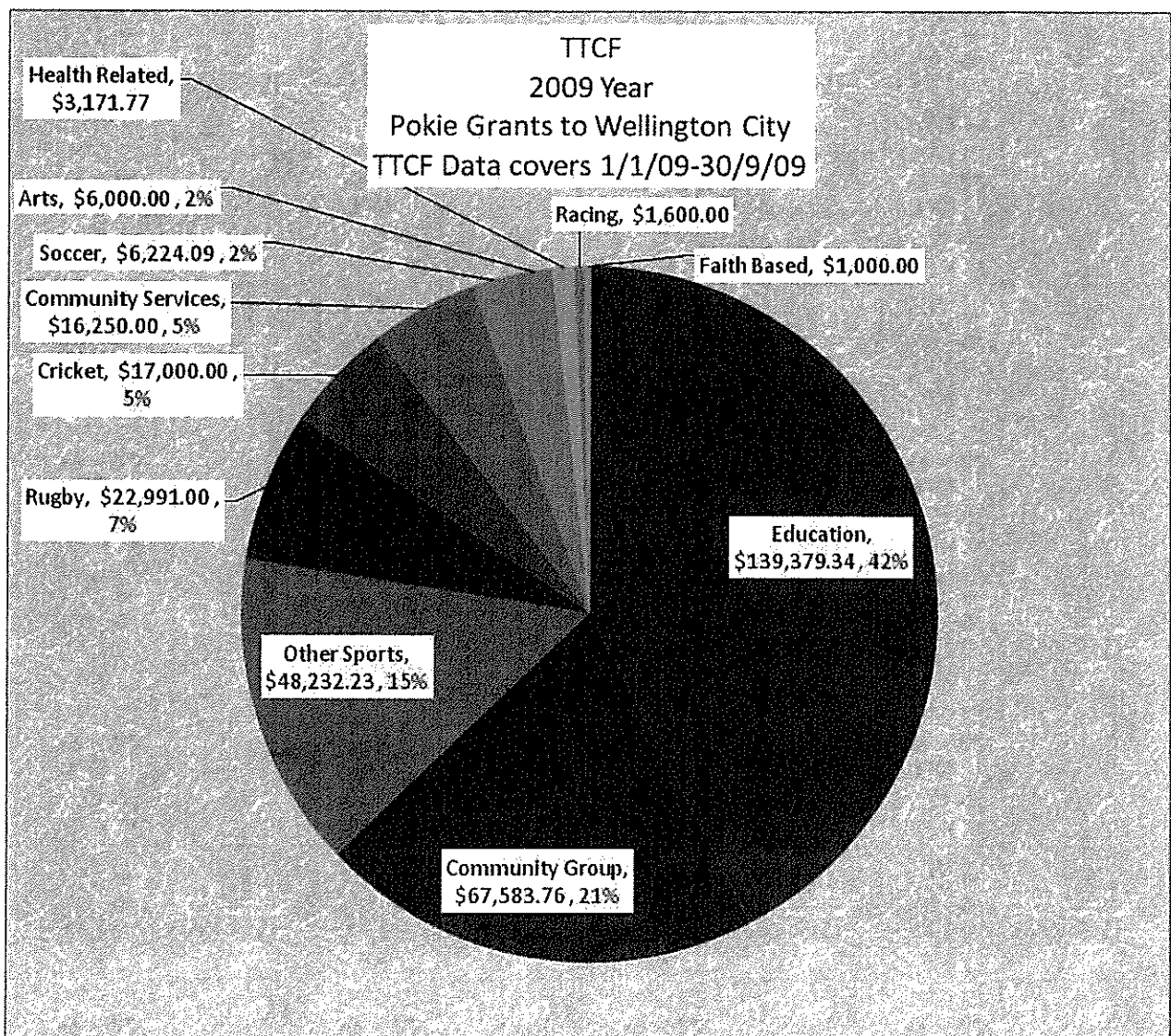
TTCF was named The Licensing Trusts Charitable Foundation and then Community Grants Foundation.

TTCF took its current name in July 2004. TTCF has its main office in Levin.

It has 889 pokies Nationwide (*Source: Community Gaming Association, data for 30/09/09*)

Its' main grants is to Education (42%). Its' largest single grant was to Ngaio School - Percentage for 2009 works out at \$45,708.05. They granted \$91,416.10 in all, but three of those months was October to December 2008.

The data available for this Pokie Trust covers January 2009-September 2009





Summary

In total there are **54 venues** with **797 pokie machines** in Wellington. (Dec Statistics – DIA)

7 venues are owned by private clubs and the remaining **47** are owned by Pokie Trusts

Nationally Pokie Numbers and Pokie Venues have decreased over the last year. In Wellington, the venue numbers and Pokie numbers have remained the same for the period of July to December 2009.

All top four contributors to Wellington City have 3 months worth of data missing to make up the full year. Hence, the calculations are based on 1/1/09-30/9/09 period even though the author uses the term '2009 Year'. This is because some Trusts have published up to the end of January 2010 and their grants (minus the January 2010 data) are included in the 2009 data and the January 2010 data is included in the historical summary.

The main type of Pokie Grant to Wellington for the 1/1/09-30/9/09 period is to 'Other Sports'. This type of grant differs from the historical data where 'Community Groups' were the main benefactors.

PGF has found there is a trend. Normally the losses in the first quarter of each year dip but then steadily increase as the year progresses. This may be due to the summer season when punters chose to be outdoors more. This has happened at the start of the 2009 year for Wellington. The December 08 quarter had a loss of \$73.22, and then dipped for the first quarter of 2009, as is the trend to, \$66.92 per head of adult population. However by December 2009 the loss per head had risen to \$71.27.

The dominant Pokie Trust in the Wellington City TLA is NZCT. This is also the case historically.

NZCT has the most number of Pokies in the region by far (412) and therefore it would be expected that this Pokie Trust would be giving the biggest return to the community.

It should be pointed out however, that PGFs' Data shows that between March 2005 to September 2009, that through NZCT, the Wellington City Council has received \$1,915,451.40 from pokies. As not all grants are in, the author suspects this amount, in fact, may be higher. One would wonder whether this council has become dependant on the pokie grants and does this compromise their position when debating sinking lid policies?

NB: - Shared grants with other TLA's have not been included in this report as proportions per district can not be calculated on the information given.



WELLINGTON CITY COUNCIL'S GAMBLING VENUE POLICY

EXECUTIVE SUMMARY

1. Electronic gaming machines (pokies) are the major cause of gambling harm in New Zealand (to individuals as well as the community).¹
2. Access to and availability of pokies is associated with problem gambling. Pokies are the main gambling mode of problem gambling clients seeking help.²
3. The Problem Gambling Foundation supports a "sinking lid" policy: a district wide ban on any additional class 4 gambling venues or machines (i.e no further consents be granted at all). A "sinking lid" policy will reduce the number of venues over time but won't affect existing venues or current community grant funding in the short term.
4. A district-wide ban on any new venues or machines would reduce the harm caused by gambling, including the social and economic harm.
5. There is a positive link with gambling prevalence and an increased number of pokie machines. Evidence now supports the theory that there would be a decrease in problem gambling prevalence over time through reduced access to pokie machines, and through adaptation.³
6. A majority of the public (64%) believe pokie machines are socially undesirable and are in favour of maintaining or reducing existing venue and pokie machine numbers. Fifteen councils now have adopted a "sinking lid" policy or a district-wide cap that is below their existing number of venues and machines.⁴
7. In 2008 10,000 people said they had committed illegal activities in the last year because of gambling.⁵
8. Over 74,000 people in New Zealand (2.4% of the population) would expect to have a better state of mental health if there was no gambling.⁶

¹ Ministry of Health. 2008. *Problem gambling intervention services in New Zealand. 2007 service-user statistics*. Wellington:MOH.

² Ibid

³ Max Abbott. Personal communication 12 May 2009.

⁴ Health Sponsorship Council (2007) *2006/07 gaming and betting survey: New Zealanders' knowledge, views and experience of gambling and gambling-related harm*. Wellington: HSC.

⁵ Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impacts of gambling in New Zealand*. Auckland: SHORE.

⁶ Ibid.

RECOMMENDATIONS

The Problem Gambling Foundation recommends that the Council adopts a **SINKING LID POLICY** (reduction in the number of venues and machines over time as a result of existing venues closing and machines not being re-licensed). A "sinking lid" would mean no new licences would be granted for new Class 4 venues.

The Problem Gambling Foundation also recommends that the Council also advocate to Central Government for a review of the pokie trust funding system and advocate for a fairer, more efficient and more transparent system that would mean more money going back to community groups and grassroots sport.

COMMON QUESTIONS & ANSWERS

Q *Some community and sporting groups are concerned that a reduction in gaming machines will cause a reduction in gaming machine income to societies which will have the flow on effect of cutting the level of grants made to local community groups. Will a ban on new venues have this affect?*

A No. An analysis of society income and funds distributed over the last 2 years has found that in many cases there is little or no correlation between the two. Currently there are 14 Council's that have sinking lid policies. There is no evidence that sinking lid policies have caused a reduction in community grants in these areas. If there is a decline as a result of the policy, the Foundation believes that this will be very slow. A ban on new venues will allow a slow and managed decline in returns to the community which local charities can cater for over time.

Q *Will Council/the ratepayers have to foot the bill if grants made to local community groups drop.*

A As pointed out above, the Foundation has seen no evidence that community grants will reduce as a result of a ban on new venues. If there was a small reduction, Central and Local Government would have to consider the merits of funding any organisation that missed out. Some groups have started to argue that pokie hand-outs actually weaken community groups and that traditional fundraisers are much better at building community spirit and keeping sports and other groups strong.⁷

Q *There is only a small number of problem gamblers in New Zealand (around 0.3 % to 1.8% people).⁸ Why should our Council worry about such a small number of people?*

A Only a minority of New Zealanders have serious drinking issues, yet Central and Local government take the issue seriously because that minority affects us all: drink drivers, violence, costs on the health and justice system. The same is true for problem gambling. The social and economic impact of problem gambling affects us all. There are also a significant number of people who are harmed by someone else's gambling. It is estimated that at least 7 people are adversely affected to varying degrees by a problem gambler's behaviour;⁹ although some publications estimate that the figure could be as high as 17 others adversely affected.¹⁰

Q *Will a ban on new venues mean that we will have no pokie machines in the near future?*

A No. All existing venues can continue to operate as they have. People will still be able to visit their local pubs/clubs and play on pokie machines. A ban on new venues is simply a recognition that the number of venues with pokies has increased substantially in recent years. The number of pokies will only reduce if a class four venue closes or chooses to get rid of its pokie machines.

Q *Aren't pokies just a bit of harmless fun? What's the big deal?*

A For some people pokies are a form of entertainment. But many others develop serious problems as a result of the way the machines are designed by behavioural psychologists to keep people playing for as long as possible. 78.1% problem gamblers

⁷ *Abi Thomas (2009) Rugby – crisis meeting resuscitates Mangakahia.* Northern Advocate 16/2/2009. Online <http://www.northernadvocate.co.nz/localsport/storydisplay.cfm?storyID=3795053&thesection=localsport&thesubsection=>

⁸ Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impacts of gambling in New Zealand.* Auckland: SHORE.

⁹ Productivity Commission (1999) *Australia's Gambling Industries*, Report No. 10, AusInfo, Canberra, Vol 1, p. 7.34.

¹⁰ Lesieur says that between 10 and 17 other people are affected by the 'excessive' gambler, including spouse, children, extended family, employer, employees, clients, consumers, creditors and insurance agencies. Using data from the *Survey of Clients of Counselling Agencies*, the Commission estimated that the average number of people who are adversely affected by a problem gambler is 7.3.¹⁰ Therefore, this could represent 20 per cent of the Waitakere population with each problem gambler having a wide ranging negative impact on the community.

cite pokie machines as their primary mode of gambling.¹¹ 1 in 4 (25%) of regular gaming machine players (participates weekly or more) will experience a problem at some point. 1 in 5 (20%) of regular gaming machine players have current problems.¹² 75.6% of callers to gambling phone counselling cited non casino gambling machines as their primary mode of gambling. 9.1% cited casino gambling machines.¹³ The Foundation is most concerned about pokie machines because the vast bulk of our counselling workload (and the vast bulk of problem gambling and problem gambling harm) is caused by pokie machines.

27% of the public feel that there are too many machines and there is a need to reduce numbers. A further 27% are anti gambling and don't want machines at all. That's at least 54% who would support a sinking lid policy.¹⁴

¹¹ Ministry of Health. 2008. *Problem gambling intervention services in New Zealand. 2007 service-user statistics*. Wellington:MOH.

¹² Department of Internal Affairs (2008) *People's participation in, and attitudes to, gambling, 1985-2005*. Wellington: DIA.

¹³ Ministry of Health (2008) *Problem gambling intervention services in New Zealand. 2007 Service-user statistics*. Wellington: MOH.

¹⁴ Health Sponsorship Council (2007) *2006/07 gaming and betting survey: New Zealanders' knowledge, views and experience of gambling and gambling-related harm*. Wellington: HSC.

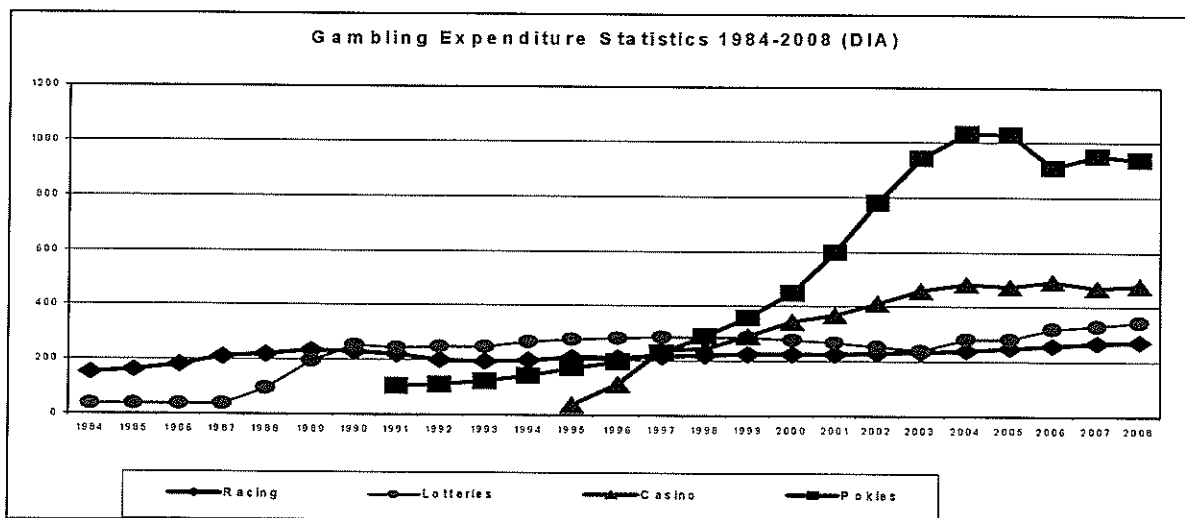
GAMBLING TRENDS

GAMBLING EXPENDITURE

9. In 2008 the estimated turnover¹⁵ across the four main types of gaming activities (racing, New Zealand Lotteries Commission, gaming machines outside casinos and casinos) was \$10,096 billion. Approximately:
 - \$27.6 million is gambled each day in NZ.
 - \$5.6 million is being lost each day in NZ.
 - \$2.56 million is lost each day in pokies in NZ.
 - **\$39.3 million was lost in pokies in 2009 in Wellington.**
 - **\$107,714 is lost each day in pokies in Wellington.**
 - Each pokie machine in Wellington averages \$49,309 takings annually.

10. Gambling expenditure has expanded rapidly in New Zealand during the last 19 years. Gambling expenditure increased from \$482 million in 1990 to \$2.034 billion in 2008.¹⁶ Half of current gambling expenditure is from non casino electronic gaming machines.

Figure 1: Gambling Expenditure in New Zealand 1982-2008



Source: Department of Internal Affairs (2008)

11. The Department of Internal Affairs and the Ministry of Health believe the recent decline in expenditure on pokies is due to the combined effect of a more stringent licensing and compliance regime under the Act and the smoke-free environments legislation.¹⁷ The Ministry of Health suggests that there is no evidence of economic disaster after the

¹⁵ Turnover is the total (gross) amount wagered by gamblers. It includes a "churn" factor, or re-investment, where the same dollar is counted more than once. This is particularly relevant for rapid re-investment forms of gaming like gaming machines or race betting. e.g. if a player has \$20 to spend on a gaming machine and plays until the full \$20 is lost it is likely that this \$20 will be recorded on the machine's meters as \$120 or more of turnover (gross amount wagered). Turnover is not an indicator of the amount spent by players or of the profit of the operator.

¹⁶ Expenditure and Gross Profit are interchangeable terms - they mean the gross amount wagered minus the amount paid out or credited as prizes or dividends. Expenditure is the amount lost or spent by players or the gross profit of the gaming operator.

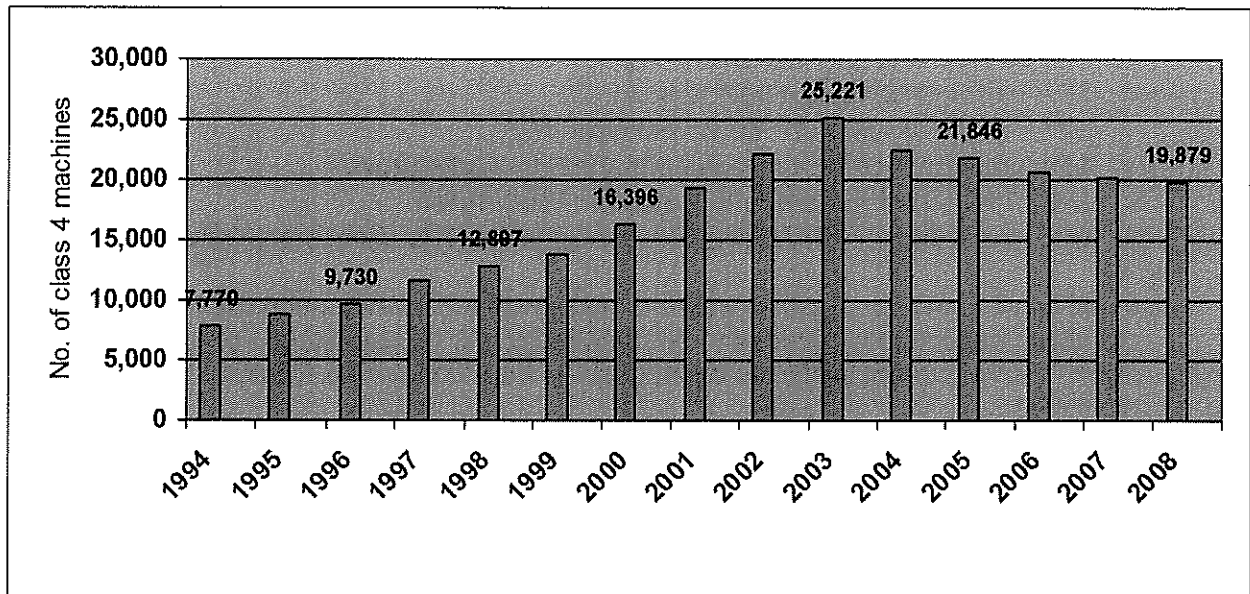
¹⁷ Ministry of Health [2006] *After the smoke has cleared: Evaluation of the impact of a new smokefree law. A report commissioned and funded by the New Zealand Ministry of Health.* Wellington: MOH

introduction of smokefree laws “rather the effects seem to have been broadly neutral or weakly positive”.¹⁸

GAMBLING NUMBERS

12. In New Zealand, as overseas, the increased growth in gambling expenditure is associated with the increased availability of higher-intensity forms of gambling; particularly the spread of electronic gambling machines.¹⁹

Number of class 4 gaming machines in New Zealand



13. Before 1988 there were no legal electronic gambling machines in New Zealand. In December 2008 there were 19,879 machines (outside casinos).²⁰

14. There was a decline in both the number of venues and non-casino gambling machines nationally from the Gambling Act 2003 until recently. Gaming machine numbers peaked in the June 2003 quarter to 25,221 before the Act was passed. Since then there are

- 25% fewer gambling venues (from 2104 in Sept 2003 to 1585 in Dec 2008).²¹
- 13% fewer machines, down from 23,206 in Sept to 19,879 in Dec 2008.²²

15. Wellington has experienced a decline in gambling machines or venues as has happened nationally.

Wellington pokie venues and machine numbers

	Dec 2004	Dec 2009
Venue Numbers	74	54
Machine Numbers	1024	797

¹⁸ Ministry of Health 2006; Department of Internal Affairs 2006, personal communication., 25 July 2006

¹⁹ M. Abbott & RA Volberg (1999) *Gambling and Problem Gambling in the Community: An International Overview and Critique*. Wellington: DIA.

²⁰ Department of Internal Affairs (2008) Gambling Statistics. Url: http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gaming-Statistics?OpenDocument (16/2/09)

²¹ Department of Internal Affairs 2008

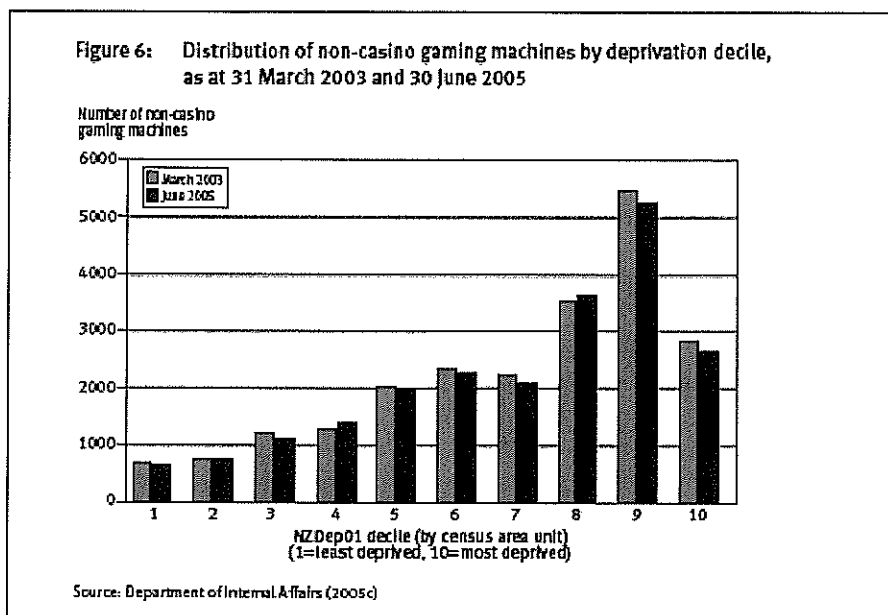
²² Department of Internal Affairs 2008

GAMBLING DENSITY

16. Based on current population estimates overall average density of non-casino gambling machines in Wellington is 56 machines per 10,000 people over 18.
17. Wellington currently has a density of 1 machine per 177 people over 18.

GAMBLING LOCATION

18. Electronic gambling machines are more likely to be found in the more deprived areas of New Zealand.²³ Studies and data from New Zealand²⁴ and Australia²⁵ indicate that there are significantly more venues and electronic gambling machines in low-socio economic communities. Across New Zealand there is a clear gradient in the concentration of machines across deprivation areas.



Ministry of Health. (2006) *Problem gambling Geography in New Zealand 2005*. Wellington: MOH

19. The key drivers for the comparative over-abundance of non-casino gaming machine venues in disadvantaged areas and areas with high proportion of "at risk" groups are unclear. On the demand side there may be greater incentives to allocate machines in areas where they will be used most 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 communities have a greater ability to resist the location of hotels and taverns in their communities and communities with high rates of home ownership tend to take a more long term view of planning and zoning issues.
20. Whatever the explanation, the location of venues tends to concentrate the social costs in communities that are less able to bear them.²⁶ Wellington has 253 machines in decile 8-10 areas.

²³ Benedict W. Wheeler, Janette E. Rigby; Terry Huriwai (2006) Pokies and poverty: Problem gambling risk factor geography in New Zealand *Health and Place*, 12 (1): 86-96.

²⁴ Wheeler et al; Ministry of Health. (2006) *Problem gambling Geography in New Zealand 2005*. Wellington: MOH.

²⁵ C. Livingstone (2001). The Social Economy of Poker Machine Gambling in Victoria. *International Gambling Studies*. 1 (1): 45-65; James Doughney *Socioeconomic banditry: Poker machines and income redistribution in Victoria*. URL: <http://www.sprc.unsw.edu.au/nspc2001/papers/Paper166.doc>. (16/2/09)

²⁶ Ministry of Health. (2008) *Raising the odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand*. Wellington: MOH; Ministry of Health. (2006) *Problem gambling Geography in New Zealand 2005*. Wellington: MOH.

SOCIAL AND HEALTH IMPACT OF GAMBLING

PROBLEM GAMBLING PREVALENCE

21. Studies estimate that between 0.3% and 1.8% of the total population are problem gamblers at any particular time.²⁷ That is up to 60,000 nationwide. Based on these estimates approximately 586 to 3519 people in Wellington could be problem gamblers.
22. There are also a significant number of people who are harmed by someone else's gambling. It is estimated that at least 7 people are adversely affected to varying degrees by a problem gambler's behaviour,²⁸ although some publications estimate that the figure could be as high as 17 others adversely affected.²⁹ In Wellington, this could be 4102 to 59823 people affected by other problem gamblers in Wellington.

POKIES ARE THE PROBLEM

23. 78.6% of callers to gambling phone counselling cited non casino gambling machines as their primary mode of gambling. 9% cited casino gambling machines.³⁰
24. 75.6% attending face to face counselling cited non casino gambling machines as their primary cause.³¹
25. It is estimated that:
 - 1 in 4 (25%) of regular gaming machine players (participates weekly or more) will experience a problem at some point.³²
 - 1 in 5 (20%) of regular gaming machine players have current problems.³³
26. A high proportion of gambling revenue comes from people with gambling problems. This is particularly marked in pokie gambling where in some jurisdictions it is estimated that 80% of the revenue is from 20% of the gamblers.³⁴

VULNERABILITY

27. Over 74,000 people in New Zealand (2.4% of the population) would expect to have a better state of mental health if there were no gambling.³⁵ Of these 69,500 would benefit from stopping gambling on pokies. In Wellington this is as many as 4692 people.
28. Certain population groups are more vulnerable to gambling problems. For example, Abbott and Volberg¹¹ reported that the individual risk factors most strongly associated with current problem and probable pathological gambling were:

²⁷ Department of Internal Affairs (2009). Problem gambling in New Zealand – a brief summary URL:

[http://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/\\$file/ProblemGamblingFactsFinal.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/ProblemGamblingFactsFinal.pdf/$file/ProblemGamblingFactsFinal.pdf) (16/3/09)

²⁸ Productivity Commission 1999, *Australia's Gambling Industries*, Report No. 10, AusInfo, Canberra, Vol 1, p. 7.34

²⁹ Lesieur says that between 10 and 17 other people are affected by the 'excessive' gambler, including spouse, children, extended family, employer, employees, clients, consumers, creditors and insurance agencies. Using data from the *Survey of Clients of Counselling Agencies*, the Commission estimated that the average number of people who are adversely affected by a problem gambler is 7.3.²⁹ Therefore, this could represent 20 per cent of the Waitakere population with each problem gambler having a wide ranging negative impact on the community.

³⁰ Ministry of Health (2008) *Problem gambling intervention services in New Zealand. 2007 Service-user statistics*. Wellington: MOH

³¹ Ministry of Health 2006b

³² Department of Internal Affairs (2008) *People's participation in, and attitudes to, gambling, 1985-2005*. Wellington: DIA..

³³ Department of Internal Affairs (2008) *People's participation in, and attitudes to, gambling, 1985-2005*. Wellington: DIA..

³⁴ Recent research in New Zealand (Abbott and Volberg 2000), Australia (Dougherty 2005, 2006; Productivity Commission 1999; Australian Institute of Criminology and PricewaterhouseCoopers 2003), Canada (Smith and Wynne 2002; Williams and Wood 2004; Alcohol and Gaming Authority 1998, NGISC 1999), and the United States (Gerstein et al 1999), for example, found that problem gamblers accounted for a disproportionate share of gambling revenue ranging from 6% to 41% in some studies.

³⁵ Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impacts of gambling in New Zealand*. Auckland: SHORE.

- ethnicity (Maori and Pacific Peoples have very high prevalence rates relative to other groups), for example Maori are at increased risk of problem gambling relative to the general population, with an estimated 30% of problem gamblers being Maori.³⁶
- labour force status (employed people have higher prevalence rates than those unemployed or not in the labour force), and
- education (people with no qualifications or vocational or trade qualifications have higher rates than those with school qualifications only or degree or higher qualifications).³⁷

29. These figures are mirrored in national data collected from clients seeking help for gambling problems.³⁸ For example, in 2008 1/3 or 32% of first time face to face counselling were Maori, meaning this group are substantially over-represented. Over 54% of Maori live in decile 8-10 socio-economically deprived areas. There has been a rise in the number of Maori women seeking help for gambling problems. Maori women seeking help for their gambling problems almost exclusively (eight out of ten clients or 85.6% in 2008) cite non-casino gaming machines as their problematic mode of gambling.³⁹

IMPACT OF PROBLEM GAMBLING

30. Studies involving cost benefit analysis have argued that the benefits from gambling, for the majority of 'normal' gamblers, are individually very small relative to the costs borne by the minority of problem gamblers.⁴⁰
31. Problem gambling imposes:
- private costs (on the problem gambler).
 - social costs (on family members, friends, co-workers, those with whom he or she has business relationships, and onto the general public as well).
32. The "private costs" can include: depression and anxiety; suicide (either thoughts or attempts); financial indebtedness; bankruptcy, arrest, imprisonment, unemployment, divorce, and poor physical and mental health.⁴¹
33. A 2008 study, *Assessment of the social and economic impacts of gambling in New Zealand*, found that "those who had higher levels of participation in gambling activities (based on time spent and losses relative to income) reported experiencing significantly worse physical health, worse mental health, and poorer feelings about self and lower satisfaction with life".⁴²
34. Although it is sometimes difficult to determine whether gambling *causes* these problems, or is merely *associated* with them, there is evidence that problem gambling is reversible.⁴³ This means that at the least, there is the potential to reduce the

³⁶ In the 1999 National Prevalence Survey (Abbott and Volberg 2000:152) it was estimated that 31% of current probable pathological and problem gamblers were Māori and 14% Pacific peoples. The proportions of Māori and Pacific peoples in the general population at the time of the survey were 12% and 4% respectively.

³⁷ Abbott, M. W. and Volberg, R. A. (2000), *Taking the Pulse on Gambling and Problem Gambling in New Zealand: A Report on Phase One of the 1999 National Prevalence Study*, Wellington: Department of Internal Affairs

³⁸ Ministry of Health (2008) *Problem gambling intervention services in New Zealand. 2007 Service-user statistics*. Wellington: MOH

³⁹ Ibid

⁴⁰ Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impact of gambling in New Zealand*. Auckland: Massey University, SHORE

⁴¹ Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impact of gambling in New Zealand*. Auckland: Massey University, SHORE; Waitakere City Council. (2009) *Social impact assessment for Waitakere City Council's draft gambling venue policy*. Henderson: WCC. URL: <http://www.waitakere.govt.nz/HavSay/pdf/gambling/social-impact-assess-qvrfeb09.pdf> (16/3/09)

⁴² Ibid

⁴³ Abbott, M., Volberg, R., Bellringer, M. & Reith, G. (2004). *A review of research on aspects of problem gambling: Final report*. Report prepared for Responsibility in Gambling Trust, UK. Auckland: Auckland University of Technology; Winters, K. C., Stinchfield, R. D., Bolzet, A., & Slutske, W. S. (2005). Pathways of youth gambling problem severity. *Psychology of Addictive Behaviors*, 19(1), 104-107.

prevalence of problem gambling, and at most, if problem gambling causes other problems, the prevalence of many other problems as well.

35. The “social costs” can include: impacts on the families of the problem gambler (through family violence, household stress, poor parenting, and family break-up); impacts on employers (through lost production, fraud and theft); impacts on the government (through costs to the police, the criminal justice system, and the social welfare system).

GAMBLING AND CRIME

36. Gambling-related crime has received considerable public attention in recent years, including recent media attention.⁴⁴ 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.⁴⁵
37. 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. That suggests that just below a third of the relevant population, or 10,000 committed illegal activities because of gambling.⁴⁶
38. Problem gambling has been linked to criminal activity and studies have suggested that much of the crime goes unreported.⁴⁷ Apart from the financial cost of gambling-related crime to organizations and individuals directly involved, there are often financial and other costs for problem gamblers who are convicted, as well as for their families.⁴⁸
39. A recent study, *Problem Gambling – Formative Investigation of the Links Between Gambling (Including Problem Gambling) and Crime in New Zealand*, found that “gamblers and significant others believe that a relationship exists between gambling and crime” and that “there is substantial unreported crime, a large proportion of which is likely to be related to gambling and that there are a large range of crimes committed in relation to gambling (particularly continuous forms of gambling), and not just financial crimes”.⁴⁹ They suggest that 10% of problem gamblers and 2/3 of those receiving counselling for gambling related issues have committed a crime because of their gambling.
40. In New Zealand 21% of male and 33% of female New Zealand inmates are lifetime probable pathological gamblers. Approximately a quarter of female prisoners and 15% of male prisoners reported committing crime to finance gambling or gambling debts. Abbott et al reported average monthly expenditure of male prisoners before incarceration (NZ\$305) was six times that of men in the general population.⁵⁰

⁴⁴ For example, Dominion Post 16 May 2006, NZ Herald 14 May 2006, The Press 14 May 2006, NZ Herald 15 May 2006, Scoop 1 December 2004.

⁴⁵ Ashcroft et al 2004; Wynne 2002; Abbott and McKenna 2000; Abbott et al 2000; Australian Crime Commission 2003; Abbott and Volberg 1999; Centre for Gambling Studies 2003; Australian Institute of Criminology and PriceWaterhouse Coopers 2003; Productivity Commission 1999; Centre for Criminology and Criminal Justice 2000; Australian Institute for Gambling Research 2001; Smith and Wynne 1999; Błaszczynski et al 1989.

⁴⁶ Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impact of gambling in New Zealand*. Auckland: Massey University, SHORE

⁴⁷ Abbott 2001; Bellringer et al 2008; Productivity Commission 1999, *Australia's Gambling Industries, Inquiry Report*, vols 1_3, no. 10, 26 November, Productivity Commission, Canberra; Centre for Social and Health Outcomes Research and Evaluation (2008) *Assessment of the social impact of gambling in New Zealand*. Auckland: Massey University, SHORE.

⁴⁸ Abbott 2001

⁴⁹ R Coombes, M Bellringer, M Abbott. (2008) Gambling and unrelated crime. Results from the formative investigation of links between gambling and crime in New Zealand. <http://www.nags.org.au/Conference08/21Coombes.pps#256.3.BACKGROUND>

⁵⁰ Abbott, M. & McKenna, B.G. 2000, *Gambling and Problem Gambling Among Recently Sentenced Women Prisoners in New Zealand*, New Zealand Department of Internal Affairs, Wellington; Abbott, M., McKenna, B.G. & Giles, L.C. 2000, *Gambling and Problem Gambling Among Recently Sentenced Males in Four New Zealand Prisons*, New Zealand Department of Internal Affairs, Wellington.

41. Studies also suggest a link between gambling and serious fraud, particularly fraud perpetrated by employees and professionals in the workplace. For example, The KPMG Fraud Study (2008), which examined fraud within Australia and New Zealand organisations, identified that gambling (44 percent – up from 22 percent in 2006) was the biggest motivator ahead of simple greed (37 percent). While New Zealand is lower than Australia we are trending towards Australia's rate. These same studies identified that the highest average value of major fraud by motive was gambling; gambling as a motive resulted in an average value per incident of \$1,101,808 (up from \$299,729 in 2006).⁵¹

ACCESSIBILITY/ EXPOSURE AND PROBLEM GAMBLING

42. A key question has been whether gambling machine supply contributes to problem gambling. This is particularly relevant because it signals whether a gambling venue policy restricting gambling venues and machines would help curb problem gambling.
43. A recent New Zealand Ministry of Health survey found there some significant associations between gambling accessibility and gambling behaviour. Gambling behaviour, they state, is strongly associated with the distance to the nearest gambling venue.⁵² The more gambling venues there are within 5kms of a person's neighbourhood the more likely that the person would have gambled at the gambling venue in the last year.
44. A range of other studies also have indicated a link between the availability of some types of legal gambling and problem gambling.⁵³ The evidence for the availability hypothesis has been considered by official review bodies in Australia⁵⁴, the United States⁵⁵ and the United Kingdom⁵⁶. Each concluded that increased availability of opportunities to gamble was associated with more gambling and more problem gambling.
45. It is likely that when gambling venues are widely dispersed throughout the community, they pose a bigger hazard for problem gambling than when they are concentrated in a few locations. It appears that reducing/restricting the number of venues is even more crucial than the numbers of machines.
46. Some research suggests that over time adaptation (host immunity and protective environmental changes) occurs and problem gambling levels reduce, even in case of increased exposure.⁵⁷ However, a recently produced a meta-analysis from all of the Australian and New Zealand studies found a strong statistically meaningful relationship between the increases in prevalence with increasing per capita pokie density: **“there is...a strong statistically meaningful relationship between an increase in problem**

Data from a survey of male prison inmates showed their average monthly gambling expenditure before imprisonment (\$305) compared with adult males in the general population (\$53) Female prison inmates had also spent considerably more per month on gambling activities (\$190) compared with adult females in the general population (\$30)

⁵¹ KPMG. (2009) *Fraud Survey 2008*. Victoria: KPMG.

⁵² Ministry of Health 2008 *Raising the odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand*. Wellington: MOH.

⁵³ Including research from New Zealand (see e.g. Abbott et al 2004; Abbott and Volberg 1996; Volberg 1996; Tse et al 2005; Campbell and Raeburn 2005; Clarke 2005), from Australia (see e.g. Productivity Commission 1999; Blaszczynski 2000; KPMG 2000; Doughney 2005, 2006), from Canada and USA (see e.g. Ontario Problem Gambling Research Centre 2006; Ladouceur et al 1999; Messerlian and Derevensky 2005; McMullan 2005, USA National Research Council 1999) and from the United Kingdom (see e.g. United Kingdom Gambling Review 2001; Select Committee on Culture, Media and Sport House of Commons 2002).

⁵⁴ Australian Productivity Commission, 1999

⁵⁵ National Research Council (1999) *Pathological gambling: A critical review*. Washington, DC: Committee on the Social and Economic Impact of Pathological Gambling; Committee on Law and Justice; Commission on Behavioral and Social Sciences and Education; National Research Council

⁵⁶ Gambling Review Body, 2001.

⁵⁷ Abbott, M.W. (2006). Do EGMs and problem gambling go together like a horse and carriage? *Gambling Research*, 18 (1), 7-38.

gambling prevalence and increasing per capita density of EGMs, at an average increase of 0.8 problem gamblers for each new EGM". It also found that there was in fact no evidence for a plateauing of prevalence with increased density. Abbott & Storer's findings are consistent with public policy approaches that hold or reduce pokie density and they suggest that this will probably reduce availability and facilitate adaptation.⁵⁸

47. Shaffer et al also argued that some recent research indicates that any exposure effect that does exist may relate to novelty and be time-limited. They cited earlier research to demonstrate a nonlinear response to exposure that may signal the beginning of a trend toward adaptation.⁵⁹ Shaffer argued that observations about gambling-related problems in Nevada provide support for the adaptation hypothesis of addiction i.e. people gradually adapt to the risks and hazards associated with potential objects of addiction. However, there were questions associated with Shaffer's research methodology and analysis, including the issue of oversupply in Nevada and whether presentation was a suitable proxy for harm.⁶⁰
48. Others suggest that the prevalence of recreational and weekly play decreases as the 'novelty' factor of playing wears off.⁶¹
49. However, they also state that prevalence of problem gambling, particularly among adolescents shows no significant decrease.⁶²
50. New Zealand prevalence surveys showed a decline in participation in gambling and problem gambling between 1991 and 1999 despite an increase in gambling opportunities. However, the reasons for the decline have not been clearly established. Abbott⁶³ noted that while the 1999 survey findings suggest that problem gambling prevalence rates may have levelled off or declined in recent years, the authors cautioned that the gambling participation and problem gambling differences between the two national surveys may be, in part or total, an artefact of sample and methodological differences. He also cautioned that information from two surveys is insufficient to determine trends over time and that the question of whether or not problem gambling prevalence rates are increasing, remaining constant, or decreasing, can only be determined definitively by a series of national surveys using similar or identical methodologies⁶⁴. Prevalence studies are based on reports from the gamblers themselves and not on diagnostic interviews, and this in turn increases the uncertainty surrounding the estimates in these studies and extent of the problems in various studies are not necessarily comparable.
51. Abbott and Volberg suggested that adaptation can be accelerated by regulatory and public health measures. The growth of comprehensive services for problem gamblers and increasing public awareness may have moderated the increase in problem gambling in New Zealand.⁶⁵

⁵⁸ M Abbott, J Storer & J Stubbs (2009). *Access or adaptation? A meta-analysis of surveys of problem gambling prevalence in Australia and New Zealand with respect to concentration of electronic gaming machines*. *International Gambling Studies* (Vol 9, No.3, Pg 225-244).

⁵⁹ Shaffer, H. J., LaBrie, R. A., & LaPlante, D. A. (2004). Laying the foundation for quantifying regional exposure to social phenomena: Considering the case of legalized gambling as a public health toxin. *Psychology of Addictive Behaviors*, 18(1), 40-48.

⁶⁰ H Shaffer (2005) From disabling to enabling the public interest. Natural transitions from gambling exposure to adaptation and self regulation. *Addiction* 100 (9): 1227-1230.

⁶¹ MD Griffiths (2007). *Gambling addiction and its treatment within the NHS*. London : British Medical Association.

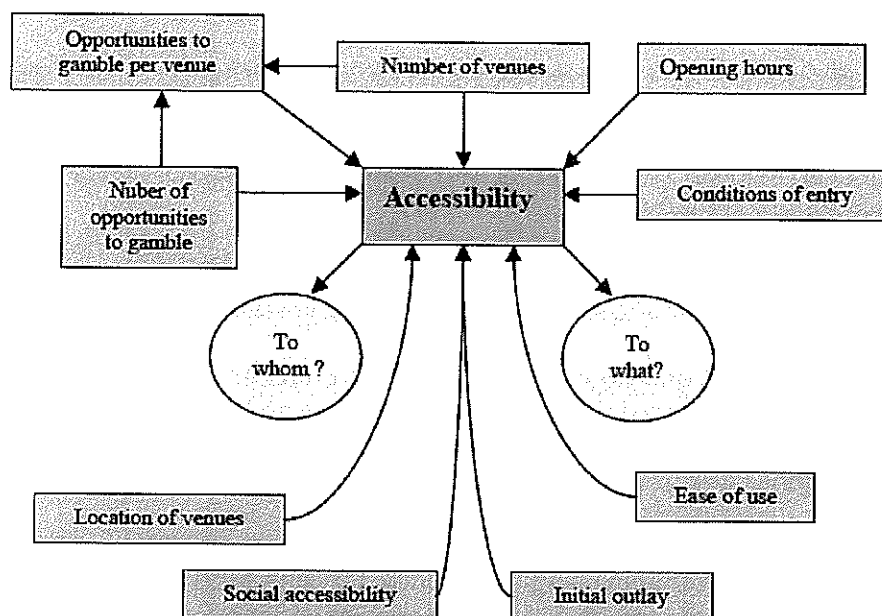
⁶² MD Griffiths (2007). *Gambling addiction and its treatment within the NHS*. London : British Medical Association.

⁶³ Abbott MW (2001) problem and non-problem gamblers in New Zealand: a report on phase two the 1999 National Prevalence Survey. Report no.6 of the New Zealand Gaming Survey. Wellington: Department of Internal Affairs. [www.dia.govt.nz/Pubforms.nsf/URL/Report6.pdf/\\$file/Report6.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/Report6.pdf/$file/Report6.pdf).

⁶⁴ Abbott MW, Volberg RA. (2000) Taking the pulse on gambling and problem gambling in New Zealand. A report on phase one of the 1999 National Prevalence survey. Report no.3 of the New Zealand Gaming Survey. Wellington: Department of Internal Affairs. [www.dia.govt.nz/pubforms.nsf/URL/TakingthePulse.pdf/\\$file/TakingthePulse.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/TakingthePulse.pdf/$file/TakingthePulse.pdf)

⁶⁵ Abbott, M.W., & Volberg, R.A. (2006). The measurement of adult problem and pathological gambling. *International Gambling Studies*, 6 (2), 175-200. Also S Tse et al (2005) Why people gamble. Final report. Auckland: Uniservices; Abbott, MW and Volberg, RA (1991). Gambling

52. Most reliable research would indicate that there is no single cause which triggers problem gambling.⁶⁶ The phenomenon is a result of the combination of several factors, including accessibility and availability of gambling (e.g. number of venues, operating hours etc.).



Source: The Australian Productivity Commission (1999)

53. The correlation between the growth in gambling opportunities and the increase in problem gambling suggests the need for a precautionary approach, including restricting the growth of gambling opportunities.⁶⁷

ECONOMIC IMPACT OF GAMBLING. POKIES CAN BE BAD FOR BUSINESS AND ECONOMIC DEVELOPMENT

NET LOSSES

54. 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.^{68 69 70}

and problem gambling in New Zealand. Research Series No 12. Wellington: Department of Internal Affairs. In 1991 there was no specialist service (apart from a few Gambling Anonymous groups in major centres) by 2000 a Committee for Problem Gambling Management was established and funding of over \$2 million towards services provided.

⁶⁶ M Abbott, (2007) Gambling and health: uncomfortable bedfellows *The New Zealand Medical Journal* 120 (1257): J. Orford et al (2003) Gambling and problem gambling in Britain. East Sussex: Brunner- Routledge

⁶⁷ The correlation between increase gambling and problem gambling and the growth in gambling opportunities does not establish causation. The question of causation requires longitudinal, time series and quasi-experimental research to answer. For example, the emphasis of community surveys has been on the estimate of prevalence rates of problem gambling, that is, the proportion of individuals who meet criteria at one point in time or over a defined period. No studies have adequately evaluated the incidence of problem gambling, that is, the emergence of new cases over a given period. Incidence rates are important in determining the social impact assessment of the introduction of increased gambling opportunities in a given region, and by implication, the increase in expenditure accounted for by new problem gamblers entering the market

⁶⁸ Adams, P., Rossen, F., Perese, L., Townsend, S., Brown, R., Brown, P. & Garland, J. (2004) *Gambling Impact Assessment for Seven Auckland Territorial Authorities. Part One: Introduction and Overview*. Centre for Gambling Studies, University of Auckland.

⁶⁹ I Pinge (1997) *The impact of electronic gaming machines The first four years, 1992-1996 on retail trade in Victoria*. URL: http://www.latrobe.edu.au/csrc/publications/impact_egaming.pdf (16/3/09)

55. There is limited data and analysis regarding the economic impact of gambling in New Zealand. However, international research indicates that the net gains in jobs and economic activity are small when the impact of the diversion of consumer spending or employment from other industries is taken into account.⁷¹ Those studies concluded that net gains in jobs and economic activity are small when account is taken of the impact on other industries of the diversion of consumer spending to gambling.⁷²
56. Studies also note that local businesses may very well be adversely affected by gambling if money is diverted from essential goods and services into gambling expenditure.⁷³ The Australian Productivity Commission also noted that this is most likely to be noticed in lower income areas with higher proportions of heavy gamblers, but may not be apparent elsewhere.
57. Other research indicates that gambling has a minimal or in some cases a negative impact on tourism and sections of recreation and leisure industry.⁷⁴
58. The exact impact of gambling related problems on community services organisations is unknown. There are virtually no data collection methods in place, and no way to quantify the extent of the problem. Therefore the cost of gambling, in relation to the revenue it generates, is unknown.
59. International literature has shown evidence of a disproportionate number of people with gambling related problems using community services such as emergency relief, food vouchers and assistance with bills.⁷⁵ Submissions to the Productivity Commission indicated that development of the casino and other gambling opportunities led to an increased demand on welfare bodies and charitable organisations, as well as a corresponding drop in contributions made to them.⁷⁶
60. This demand on community services includes the need for material and financial assistance, counselling, financial counselling, emergency accommodation, refuge from domestic violence, emergency financial aid and income support.⁶²
61. At the same time, Canadian research suggests that philanthropy is one of the casualties of gambling.⁷⁷ This research identified that average charitable donations are lower for households with gambling expenditures compared to those without.

⁷⁰ J. McMullan (2005) The gambling problem and problem gambling: Research, public policy and citizenry. Paper presented at the 4th Annual Alberta Conference on Gambling Research, Public Policy Implication of Gambling Research, University of Alberta, March 31 and April 1 2005. URL: http://gaming.uleth.ca/agri_downloads/1494/mcmullan.pdf (16/3/09)

⁷¹ For reduction in savings (see e.g. National Institute of Economic and Industry Research 1997). For impacts on tourism and economic development (see e.g. Australian Institute of Gambling Research (UWS Macarthur), School of Leisure, Sport and Tourism (UTS) and Department of Hospitality, Tourism and Leisure (RMIT) 2000). For leakages out of the local economy (see e.g. Pringle 2000; Australian Productivity Commission 1999; KPMG 2000; O'Neil and Whetton 2002, 2004). For negative impact economic and employment (see e.g. Henriksson and Lipsey 1999; Blevins and Jensen 1998; Stedham and Mitchell 1996; Rataemane and Ligthelm 2003; Lipsey 1999; McMullan 2005). For impact on other leisure and recreation facilities (see e.g. National Gambling Impact Study 1999; Social Economic Research Centre 2001).

⁷² J Doughney (2001) *Socioeconomic banditry: Poker machines and income redistribution in Victoria*. Paper presented at the National Social Policy Conference, University of New South Wales. Australian Institute of Gambling Research (2001) *Report of the social and economic impacts of gambling in New Zealand*. Sydney: AIGR.

⁷³ For example, see KPMG Consulting (2000) Longitudinal community impact study. 1999 report. Volume 1 and 2. VCGA and KPMG Consulting. Melbourne: VCGA.

⁷⁴ VCGA (2000) *The impact of the expansion of gambling on the tourism, entertainment and leisure industries*. VCGA & AIGR (UWS Macarthur), School of Leisure, Sport and Tourism (UTS), and Department of Hospitality, Tourism and Leisure (RMIT: Melbourne).

⁷⁵ Knox, 2001; Lepage, Ladouceur & Jaques, 2000; Talbot, 2003

⁷⁶ J Graffam & R. Southgate (2005) From pokies to problems: Gambling and the impact on community services in Eastern Melbourne. Final Report: summary. Burwood, Victoria: Deakin University.

⁷⁷ John L McMullan; David C Perrier; Martha MacDonald, Consumer beware, government be warned: the reality of gambling spending and the problem of household security. Presented at the International Problem Gambling Conference, Halifax, Nova Scotia, October 4-6, 2004; M. MacDonald, JL McMullan & DC Perrier (2004) Gambling households in Canada *Journal of Gambling Studies* 20 (3): 187-236.

REGRESSIVE NATURE

62. Gambling generates significant funding for community purposes. However, gambling funding raises revenue at a very high cost. International and New Zealand studies have identified that gambling is sharply regressive. Income is effectively being redistributed away from low income communities.⁷⁸ At some point we must wrestle with the question "how much revenue for how much harm?"⁷⁹
63. One attraction of this method of funding is that it appears to be "painless" or "voluntary". The "painless voluntary donation" view has been criticised on grounds that it is highly regressive and exploits the false hopes or financial risk-taking of those on lower income.⁸⁰ It is also argued that many of the gamblers contributing are, at the time of making their contribution, affected by drugs, alcohol, and possibly mental illness. In other words, for a problem gambler, the contribution is not a voluntary one.⁶⁶
64. Lower-income households spend proportionately more of their money on gambling than higher-income households.⁸¹ People who are already socially and economically disadvantaged are most susceptible to gambling problems.⁸² This can concentrate the negative impact of gambling in areas which are already deprived, and thereby increase inequalities in our communities.
65. Treasury (2001) stated that gambling taxes are inefficient revenue raisers. Patterns of consumption suggest that they impose horizontal inequities. They place a heavy tax burden on a minority of low income New Zealanders and have a disproportionately severe impact on people experiencing gambling problems (and their families). General taxation is a more cost effective, equitable and less damaging means of raising revenue.

COMMUNITY FUNDING

66. Gambling machines are licensed to operate in pubs and clubs only as a form of community fund raising.⁸³ Licence holders must distribute their net proceeds to the community by way of grants.
67. They are required to distribute a minimum of 37.12% of their GST exclusive (33% GST inclusive) gross proceeds for each of its financial years (Gambling (Class 4 Net Proceeds) Regulations 2004. Part 2 Section 9 (1) and 10).⁸⁴
68. Net proceeds are calculated from total turnover from gaming machines (including interest and sales) minus the actual, reasonable and necessary costs of conducting gambling. Payments to venues are capped at 16% of each society's gross profit.

⁷⁸ See Nova Scotia 1999; McMullan 2005; Smith and Wynne, 2000; Livingstone 2001; Productivity Commission 1999; Doherty 2005, 2006, Henriksson and Lipsey; 1999

⁷⁹ Simpson, 2005

⁸⁰ W. Bostock, (2005) Australia's gambling policy: motivations, implications and options. *Journal of Gambling Issues* URL: <http://www.camh.net/egambling/archive/pdf/JGI-issue13/JGI-Issue13-bostock.pdf> (16/3/09); Reno, 1997; Shaffer ,2003

⁸¹ See Shaffer 2003, Tu'itahi et al 2004, Abbott and Volberg 2000, The Treasury 2002. International studies show that people with lower incomes spend a higher proportion of them on gambling (Miers, 1996; Shepherd et al., 1998; Grun and McKeigue, 2000; Orford et al., 2003). In Britain and the US there is evidence of a tendency for people with lower incomes to be over-represented among problem gamblers (National Research Council, 1999; Orford et al., 2003).

⁸² See Borrell 2006, Abbott et al 2004; Abbott and Volberg 1999; Shaffer 2003; Abbott et al 2000; Abbot and Volberg 1992; Volberg 1994; Volberg and Steadman 1988).

⁸³ 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

⁸⁴ Government also receives tax revenue from gambling taxes and levies which it redistributes for public purposes. NCGM gaming machines are the largest source of tax revenue: 20 percent tax rate, 1.1 percent problem gambling levy and GST (Inland Revenue 2006).

69. For each \$1 lost on a gaming machine it is applied as follows -
- 11 cents - GST
 - 20 cents - Government Duty
 - 33 cents - grants to charities
 - 36 cents - gaming society expenses
70. Based on the latest figures from the Department of Internal Affairs in 2009 from the total \$39.3 million lost on pokies in Wellington, \$6.098 million was returned to the Wellington community in community funding grants.⁸⁵

IMPACT OF PROPOSED POLICY ON COMMUNITY FUNDING

71. There are concerns that a reduction in gaming machines will cause a reduction in gaming machine income to societies which will have the flow on effect of cutting the level of grants made to local community groups.
72. The number of machines has decreased from 25,221 in 2003 to 19739 in April 2009 and although gaming machine revenue declined from \$1.035 billion to \$938 million, the number of grants has remained static, and the average size of the grant has increased.
73. This evidence from the DIA shows that a ban on new venues and additional machines has not meant that there were fewer grants to the community.
74. The amount of funding available in 2005 was nearly double that in 2000 (up from 29% in 2000 to 40% in 2005).
75. The Department of Internal Affairs identified that non-casino gaming machines operators gave out \$151 million in grants in 1999/2000 and \$315 million in 2005 to authorised purposes.
76. Although the number of operators has decreased nationally this has not appeared to impact on the money available for community purposes. From June 2003 to June 2004 machine numbers and venue numbers reduced slowly, but profits increased by 10 percent. DIA stated:
- "We think there is room for more consolidation in the pub-based sector. Fewer operators should mean that overall costs go down, because there are fewer fees and salaries to pay, fewer offices, cars, computers, phones and faxes to pay for, and so on. When the number of operators drops, the remaining operators benefit from economies of scale. The average number of venues for each pub-based operator grew from under 13 to more than 16 between June 2003 and December 2005. Reducing costs in this way could maintain a good return to the community even if the amount players spend on the machines is reduced."⁸⁶
77. If there is a decline as a result of the policy, the Foundation believes that this will be very slow. It believes that the proposed policy will allow a slow and managed decline in returns to the community which local charities can cater for over time.
78. There is also a strong argument to be made for Central Government to review the current system whereby 51 Pokie Trusts distribute pokie losses. The current system is inefficient and lacks transparency. Using an existing distribution mechanism such as

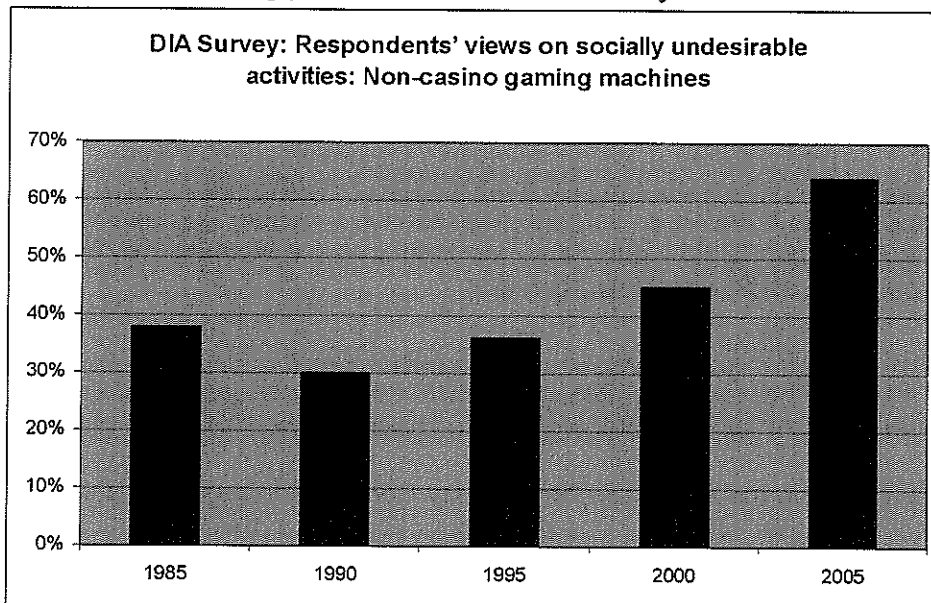
⁸⁵ Department of Internal Affairs. (2007) *Where do gaming profits go? A survey of the allocation for authorized purposes of non-casino gaming machine profits in 2005*. Wellington: DIA.

⁸⁶ Department of Internal Affairs. (2006) *Further reduction in gambling facilities. Media release 1 February 2006*. http://www.cqa.org.nz/uploaded/060131_DIA%20stats%20release.pdf

lotteries or Community Trusts could mean a much greater return to the community. Up to \$150 million more could be going to charitable purposes under a more efficient system.

PUBLIC ATTITUDES

79. The Department of Internal Affairs' national surveys of gambling, conducted in 1985, 1990, 1995, 2000 and 2005 provide some indication of public attitudes.⁸⁷
80. Over the period surveyed, New Zealanders had become increasingly concerned about the negative social impacts of gambling. There had been a steady increase in public awareness about problem gambling and the adverse impacts on individuals and the community.
81. Those widely available forms most strongly linked to problem gambling in New Zealand (gaming machines, track betting and casino gaming) are also the forms of gambling that increasing proportions of adults regard as undesirable.
82. The Department of Internal Affairs' *People's Participation in, and Attitudes to Gambling Survey, 1985-2005* found that: The majority of respondents (64%) indicated that they considered class 4 gambling pokie machines to be socially undesirable.



- Only 1% of adults said that there were any additional forms of gambling that they would like to see in New Zealand. Nearly half of respondents (46%) felt that the number of gambling venues in their area was about right, a further 41% thought there were too many places, and only 1% thought there were not enough places to gamble in the area they lived in.
- Most of the 41% of respondents who thought that there were too many places to gamble in their area said that there were too many gaming machine venues (87%), followed by TABs (20%), Lotto/Keno/Instant Kiwi outlets and casinos (both 14%).
- Over three-quarters of adults said that there should be special laws controlling gambling.
- Over a half said preventing criminal activity was a relevant consideration.
- Over a third mentioned restricting opportunities to gamble.
- The majority of respondents (84%) were in favour of gambling activities being run to fund-raise for worthy causes.

⁸⁷ Department of Internal Affairs (2008) *Peoples participation in, and attitudes to, gambling, 1985-2005*. Wellington: DIA.

83. Community perception studies undertaken by other territorial authorities also indicate that communities generally hold negative views on gambling, with specific concerns that communities are being seriously damaged by the growth of the gambling industry.⁸⁸

84. A recent Napier survey of residents (October 2009) shows that 82% think there are too many pokie venues.⁸⁹

COMMUNITY OUTCOMES AND GAMBLING VENUE POLICY

85. Given the link between availability and accessibility of gambling and problem gambling (and its associated health and crime impacts), a policy which continued to place a district wide ban on new venues and additional machines would be more consistent with Wellington City Council's identified community outcomes.

SUGGESTED POLICY

Ban on any new venues and machines

86. The Problem Gambling Foundation recommends that Wellington City Council adopts a district ban on any new gambling venues and machines i.e. its policy reads:

The Wellington City Council adopt a sinking lid policy on all class 4 venues and machines as licensed under the Gambling Act 2003.

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

87. A ban on any new venues and machines is preferable to a cap. It is possible that a cap on machine numbers or venues may result in a greater number of licensed venues and machines being located in poorer communities (i.e. venues shift from more prosperous localities, suburbs and town centres).

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

88. It appears that reducing/restricting the number of venues is even more crucial than the numbers of machines after widespread liberalisation has taken place.

89. For example the Australian Productivity Commission argued that it is important to recognise that what might be the best policy prior to their introduction, may not be the best policy after widespread liberalisation has taken place. Where the starting point is one of considerable accessibility to gaming machines then [state-wide] caps may not reduce problem gambling significantly. It argued that Venue caps can play a role in moderating the accessibility drivers of problem gambling and are preferable to state-wide (machine) caps for this purpose.⁹⁰

90. It is likely that when gambling venues are widely dispersed throughout the community, they pose a bigger hazard for problem gambling than when they are concentrated in a few locations.

⁸⁸ Rotorua District Council ,2007; Hasting District Council, 2004; MWH New Zealand Ltd, 2003; Adams et al, 2004; Manukau City Council, 2003

⁸⁹ Napier City Council 2009, *SUMMARY OF INFORMATION – STATEMENT OF PROPOSAL*, http://www.napier.govt.nz/item/gambling_summary.pdf

⁹⁰ Productivity Commission 1999, *Australia's Gambling Industries, Inquiry Report*, vols 1_3, no. 10, 26 November, Productivity Commission, Canberra

CONCLUSION

91. While there are some benefits from gambling these are small relative to the high social and health costs which affect communities, families/whau and individuals.
92. From a public health perspective, there are already too many gambling machines in Wellington. The Ministry of Health strategic plan suggests that the prevention and minimisation of problem gambling requires a multi-faceted public health approach to gambling harm. This approach includes:⁹¹
 - supply reduction strategies to limit, where appropriate, the availability of gambling
 - demand reduction strategies to limit the development of gambling harm and
 - limitation strategies to minimise gambling-related harm.
93. The Ministry suggests that a strong community focus that includes harm minimisation and health promotion approaches is the key to minimising gambling-related harm, leading to healthier communities.
94. Given that access to gambling is necessary for the development of problem gambling, reducing access is key to a key public health approach.
95. **The Problem Gambling Foundation urges that the Wellington City Council adopts a “sinking lid” policy: a district ban on any new class 4 gambling venues and machines and adopts a sinking lid policy.**

⁹¹ Ministry of Health (2005) *Preventing and minimising gambling harm. Strategic plan 2004-2010*. Wellington: MOH; D. Korn (2005) A public health perspective *Journal of Gambling Issues*, 15. URL http://www.camh.net/egambling/pdf/jgi_15_korn.pdf (16/3/09); H. Shaffer (2003) A public health perspective on gambling: the four principles, in *AGA Responsible Gaming Lecture Series*, v.2. (1): 1-27

Sharon Bennett

From: Glenda Northey [glenda.northey@pgfnz.org.nz]
Sent: Friday, 9 April 2010 1:31 p.m.
To: Katherine Reweti; BUS: Policy Submission
Cc: Graeme Ramsey; Jude West; Tony Milne
Subject: RE: Wellington submission for the gambling venues policy

Could the following be examined for inclusion into the templates for the TLA gambling reviews?

On p.6 Gambling location in 18. This could be referenced by a more up to date publication by Francis Group. Informing the 2009 problem gambling needs.... On p.70 in the summary it notes that 54% are in the lower deciles.

Also the graph from the 2005 problem gambling geography is getting dated and the use of data on p. 59 of the same document by Francis provides more information including ethnicity and other outlets.

Cheers
Glenda

Glenda Northey MLIS, MA (Hons)
Research Librarian
Problem Gambling Foundation of New Zealand

She is wise who knows the sources of knowledge -- where it is written and where it is to be found.

1st September is Gamble Free Day

From: Katherine Reweti
Sent: Friday, 9 April 2010 12:26 p.m.
To: 'policy.submission@wcc.govt.nz'
Cc: Graeme Ramsey; Glenda Northey; Jude West; Tony Milne
Subject: Wellington submission for the gambling venues policy

Brian O 'Sullivan,

Attached is a submission for the gambling venue policy review and the gambling report for the Wellington TLA. Please note the cover letter from Graeme Ramsey who would like to present an oral submission on 22 April 2010.

Nga mihi,

Katherine Reweti

Public Health Promoter
Problem Gambling Foundation of New Zealand
3rd Floor, Community House, 84 Willis St
PO Box 11179, Wellington 6142
Phone: (04) 473 4360 Fax: (04) 473 4890
Mobile: 0272290028
Email: katherine.reweti@pgfnz.org.nz

12/04/2010

6 April 2010

SUBMISSION
NUMBER

17

Wellington City Council
Mr Brian O'Sullivan - Policy group
Gambling Venue Policy Review
101 Wakefield Street
Wellington 6140

Dear Mr O' Sullivan

Review of Wellington City Council Gambling Venue Policy

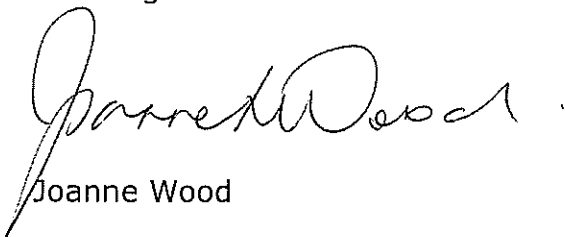
Thank you for the opportunity to comment on the review process for the Wellington City Council.

Please find enclosed The Lion Foundation submission. The Lion Foundation CEO Mr Phil Holden will present our submission at submission hearing on 22 April 2010. Please notify us the confirmed speaking time.

For your perusal I have attached our grants list, an example of our grants publication and annual report.

If I can be of further assistance please contact me on the following 09 4870395 or Joanne.wood@lionfoundation.org.nz

Kind regards



Joanne Wood

Grants Audit Manager/Council Liaison

Encl submission, grant list, grant publication, annual report

SUBMISSION TO
Wellington City Council
Gambling Venue Policy Review

1. Introduction

- 1.1 The Lion Foundation has been operating for 25 years and is one of the country's most widely respected Charitable Trusts. The Lion Foundation is focused on raising funds for the community and last year passed the \$500 million mark of funding into communities across the country. This significant funding has assisted many groups nationwide to make a real and lasting difference within their local networks.
- 1.2 We have committed in the last financial year over \$37 million, 3,306 grants which is 9 good causes a day.
- 1.3 The Lion Foundation has recently merged with the Perry Foundation increasing our ability to locally maximise future returns to the community.

2. The submission

This submission responds to the proposed Wellington City Council Gambling Venue Policy review posted for consultation in April 2010. The Lion Foundation appreciates the opportunity to comment on the proposed policy.

2.1 Policy recommendation

The Lion Foundation supports the proposed review in replacing the 'fixed cap' on six suburban zones to a 'population-based cap' and the continuation of no limitation on gaming machines or venues in the central area zone.

We acknowledge the commitment of the Wellington City Council in addressing harm minimization whilst balancing the legitimate recreational activity and the community benefit. In consolidating gambling venues and effectively managing machine numbers you are ensuring a critical funding stream into your local community.

It is important to acknowledge and understand that funds raised through gaming machines operated by The Lion Foundation are returned to the local region where they are generated. This means that The Lion Foundation's ability to assist worthwhile community causes is directly relative to the number of venues and machines that we operate in your region. If there is a continual decrease in machine numbers, there will be a gradual decrease in our local funding ability.

3. The Lion Foundation (TLF) recommendation

3.1 Transfer of existing Class 4 gambling venue conditions

The Lion Foundation supports an inclusion of the following clause within the Wellington City Council Gambling Venue Policy.

'Where an existing Class 4 gambling venue is ceasing to operate, the Council may, at its own discretion, allow the transfer of existing venue conditions to another location(s) that meets the criteria of the existing policy' (Ashburton TLA venue Policy)

This clause is well worth considering it would enable existing venues the opportunity to relocate their businesses to enhance the economic viability of those operations. Whilst assisting the Council with a policy that supports the movement of the venues to a more desirable location for the operation of gaming machines.

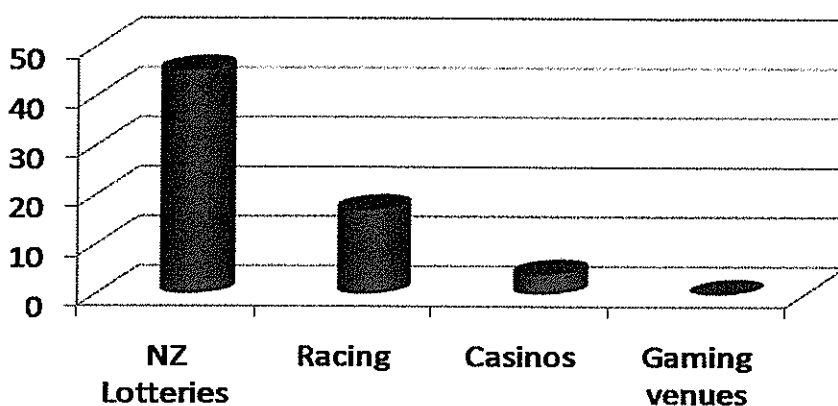
3.2 The conditions within the clause should it be considered:

- Existing venue ceases to operate as a licensed premise
- New location in an approved geographic location
- New venue must be operated by the same corporate society operating the existing venue
- The new venue will be permitted to have the same number of machines as the existing venue, subject to any restrictions applicable under the Gambling Act 2003
- The merging of existing venue conditions and transferred venue conditions is not permitted

Before you review your policy on non-casino gaming venues in your area, we'd appreciate your consideration of some of the key factors impacting gambling and funding in our communities.

- #### 4.
- Gambling in NZ has changed dramatically in the last five years. In total, gambling has increased 9%. The biggest driver of this growth has been NZ Lotteries. In the last year alone, spending on NZ Lotteries games has increased \$130 million (17%). In the year to June 2009, 70% of the adult population purchased NZ Lotteries tickets at least once a month - up from 59% the prior year.

% change in gambling 2003 to 2008



Non-casino gaming is flat despite there being 570 (27%) fewer venues than in 2003.

The growth of lotteries spend appears to be driven by the re-structuring of games to drive jackpots, addition of new games, increased advertising and internet access to games.

Race betting has grown 17% over the past 5 years and casinos 4%. The six casinos in NZ attract over half the expenditure of the 1,569 non-casino gaming venues.

5. Funding support in Wellington City

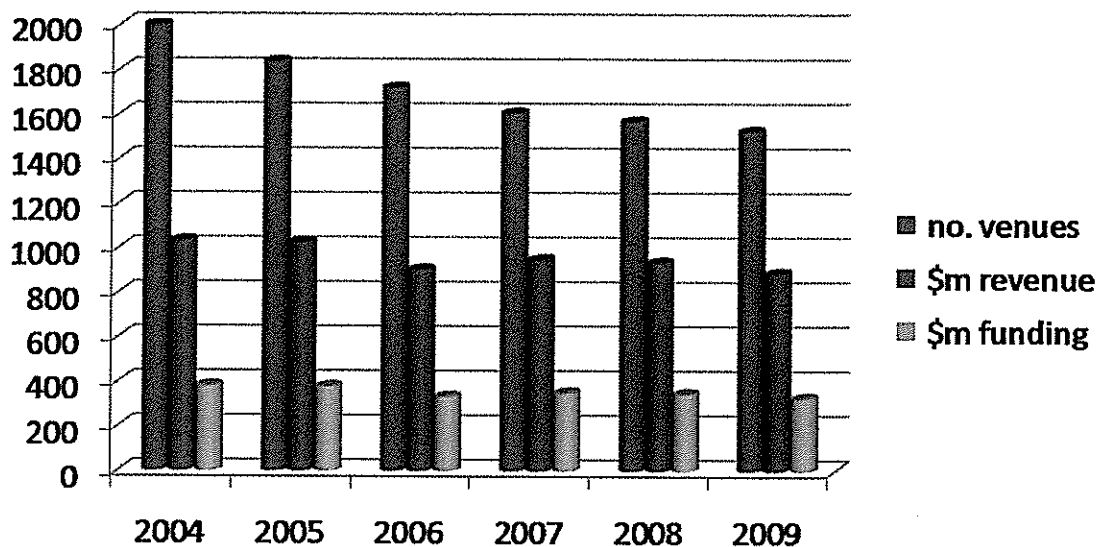
5.1 The Lion Foundation has **88** machines in **5** of the **54** venues operating in the Wellington City. The majority of funds raised through gaming machines are returned directly to the community where they are spent.

5.2 Over the last 18 months (to 15 Mar 10) The Lion Foundation has returned **\$1,048,508** funds to the local Wellington area to assist local groups and organisations. Please refer attached table for full grant recipient listings.

In regard to National Grants we fund they are evaluated on their ability to deliver regional programs that are utilised locally and in this case the Wellington community.

5.3 Since the peak in 2004, the number of non-casino gaming venues nationally has reduced by a quarter. Consequently revenue has dropped and \$54m in community funding has been lost. Projecting this trend out 10 years, a further \$89m in community funding will be lost.

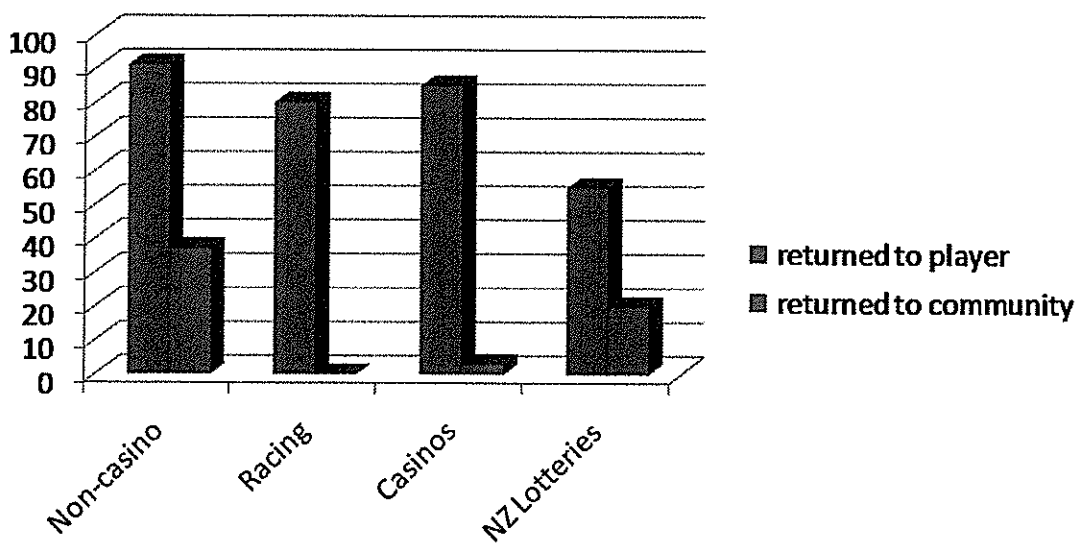
\$54 million funding lost



5.4 The non-casino gaming segment is a vital source of community funding contributing significantly more to the community than all other forms of gambling – as well as returning more to the player.

Community Good

At least 37.12% of non-casino gaming revenue goes to the community. Charitable trusts do not make a profit.



6. Problem gambling

- 6.1 The Lion Foundation is focused on creating a more viable and responsible gaming environment and we share with you a vested interest in the social impact of gambling.
- 6.2 To take an extreme undertaking of eliminating machines as a means of harm minimisation for problem gamblers does not prove to be effective. It is more likely to transfer players to other forms of gambling, undertaken in unregulated and unmonitored environments. The increasing issue is internet gambling which is undertaken in an unmonitored and unprotected environment.
- 6.3 Adequate measures are in place and evidence suggests these measures are effectively addressing problem gambling. A restrictive policy like a 'sinking lid' damages the benefits of Class 4 gambling without providing any meaningful improvement in terms of reducing the incidence of problem gambling.
- 6.4 Current New Zealand research and observed evidence indicates that there is no causative link between gaming machine density (machine numbers/population) and the prevalence rate of problem gambling.
- 6.5 From our analysis of the information provided it is clear that the venues and gaming machine numbers are managed at a level already delivering low problem gambling concerns in your surrounding areas.

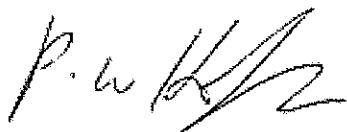
7. Summary

- 7.1 The Lion Foundation supports the proposed Wellington City Council Gambling Policy, a 'population-based cap' on six suburban zones' and the continuation of no limitation on gaming machines or venues in the central area zone. This ensures machine numbers are maintained, while the community and its people continue to benefit from valuable funding that delivers a real difference in the greater Wellington area.
- 7.2 The Lion Foundation funding pool has dropped significantly as a result of regulatory measures and the current economic climate. This has resulted in less money being available to return to the community. We need to work together to ensure a balanced outcome to protect the current level of funding to the local Wellington community.
- 7.3 The Lion Foundation is committed to creating safe gambling environments and minimising harm caused by problem gambling.
- 7.4 Short term a **restrictive policy** improves efficiency of the charitable gaming model by eliminating poor performing venues. Long term it erodes the community funding base.

7.6 We are not here to grow gambling but as a gaming trust we are here to manage gaming funds as efficiently and transparently as possible to maximise community support. In working together we need to ensure a balanced outcome to the local Wellington community.

We wish to speak in support of this submission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Holden', written in a cursive style.

Phil Holden
CEO – The Lion Foundation

Venue Contributions

ID: WCC

Name: Wellington City Council

<u>Grant ID</u>	<u>Payment Line</u>	<u>Reason</u>	<u>Amount</u>	<u>PostedDate</u>
7024856	Wellington Marine Conservat	towards power and phone (April 10-March 2011) and chairs and UV sterilisation unit, ex GST	\$7,500	15/03/2010
7024708	Parkinsonism Soc of N Z Inc - V	towards annual salaries of two Field Officers Apr - Jun 10 GST excl	\$15,000	10/03/2010
7024684	Maranui Water Polo Club Inc	towards 75% entry fees for Senior Men and Womens teams in National League GST excl	\$5,000	10/03/2010
7024687	Marist A F C Inc	towards 75% tournament entry fees and club playing uniforms (bags excluded) GST excl	\$5,000	10/03/2010
7024706	Anglican Parish of Northland-V	towards electrical work GST excl	\$5,000	10/03/2010
7024689	Harbour City Water Polo Club	towards 75% entry fees for 8 teams to Pan Pacific Tournament July 10 GST excl	\$4,000	10/03/2010
7024692	Kidzstuff Theatre For Children	towards advertising promotional design, lighting hire and copyright for April performance of Hansel and Gretel GST excl	\$4,000	10/03/2010
7024729	Deaf Sports Central Inc	towards air travel for Deaf Rugby Team to National Champs Auckland Apr 10 GST incl	\$4,000	10/03/2010
7024714	Thorndon Club Inc	towards insurance and rates GST excl	\$3,000	10/03/2010
7024662	Alzheimers Soc Wellington Inc	towards postage, phone and internet costs for Lower Hutt, Kilbirnie and Kapiti Offices April 10 - March 11 GST excl	\$1,000	10/03/2010
7024657	Wellington Judo Assn Inc	towards stadium hire and judo mats for hosting the NZ National Champs Oct 2010 GST incl	\$20,000	23/02/2010
7024667	College Old Boys - Victoria Uni	towards equipment and apparel GST excl	\$20,000	23/02/2010
7024568	College Sport Wellington Inc	towards GST excl venue & equipment hire, officials and printing Mar - Oct10	\$12,000	23/02/2010
7024634	Autism N Z Inc	towards venue hire for Autism NZs conference Sept 10 Wellington (Catering excluded) GST excl	\$10,000	23/02/2010
7024659	Wellington Diving Club Inc	towards accommodation in Auckland at National Competition March 10 GST excl	\$1,500	23/02/2010
7024522	Kilbirnie Lyall Bay Community	towards buses, advertising, road closure and equipment hire for annual Kilbirnie Festival Fair March 10 GST excl	\$4,000	23/02/2010
7024515	Netball Wellington Centre Inc	towards GST excl accommodation, airfares and van hire for team to attend U17 Age Group Champs Netball Auckland July10	\$11,000	10/02/2010
7024449	Wellington Volunteer Coastgu	towards volunteer training and operational fuel costs and compulsory maintenance GST excl	\$20,000	10/02/2010
7024482	Footnote Dance Trust Board	towards annual salary for artistic director March - May 10 GST excl	\$8,000	10/02/2010
7024507	Diving N Z Inc	towards international airfares for NZ rep elite athletes to attend qualifying events during March - Sep 2010 GST incl	\$5,000	10/02/2010
7024422	Age Concern N Z Inc	towards annual office rental May - Oct 2010 GST excl	\$15,000	28/01/2010
7024392	Stage Challenge Foundation I	towards sound/lighting equipment hire and technical staff for Wellington Events May 2010 GST excl	\$10,000	28/01/2010
7024407	Wellington Triathlon & Multis	towards water safety, St Johns, traffic management, marshalls, security, race numbers and portaloos for Club Triathlon March 2010 GST excl	\$4,000	28/01/2010
7024404	Upper Hutt Parents Centre In	towards printing of 3 editions of the Sandbox magazine for Parent Centre members in the Wellington region excluding Wellington South PC GST incl	\$3,000	28/01/2010
7024411	Wellington Mountain Bike Cl	towards first aid for National Downhill Mountain Bike Champs Feb 10 GST incl	\$3,000	28/01/2010
7024421	N Z Land Search & Rescue Inc	for waterproof notebooks for use in the field GST excl	\$1,000	28/01/2010
7024384	Squash Wellington Districts I	towards annual salaries for Accounts Manager and Squash Development Manager Feb - June 10 GST excl	\$20,000	28/01/2010
7024381	Summer Shakespeare Trust	towards venue booking, security and lighting for Feb 2010 production The Merry Wives of Windsor GST excl	\$4,000	28/01/2010
7024358	Cricket Wellington Inc	towards annual lease for Wellington School of Cricket Feb - May 2010 GST excl	\$25,000	15/01/2010

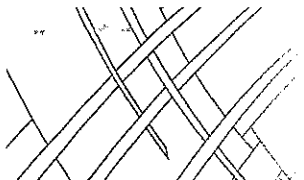
7024359	Carter Observatory Trust	towards renovation work for new planetarium at Carter Observatory GST excl	\$10,000	15/01/2010
7024374	Wellington Heat Basketball I	towards 75% entry fees incl GST for 4 teams to Summer, W/inter & Pre-Christmas Leagues	\$5,000	15/01/2010
7024361	Autism Intervention Trust Inc	towards therapist fees for school holiday programmes April, June and Sept 2010 GST incl	\$2,000	15/01/2010
7024261	Diabetes Wellington Inc	lease of information centre and field officer's consultation room Feb - Nov 2010 GST excl	\$10,000	15/01/2010
7024301	Wellington Volunteer Centre I	towards data projector GST excl	\$1,467	15/01/2010
7024236	Workingmens Bowling Club I	towards GST excl maintenance contract for 2 bowling greens, Jan - Dec10	\$10,000	21/12/2009
7024217	Muscular Dystrophy Assn Inc -	to purchase a car (GST excl) for the area's Field Officer	\$5,000	21/12/2009
7024247	Greenacres School	towards Stage 2 outdoor adventure playground (GST excl)	\$4,632	21/12/2009
7024216	Wellington South Parents Cen	towards GST excl supply of newsletters to members	\$4,000	21/12/2009
7024248	Wadestown School	towards GST excl purchase of 5 x 600 litre water storage units for emergency water	\$2,250	21/12/2009
7024227	Diocese Of Wellington Univer	for completion of the Ramsey House Chapel GST excl	\$1,880	21/12/2009
7024249	Wellington Cadet Centre Trus	towards GST excl external signage for building	\$1,391	21/12/2009
7024183	Surf Life Saving N Z Inc	towards GST excl lease of premises in Wellington & Mt Maunganui, IT support, design & production and salaries for Lifesaving Development Officer, Information Manager, Centenary Coordinator & Lifesaving & Education Manager Dec09 - Jun10	\$25,000	21/12/2009
7024145	Well Trust Inc	towards annual salary for Counsellor, Jan - March 2010 GST excl	\$11,000	21/12/2009
7024108	Capital Gymnastics Club Inc	towards rental for Jan 10 GST excl	\$5,000	21/12/2009
7024196	Rewa Rewa School	towards sound field systems GST excl	\$3,690	21/12/2009
7024089	W R F K A - Newtown Kinderga	towards noise reduction acoustic ceiling tiles GST excl	\$2,000	21/12/2009
7024136	Wellington Pony Club Inc	towards coaching for rep riders GST incl	\$1,000	21/12/2009
7024032	Wellington Scottish Athletics C	towards carpentry for upgrade of clubhouse GST excl	\$25,000	8/12/2009
7024031	Swimming Wellington Inc	pool hire charges for Signature meet and Wellington Centre Events Jan - Dec 10 GST excl	\$15,000	8/12/2009
7024038	Te Kaingānuī Inc Childhood Ce	towards GST excl decking, roof, shed and drainage	\$15,000	8/12/2009
7024078	Marānuī Surf Life Saving Club I	to complete purchase IRB motor trailer and fuel bladder GST excl	\$11,558	8/12/2009
7023953	Malaghan Institute Of Medica	towards replacement laboratory Incubator GST excl	\$10,000	8/12/2009
7024021	Touch Wellington Assn Inc	towards 75% entry fees (GST excl) for 14 rep teams to Nationals Mar10	\$8,000	8/12/2009
7023971	Wellington Housing Trust	towards upgrade carpet & vinyl flooring older units GST incl	\$5,000	8/12/2009
7023877	Athletics Wellington Inc	towards seasonal charges for use of Newtown Park Track and movable cover for Pole Vault pit GST excl	\$14,000	25/11/2009
7023892	Khandallah Tennis & Squash C	towards upgrade of electronic control and booking system GST excl	\$7,000	25/11/2009
7023886	New Crossways Community T	towards stage and sound hire, printing and newspaper advertising for Feb 10 GST excl	\$4,000	25/11/2009
7023889	Wellington College	towards air travel for athletics squad to NZ Secondary School Champs Timaru Dec 09 GST excl	\$2,000	25/11/2009
7023861	Zeal Education Trust	to purchase mats for performance space GST excl	\$1,769	25/11/2009
7023878	St Patricks College Wellington	for \$100 per student for 2 groups of 8 students to attend the Youth Leadership Course in Christchurch Dec 09 or Jan 10 GST excl	\$1,600	25/11/2009
7023891	Linden School	for sports uniforms to be used by Linden School sports teams GST excl	\$1,560	25/11/2009
7023824	Birthingright Wellington Inc	towards GST excl annual rent Dec09 - Apr10	\$7,500	25/11/2009
7023843	Khandallah School	towards Sound Field Systems GST excl	\$4,920	25/11/2009
7023738	Fringe Arts Trust	towards development & design of 20th anniversary Fringe Festival website (GST excl)	\$10,000	9/11/2009
7023740	Huntingtons Disease Assn - W	towards administrator's salary, Nov 09-Oct 10	\$4,500	9/11/2009
7023748	Adelaide Early Childhood Cent	for 3 playcubes (GST excl)	\$2,435	9/11/2009
7023654	Kilbirnie School	towards installation of timber suspended floor in new hall GST excl	\$15,000	9/11/2009
7023704	Brooklyn Early Childhood Cen	towards recarpeting and vinyl laying at Centre GST excl	\$5,000	9/11/2009

7023637	Lyall Bay Surf & Life Saving Cl	towards 75% entry fees to Regional and National Champs Dec 09 - March 10 GST excl	\$4,000	9/11/2009
7023588	Foundation For The National F	towards GST excl replacement of artificial hockey turf at Fraser Park Lower Hutt	\$10,000	21/10/2009
7023520	Table Tennis Wellington Inc	towards ITTF coaching course and equipment for Schools Programme 09/10 GST excl	\$5,000	21/10/2009
7023593	Barnardos N Z	towards GST excl assistance with annual rent costs for Barnardos offices throughout N Z, Nov09 - Mar10	\$5,000	21/10/2009
7023613	Ridgway School	towards safety matting under main playground GST excl	\$5,000	21/10/2009
7023555	Wellington Paraplegic & Physi	towards venue hires , medals and banners, and photographer for NZ National Champs Nov 09 GST excl	\$4,550	21/10/2009
7023548	Surf Life Saving Wellington Inc	towards accommodation and van hire for open and U19 Rep teams in Surf League National Comp Feb 10 GST excl	\$4,000	21/10/2009
7023514	N Z Book Council Inc	towards office rental, telephone and fax costs GST excl	\$15,000	21/10/2009
7023459	Wellington Diving Club Inc	towards accommodation for divers and officials at National Comp Oct 09 GST excl	\$1,956	21/10/2009
7023451	W R F K A - Seatoun Kindergar	towards art easels, paint pot stand and double computer table, ex GST	\$1,000	21/10/2009
7023489	Brooklyn Community Assn Inc	towards traffic management plan for Brooklyn Festival Nov 09 GST excl	\$600	21/10/2009
7023433	Volleyball N Z Inc	towards National Office annual lease Nov 09 - March 10 GST excl	\$7,000	7/10/2009
7023418	Riding For The Disabled Assn I	for erection of a zig zag wind break horse shelter (incl GST)	\$5,000	7/10/2009
7023446	Y M C A Greater Wellington In	towards GST excl purchase of a fleet of mountain bikes for various programmes	\$4,500	7/10/2009
7023407	Worser Bay Boating Club Inc	towards GST excl Junior Learn to Sail and intermediate level coaching	\$4,000	7/10/2009
7023417	B M Royals Softball Club Inc	for softball uniforms (excl GST)	\$3,122	7/10/2009
7023444	Orpheus Choir Of Wellington I	towards GST excl orchestra hire for Anything Goes: An Evening with Cole Porter, Nov 09	\$3,000	7/10/2009
7023300	Wellington Rugby Football U	towards salaries Oct 09 - Dec 09 GST excl	\$20,000	24/09/2009
7023287	Challenge 2000 Trust Inc	towards rent phone and power Oct 09 - Sep 10 GST excl	\$10,000	24/09/2009
7023274	Poneke Football Club Inc	towards 09 - 10 Annual Building Insurance GST excl	\$5,000	24/09/2009
7023303	Polish Assn In N Z Inc	towards venue hire for Polish Childrens 65th Reunion Oct 09 GST excl	\$3,000	24/09/2009
7023210	Crossways Community Creche	towards fencing in the creche playground and perimeter GST excl	\$3,200	24/09/2009
7023198	Greater Wellington Primary S	towards accommodation and catering for primary schools rugby team to annual tournament Sep 09 GST incl	\$2,000	24/09/2009
7023244	N Z Fed of Prisoners Aid & Reh	towards (GST excl) website & database rental fees Oct09 - Jul 10	\$2,000	24/09/2009
7023258	Asthma & Respiratory Founda	for banners for the launch of new name and brand Oct 09 GST excl	\$4,983	7/09/2009
7023116	Royal N Z Plunket Soc Welling	for two heat pumps GST excl	\$4,000	7/09/2009
7023115	Wellington Youth Choir Inc	towards ferry transport for tour to Nelson Sep 09 GST incl	\$1,500	7/09/2009
7022998	College Old Boys - Victoria Uni	towards lighting for artificial training facility at Boyd-Wilson Field GST excl	\$25,000	26/08/2009
7022980	Arts Foundation of N Z Inc	towards wages and administration costs Oct - Dec 09 GST excl	\$15,000	26/08/2009
7022995	Wellington Zoo Trust Inc	towards redevelopment of Lion enclosure GST excl	\$15,000	26/08/2009
7022997	Asia N Z Foundation	towards costs of staging the 2009 Diwali Festival of Lights in Auckland and Wellington Oct 09 GST excl	\$15,000	26/08/2009
7022981	Mary Potter Hospice Foundat	towards running costs of inpatient unit and community teams GST excl	\$14,000	26/08/2009
7022979	Stroke Foundation of N Z Inc -	towards salaries for 9 Field Officers Sep 09 - Feb 10 GST excl	\$5,000	26/08/2009
7022876	Maritime Heritage Trust of W	for stage 3 Post Lift Out Phase of refurbishment of Hikitia floating crane excl GST	\$30,000	26/08/2009
7022886	Thistle Hall Community Centr	towards GST excl purchase of stacking chairs for recently renovated Hall	\$5,500	26/08/2009
7022877	Shakespeare Globe Centre N Z	towards fees for 3 directors and 7 tutors (incl GST) for National Shakespeare Schools Production week Sept 09	\$5,000	26/08/2009
7022968	Eastern Suburbs Cricket Club I	towards cricket equipment and balls and indoor practice facilities GST excl	\$5,000	26/08/2009

7022958	Primary Sport Wellington Inc	towards the balance of accommodation for team to Schools Cross Country Championships Nelson Sep 09 GST incl	\$2,000	26/08/2009
7022889	Paparangi School	towards GST excl purchase & installation of sound field system in classroom	\$1,230	26/08/2009
7022853	Sport Wellington Region Inc	towards 1st aid & portaloos (GST excl) for Nov09 Heart Walkers Event and staffing for Buggy Walks Oct09 - Sep10	\$14,000	18/08/2009
7022798	Wellington Youth Orchestra I	towards concert venue and staging expenses for concert Nov 09 GST excl	\$2,500	18/08/2009
7022791	Khandallah Bowling Club Inc	towards repairing leak in Clubhouse roof (GST excl)	\$1,000	18/08/2009
7022836	Samaritans of Wellington Inc	to cover cost of printing annual report GST excl	\$1,000	18/08/2009
7022661	Leukaemia & Blood Foundati	towards salary for Central Region Support Services Co-ordinator GST exc	\$40,000	28/07/2009
7022699	Wellington City Council	towards GST excl marketing, design and publicity for Dance Your Socks off Festival Sept 09	\$8,000	28/07/2009
7022700	Wellington City Council	towards marketing and promotions for Cycle into Summer Programme Nov - Dec 09	\$7,000	28/07/2009
7022623	Wellington Collegians Cricket (towards indoor spring training for seniors and juniors GST excl	\$5,000	28/07/2009
7022664	Ngaio Kohanga Reo Trust Inc	towards playground equipment GST excl	\$5,000	28/07/2009
7022685	W R F K A - Island Bay Kinderg	towards shade sails over outdoor play area GST excl	\$5,000	28/07/2009
7022697	Wellington City Council	towards sound costs and musicians fees (GST excl) for Artsplash August 09	\$5,000	28/07/2009
7022721	Amputee Soc Of Welliington &	towards airfares for three so that Paula Tesoriero can compete at World Disabled Games Sept 09 GST incl	\$3,000	28/07/2009
7022732	N Z Secondary Students Choir	for rehearsal venue, bus and car hire for Wellington Rehearsal Course Oct 09 GST incl	\$2,000	28/07/2009
7022575	Wadestown Community Cre	to lift and relay existing tiles on outside play area GST excl	\$1,152	28/07/2009
7022552	Onslow Cricket Club Inc	towards cricket balls GST excl	\$4,500	28/07/2009
7022536	Wellington Jewish Communit	towards Youth Educator for the Wellington Shaliach Programme 2009/2010 GST excl	\$20,000	8/07/2009
7022455	Marist A F C Inc	towards insurance, heating and training equipment GST excl	\$5,000	8/07/2009
7022522	Wellington Hockey Assn Inc	towards air travel & accommodation (GST excl) for men's & women's League teams to attend Nationals Sep09	\$5,000	8/07/2009
7022402	Wellington City Mission Angli	towards annual salaries for Managers of Youth & Seniors Programmes, July - Oct09	\$35,000	25/06/2009
7022350	Maranui Surf Life Saving Club I	towards purchase of IRB, motor, trailer and fuel bladder GST excl	\$10,000	25/06/2009
7022387	First N Z Robotics Charitable T	towards salaries of Executive Coordinator & National Manager, July 2009 - June 2010	\$10,000	25/06/2009
7022423	Queen Margaret College Inc	towards purchase of single rowing skiff GST excl	\$5,000	25/06/2009
7022379	Island Bay United Assn Footba	for apparel and equipment GST excl	\$4,675	25/06/2009
7022360	Union Of N Z Karate Do Organ	towards air fares for 5 member National Team to World Games in China July 09 GST excl	\$2,000	25/06/2009
7022427	W R F K A - Matairangi Commu	to purchase a light box and accessories GST excl	\$700	25/06/2009
7022425	Emerge Supported Employmer	for office equipment GST excl	\$688	25/06/2009
7022230	College Old Boys - Victoria Uni	towards GST excl equipment & rugby strip	\$20,000	11/06/2009
7022229	Feet with Heat Dance Trust	towards GST incl venue & equipment hire, printing & placement for Dance Extravaganza Sep09 (catering & shoes excluded)	\$12,000	11/06/2009
7022283	N Z Drama School Toi Whakaa	towards GST excl purchase of 2 digital video cameras and 2 tripods	\$3,500	11/06/2009
7022282	W R F K A - Churton Park Kind	towards GST excl construction of a covered verandah	\$3,000	11/06/2009
7022281	Brooklyn Basketball Club Inc	towards GST incl coaching and 75% team entry fees for men's team to Wellington Basketball Assn Mid Winter League	\$2,000	11/06/2009
7022202	N Z String Quartet Trust	towards venue hire and production costs for annual tour August/September 2009 GST excl	\$2,000	11/06/2009
7022208	Wellington Rowing Assn Inc	towards air fares only for Camilla Anderson to rep NZ at Junior World Rowing Champs, France July/Aug 09 GST excl	\$1,500	11/06/2009

Sub Total: **\$1,048,508**

Grand Total: **\$1,048,508**



SUBMISSION NUMBER **4**

Gambling Venues Policy – Submission Form

Please use this form to give us your views about the draft policy for the Wellington City Council's Gambling Venues Policy.

You can have your say:

- Online at www.Wellington.govt.nz or by sending an email to: policy.submission@wcc.govt.nz, or
- Make a submission on this form and send it to: Freepost 2199, Gambling Venues Policy Review, Wellington City Council, Wellington, or
- Fax it to 801 3231

If you would like to speak about your submission to City Councillors at the Council's Strategy and Policy Committee meeting, you can make an oral submission by ticking this box: We will organise a time for you.

Submissions close at 5 pm Friday 9 April 2010.

30 minutes Thank you

I am making a submission

- As an individual
- On behalf of an organisation

Name of organisation BAB, RATrs, TIN DO, MART
BAG
Bernard Against Gambling

CHURCHES x 2 + POLITICAL PARTY

Name and contact details

Mr/Mrs/Ms/Miss/Dr (circle which applies)

First name(s)* BERNARD Last name(s)* O'SHAUGHNESSY
 Street address* APT 239, 320 Mansfield St, Newtown Park Mews
 Phone: Home NO Mobile —
 Email Bernardboss@yahoo.co.uk

Note *Mandatory fields (please use block capitals). All submissions (including name and contact details) are published and made available to elected members of the Council and the public. Personal information supplied will be used for the administration of the consultation process. All information collected will be held by Wellington City Council, 101 Wakefield Street, Wellington. Submitters have the right to access and correct personal information.

Do you have any comments to make on the proposed amendment to the Gaming Venues Policy?

YES

Do you have any comments to make on the policy approach for the Central Area Zone?

YES

10. Commencement of Policy

The policy will take effect from the time the Council resolves to adopt it. The March 2007 policy is revoked on the adoption of this policy. All applications for territorial local authority (Council) consent will be considered under the policy in place at the time the application is received.

11. Explanation of terms

Class 4 Venue - The Act categorises gambling activities according to their intensity and potential for harm. Class 4 gambling (non-casino gaming machines) is the highest-risk form outside of a casino. Racing and sports betting, which are covered by the Racing Act 2003, do not fall within this classification system.

Gaming Machine – Refers to Class 4 non casino gaming machines

TAB/Board Venue - The Racing Act 2003 specifies that a Board venue means the premises that are owned or leased by the New Zealand Racing Board and where the main business carried on at the premises is providing racing betting or sports betting services.

Do you have any comments to make on the policy approach for the suburban zones?

YES

Please add any other comments

I WILL BE MAKING A

FULL SUBMISSION

AS REPRESENTATIVE OF

THE ORGANISATIONS

I STAND FOR

SUBMISSION
NUMBER

45

Sharon Bennett

From: caleb.m.anderson@gmail.com
Sent: Friday, 9 April 2010 3:43 p.m.
To: BUS: Policy Submission
Subject: Gambling Venues Policy

The following details have been submitted from the Gambling Venues Policy form on the www.Wellington.govt.nz website:

First Name: Caleb
Last Name: Anderson
Street Address: 259/320 Mansfield St
Suburb: Newtown
City: Wellington
Phone: (04) 389 3444 or 0273186979
Email: caleb.m.anderson@gmail.com

I would like to make an oral submission in April: Yes

I am making this submission: as an individual

Do you have comments on the proposed amendment to the Gaming Venues Policy: I support the introduction of population-based limits for pokie machines, and the reduction in numbers this will bring. However, the grandparenting of rights, which allows establishments to keep their current levels despite reduced limits, means that the suburbs which have more than their allotted number of pokie machines will continue to do so. Grandparenting means that the reduced limits are unable to be enforced for the areas where reduced numbers are most needed.

Do you have comments on the policy approach for the Central Area Zone: No

Do you have comments on the policy approach for the suburban zones: Although the policy is purportedly aiming at the suburbs with the most pokie machines, these suburbs will continue to have far too many because of grandparenting. The reduced limits will only affect the areas that do not currently have as severe a problem.

Any other comments: No

SUBMISSION
NUMBER **49**

Sharon Bennett

From: Lisa Beighton [LisaB@pubcharity.org.nz]
Sent: Friday, 9 April 2010 5:48 p.m.
To: BUS: Policy Submission
Subject: Wellington City Council Submission MC V1
Attachments: Wellington City Council Submission MC V1.pdf

Hi,

please find attached our submission for the Gambling Policy Review as per our fax.

regards

Lisa J Beighton

Lisa J Beighton
Licensing Compliance & Services Manager
Pub Charity Incorporated
190 Taranaki Street
PO Box 27 009
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Wellington

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Website: www.pubcharity.org.nz

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Submission to the Wellington City Council

Gambling Venue Policy Review

April 2010

Lisa Beighton
Licensing Compliance &
Services Manager
Pub Charity
lisa@pubcharity.org.nz

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- 2.1 Class 4 Gambling in New Zealand**
- 2.2 About Pub Charity Incorporated (PC)**

3. Community Benefits

- 3.1 Wellington City Donation Funding**
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1. Executive Summary

Gaming Machine Societies are the largest corporate charitable contributors in the New Zealand community¹ and Pub Charity (PC) is the oldest Charitable Gaming Society in New Zealand. PC currently operates a total of 18 gaming machines at 2 venues in the Wellington City Council (WCC) area. From 1 October 2007 to 30 September 2009 PC has;

Paid 171 donations totalling \$2,887,734.22 to 129 recipient groups.

- Paid approximately \$180,664.43 in venue payments to local businesses supporting business vitality and employment.
- Paid tax, duties and levies of approximately \$340,599.73 to central Government in tax and duty

PC submits that the current WCC Gambling Policy has proved that imposing additional restrictions on gaming machine numbers outside of the current Gambling Policy/Gambling Act 2003 is not required.

PC submits that the Council has no authority under the Gambling Act 2003 to impose the current policy requirement that Class 4 venues must hold a designated liquor licence².

PC submits that the regulatory and compliance environment under the Gambling Act 2003 (The Act) is sufficient for the administration of Class 4 gambling in the City for the following reasons;

- Market forces have seen natural attrition in machine numbers in jurisdictions where no restrictions are in place³.
- A sinking lid policy comes at a commercial and community cost in lost income for small business and a reduction in available funding.
- Statistics from the Dept. Of Internal Affairs and empirical evidence from the Ministry of Health shows no evidence that gaming machine density (machine numbers/population) is a causative factor in the prevalence rate of problem gambling⁴. Experts have historically dismissed caps and sinking lids as ineffective.
- Both face to face and helpline contacts for the Wellington area fell significantly over the period of the current policy.
- Anti-gaming groups calling for a 'sinking lid' for gaming machine numbers ignore the ineffectiveness of this policy.

PCI endorses the current policy, with the exception of liquor licensing requirements, and supports its amended continuation.

¹ NZ Herald, March 2007

² Wellington City Council Gambling Policy s4.2

³ New Plymouth City, Dunedin City, Franklin District.

⁴ MoH National Prevalence Surveys 1991, 1999, 2003, 2007

2. Introduction

This submission outlines PCI's response to the Wellington City Council (WCC) proposed class 4 gambling policy.

In determining the policy proposal PC questions whether the Council policy staff has considered the empirical evidence that even where minimal local government restrictions exist there has been a natural decline in gaming machine numbers reflecting economic and demographic changes in the community.

In considering policy options some municipal authorities have failed to consider the interests of all the stakeholders in the community that would be impacted by the final outcome of gambling policy.

PC submits that any policy must reflect the interests of;

- those who wish to access gaming machines for entertainment,
- local community groups who benefit from the charitable grants that result,
- the commercial value that gaming machines bring to the local economy supporting employment and small business,
- those who may potentially experience harm from participation in gambling

2.1 Class 4 Gambling in New Zealand – The Charitable Model

All gambling in New Zealand is illegal other than those activities approved by legislation. Legal forms of gambling include class 4 or non-casino gaming machine gambling.

Class 4 gambling is lawful provided;

- Profits are returned to the community, and;
- The community has a say about gambling, and;
- Gambling is fair, and;
- Responsible gambling is promoted, and;
- Harm is minimised

Class 4 gambling was approved for operation in New Zealand by the Government of the day under a unique business model. Unlike Australia and the USA who operate gaming machines under private ownership for commercial benefits, New Zealand chose to adopt a charitable model re-distributing gaming machine profits for 'community benefit'.

As such consideration of policy must consider all stakeholders impacted by that policy. Community groups receiving the proceeds from the operation of gaming machines, and the 1 in 5 adults who enjoy gaming and safely play machines annually, have in many cases all but been ignored in establishing TLA Gambling policies.

Under the Gambling Act 2003 class 4 Societies are required to return a minimum of 37.12% (excl. GST) of gaming machine profits to authorised purposes within the community. This requirement does not limit distribution and PC has consistently returned between 38-42% (excl. GST) to authorised purposes in the community.

The Act also has associated Regulations for Harm Prevention and Minimisation measures, Net Proceeds (donations) distribution, and sets gazetted limits for payments to venue operators for costs associated with hosting the machines.

The regulatory body, the Department of Internal Affairs, is funded from taxes and fees imposed on the industry to provide regulatory and audit functions, including venue and Society compliance. The gaming industry also generates \$290M in duty and GST to the consolidated fund annually.

The gambling industry are levied a total of \$23M per annum to fund problem gambling initiatives and the Problem Gambling Levy for the period 2007 – 2010 is \$64M.

2.2 Pub Charity

PC was founded in 1987 and is the oldest registered Gaming Trust in New Zealand. As a Charitable Trust, PC distributes all net proceeds after costs to charitable purposes.

As a class 4 Society PC makes no profits and cannot 'retain' undistributed gaming funds. All net proceeds must be distributed within 90 days of the funds being received.

PC policy is to return 95% of donation funding to within the hosting TLA and to support a broad diversity of applicants in community including, arts, cultural, conservation and heritage projects, healthcare, education and sport.

Grants from PC into the community are a critical source of funding for many organisations.

Over the last 22 years PC has distributed in excess of \$400M to grant recipients in New Zealand benefiting in excess of 500,000 New Zealanders.

3. Community Benefits

3.1 Wellington City Council Donation Funding

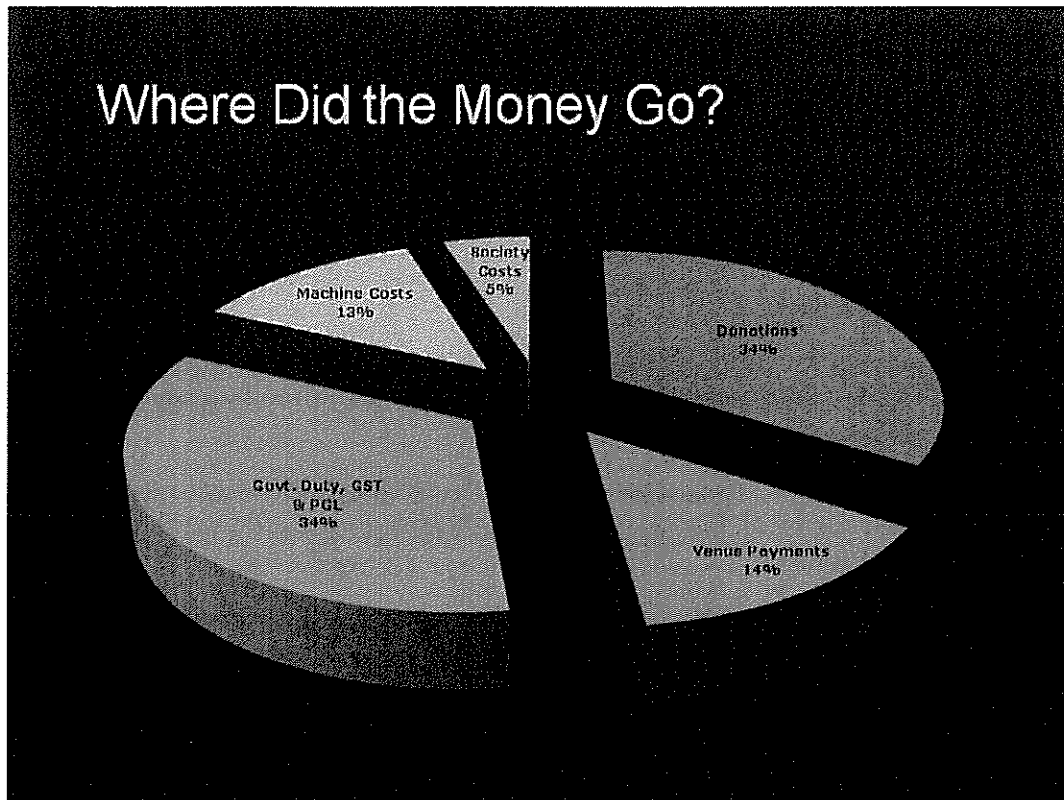
In the last 2 years PC has distributed donations totalling \$2,887,734.22 to Wellington community groups (refer appendix). The donation recipients, and their associated beneficiaries, represent a broad spectrum of the local community.

Any reduction in revenue as a result of fewer machines in an area may result in increasing demand on local or central government and/or a decline in services and benefits to the local community.

3.2 Payments to Local Business

In addition to benefits to the local community from grant payments, PC pays hosting venues for the actual, reasonable and necessary costs of hosting the gaming machines.

These payments support local employment and business vitality. Approximately 50% of these payments support the employment of staff with the remainder being paid for rates, insurance, maintenance, rent or lease costs, electricity etc. supporting business vitality and employment.



3.3 The Impact of the Gambling Act

The Gambling Act 2003 (commenced 1 July 2004) has had a profound impact on the structure, size and direction of the class 4 industry.

The purpose and provisions of the Act are supported by the Net Proceeds and Harm Prevention and Minimisation Regulations, along with the regulatory regime applied by the Department of Internal Affairs. The net effect of the Gambling Act 2003 has been a dramatic reduction in the growth of class 4 gambling with a significant decline in societies, venues and machine numbers.

The regulatory pressure of the Act has required Societies to meet increased minimum returns to the community as well as limiting maximum payments to venue operators.

Increased fixed costs for compliance, meeting the minimum actual reasonable and necessary costs of hosting the machines, and the

significant financial costs associated with keeping the machines updated mean that small and poor performing sites are not viable.

The net effect has been regulatory and financial pressure to withdraw from poorly performing locations and an overall reduction in venue and machine numbers.

National trends which have seen machine numbers fall from a high of 25,221 in June 2003 to the current level at December 2009 of 19,359 or a reduction of 23% or (-5,862).

Corresponding changes in player spend have seen class 4 gambling decline by 14% in dollar terms and -24% in inflation adjusted terms. This represents a decline of over \$50M per annum in community donations and \$48M in tax and duty.

However the assumption that restrictions on machine numbers are an effective measure restricting abuse of the opportunity to gamble is not supported by clinical researchers

***'We find no evidence that the regional cap policy had any positive effect on problem gamblers attending counselling, on problem gambler counselling rates or other help seeking behaviour.'*⁵**

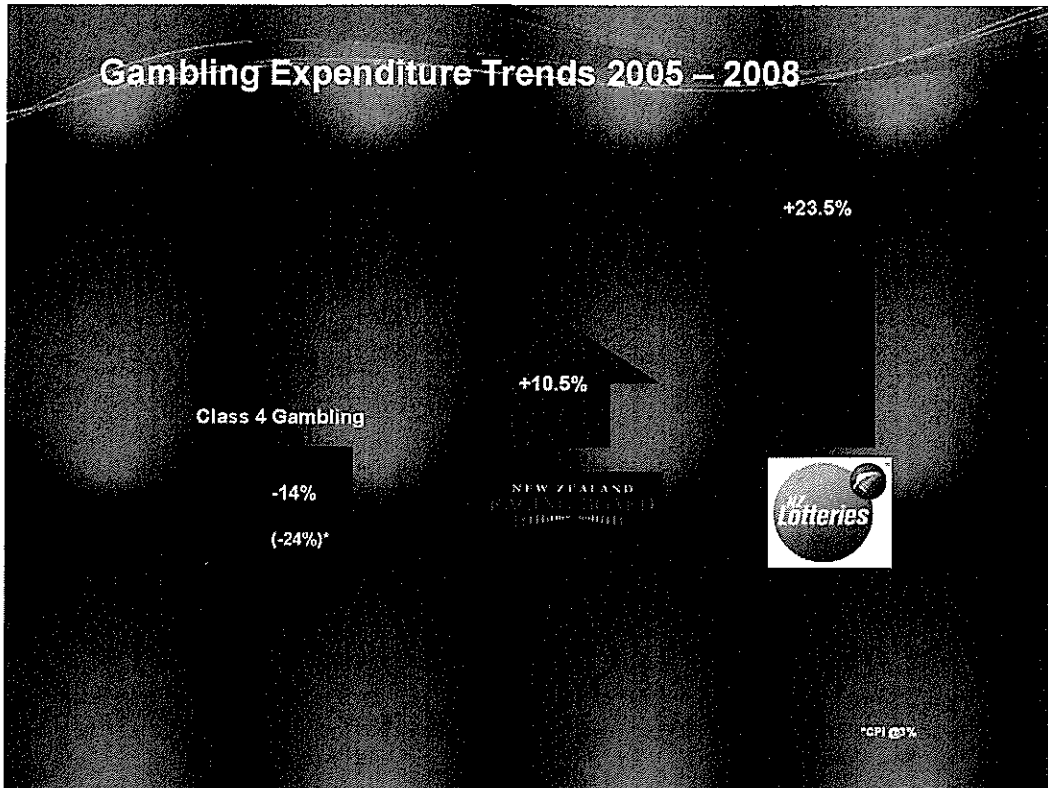
This view is also supported by the evidence of help seeking behaviour in Wellington, where minimal TLA restrictions are in place and numbers for face to face counselling and helpline calls for the area in long term decline.

3.4 Trends see Funds Leaving the Community

It is significant that the Act and the subsequent decline in the size and profitability of the class 4 sector has done little to reduce the overall amount spent on gambling in the New Zealand community, which has stayed constant at over \$2B per annum.

The increased marketing and new products in the casino, TAB, and Lotteries sectors have seen spending in these sectors increase resulting in a reduction in gambling profits redistributed to the communities in which the money was spent.

⁵ Study of the impact of caps on Electronic Gaming Machines; The South Australian Centre for Economic Studies; May 2006



The increasing spend on TAB products, track and sports betting, supports some local employment but returns almost no profits to community groups in the host community.

Lottery products are inefficient in return to player and profits returned to the community via the Lotteries board are both centrally focussed and subject to political influence.

The overall trends of increasing spend on casino, TAB and Lottery and internet gambling products sees money spent in the community on gambling products, permanently leaving the local community and in some cases not being available at all.

4. Social Impacts of Class 4 Gambling

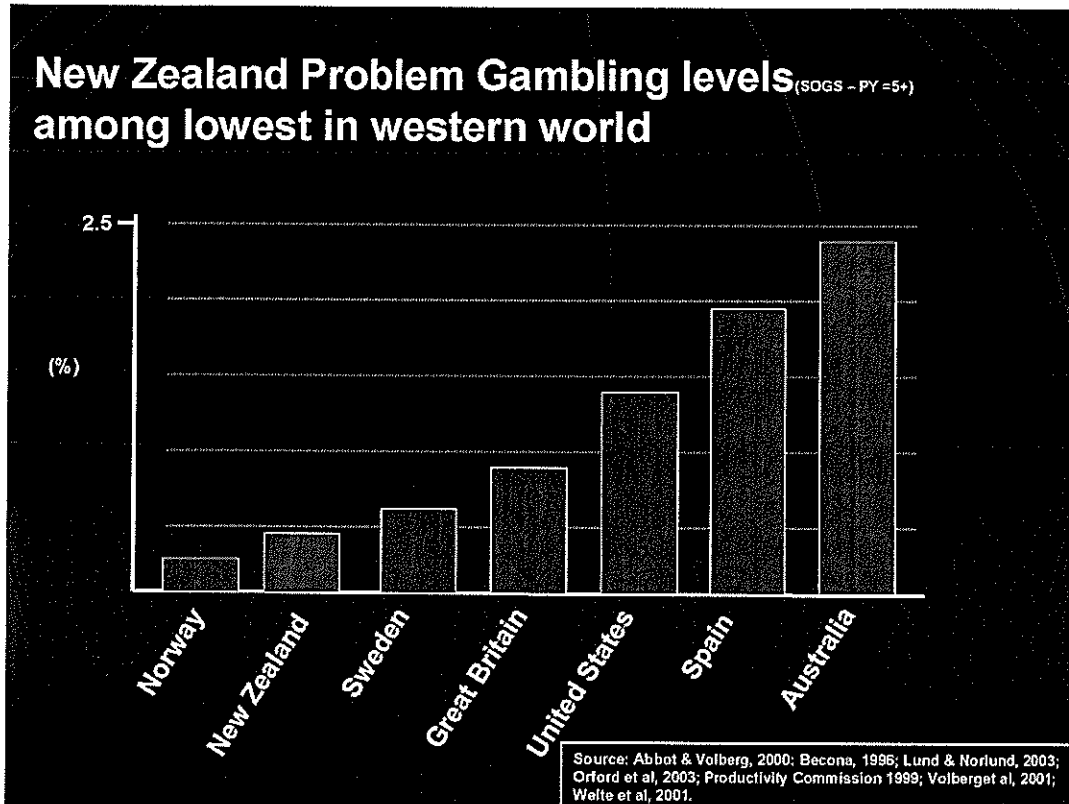
Calls for restrictions on gaming machine numbers as a harm minimisation measure for problem gambling are based on flawed and outdated arguments that are contrary to the empirical and contemporary evidence available from the New Zealand community and overseas.

The suggestion that a gradual reduction in gaming machine numbers will reduce problem gambling prevalence ignores;

- The historical ineffectiveness of regional machine number caps on problem gambling prevalence.
- The minimal impact on the total gambling spend in the District.

- The potential negative economic impact to local grant recipients, and general community funding.
- The current industry trends and the impact of the regulatory environment on Society, venue and machine numbers.

PC submits that The Gambling Act 2003 provides an adequate financial and harm minimisation framework for controlling the growth of the gaming industry as evidenced by the low comparative rate of problem gambling in New Zealand.



4.1 Problem Gambling

Mental Health experts recognise that problem gambling is in essence an issue of personal control and is recognised under the broad category of mental illness known as Impulse Control Disorders⁶.

Associated disorders include kleptomania, pyromania, intermittent explosive disorder (rage), Domestic violence, trichotillomania (pulling hair out), and more recently with bulimia, anorexia nervosa, compulsive shopping and compulsive computer use (CCU).⁷

⁶ Holander E. Treatment of obsessive compulsive spectrum disorders with SSRIs. *Br J Psychiatry* 1998.

⁷ www.psychologyinfo.com/problems/impulse-control.html

While still the subject of significant debate, the predominant view is that problem gambling is in effect a disease of the mind that results in a loss of control associated with a normalised behaviour, in this case gambling.⁸

It has also been found that sufferers of impulse control disorders had very high levels of co-morbidity with substance use disorders with nicotine dependence, alcohol abuse, and illicit drug use abuse by many.⁹

Clinical research has not clearly identified the cause of impulse control disorders like problem gambling and the associated issues but it is believed that a percentage of any population (1-3%) could be predisposed to this form of behaviour for either genetic reasons or as a by-product of neurobiological dysfunction like depression.

For those suffering from a predisposition to this condition, through either genetic or neurobiological dysfunction the inconvenience of reduced options will not act as a deterrent to satisfy compulsion. For both pathological problem gambling and at risk behaviour self awareness is critical and observation and intervention in many cases required.

Reducing the overall number of gaming machines in the District would only reduce anecdotal or casual spending and will have little or no impact on problem gambling behaviour.

4.2 Gaming Machine Density and Harm Minimisation

Current research does not support the effectiveness of gaming machine caps as a harm minimisation initiative.

The original 'exposure theory' referred to in the 1999 Australian Productivity Commission Report was not universally accepted at the time and has since been called into question by studies carried out in New Zealand, Australia and the US.

Even the anti-gaming lobby in New Zealand have eventually conceded that machine density is not causative link to gambling harm;

*'We acknowledge that the correlation between increased gambling and increased problem gambling and the growth in gambling opportunities **does not establish causation.**' (Problem Gambling Foundation; Local Govt. Newsletter, June 2007. Emphasis added)*

Even in Australian jurisdictions caps and sinking lids have been dismissed;

'... there can be no suggestion that placing a cap on the number of poker machines will be of any assistance in controlling problem gambling.'

⁸ Woodland Charitable Trust, Submission to DIA on Harm Prevention and Minimisation Regulations, 2003.

⁹ Ministry of Health, Problem Gambling In NZ, Analysis of the 2002/2003 NZ Health Survey, 2006.

Such a cap would only inhibit access to machines at times of peak demand ... Instead it will be necessary to develop more sophisticated strategies to protect consumers and minimise the incidence of problem gambling.' (Wesley Gambling Counselling Services)¹⁰

The rapid increase in the number of gaming machines in New Zealand between 1999 and 2003 saw a number of TLA's implementing caps on gaming machine numbers, usually a fixed number or population based ratios, in the first Class 4 gambling policies of 2004.

The implications of the Gambling Act 2003 were unclear at that time and many Councils erred on the side of caution in setting caps believing the prevailing theory that there was a causative link between gambling machine density and the prevalence of problem gambling in the community.

Earlier research along with speculation contained in published documents made an argument for the 'Exposure (availability) Hypothesis' where it was assumed that increased gambling availability leads to a rise in the prevalence of problem gambling.¹¹

By 1999 leading researchers were beginning to question this assumption;

'... as people and society more generally obtain increased experience with new forms of gambling, adaptations will be made to enable problems to be more readily countered or contained.

Increased public awareness of problem gambling and its early warning signs, the development of informal social controls and the expansion of treatment and self help options, may play a part in this process. Under this more optimistic scenario, the proposed relationship between rising gambling participation and increasing problems may be attenuated or possibly reversed.' (Abbot, Williams and Volberg 1999)

By 2009 the results of the MoH 2007 New Zealand National [Problem Gambling] Prevalence Survey were published. This survey was funded by the MoH and conducted by University of Auckland researchers in conjunction with Statistics New Zealand.

The results supported results dating back as far as 1991 that showed no correlation or link between exposure, in this case gaming machine density, and problem gambling prevalence in the community. The findings, referring exclusively to local information and conditions, clearly recognised that the earlier caution was not supported and that machine to population density was not the causative link first assumed.

The most recent New Zealand research and prevalence surveys are supported by recent findings in other research from Victoria, Australia,

¹⁰ Australian Productivity Commission Report, 1999

¹¹ Productivity Commission, 1999; USA National Research Council 1999; UK Gambling Review, 2001.

National Prevalence Surveys in Australia, studies in the most intensive gambling location Nevada USA, and the USA national prevalence surveys

'EGM reductions and introductions of caps generally appear to have little impact ... more recently, in some jurisdictions, that have experienced prolonged and increased availability [of gaming machines], prevalence rates [of problem gambling] have remained constant or declined. ...

Over time, years rather than decades, adaptation typically occurs and problem levels reduce, even in the face of increasing exposure.' (Abbot 2006)¹²

Other experts agree;

*'We believe the number of machines present in a venue has nothing to do with the predisposition to develop a gambling problem and indeed represents flawed logic when applied as a harm minimisation approach.'*¹³

*'To our knowledge, no scientific research has established a causal link between disordered gambling and either literal or figurative proximity to gambling'*¹⁴

and;

*'We find no evidence that the regional cap policy had any positive influence on problem gamblers attending counselling, on problem gambler counselling rates or other help seeking behaviour.'*¹⁵

The empirical evidence from the New Zealand industry does not support the contention that the level of machine numbers in the community is directly related, or a causative link, to the level of problem gambling.

Despite a 300% increase in gaming machine numbers between 1991 and 2003, a period that also saw a rapid expansion of Casinos and NZ Lottery Board products, problem gambling prevalence in New Zealand actually fell by 64%.

¹² Do EGM's and problem gambling go together like horse and carriage, Abbot, 2006.

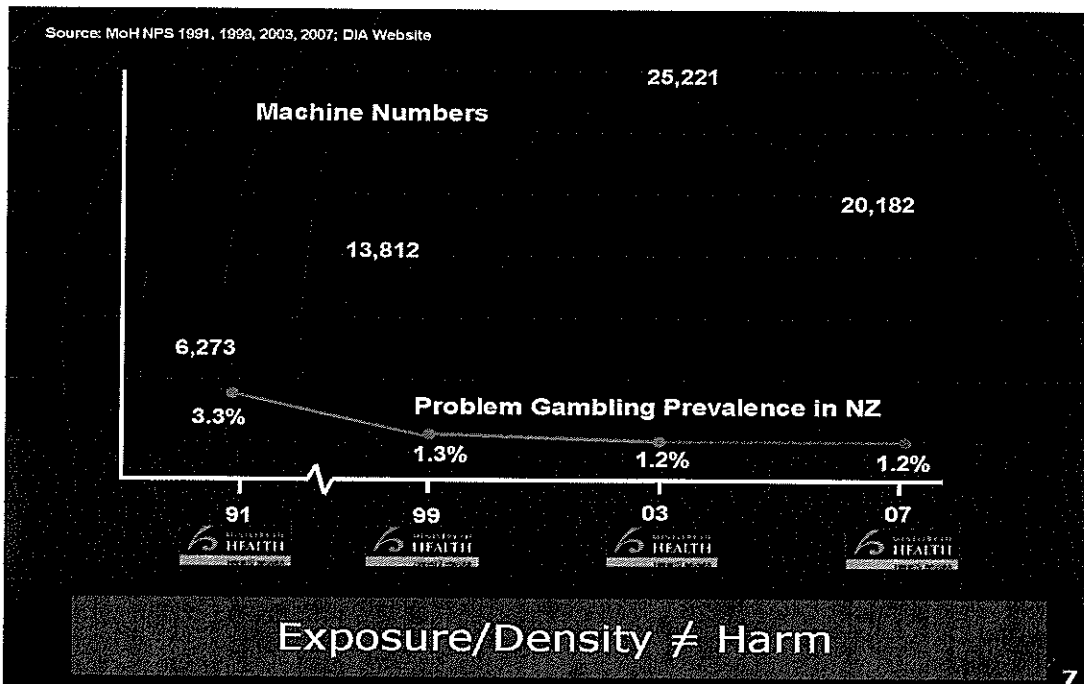
¹³ Bernie Smulders GM Woodland Charitable Trust, Submission to DIA on Harm Prevention and Minimisation Regulations, 2003.

¹⁴ Shaffer, LaBrie and LaPlante, 2004

¹⁵ The South Australia Centre for Economic Studies, May 2005



Although machine numbers have decreased since reaching its peak in 2003 with introduction of the Gambling Act 2003, associated regulations and then the Smoke-free Environments Amendment Act 2003 introduced in 2004, MoH figures show Problem Gambling Prevalence figures have remained static.



Gaming machine densities/population, when considered against problem gambling help seeking levels, do not support a causative link between established gaming machine numbers and problem gambling prevalence.

While the reported ratio of machines to permanent residents is statistically the highest in the country the clinical prevalence rate for those seeking counselling from all providers is one of the lowest in the country. This is in direct contrast to claims of machine saturation resulting in crisis of public health.

Gaming Machine Density & Problem Gambling Prevalence

TLA	Density Ranking	Machines per 1,000 popn.	New Gambler Clients per 10,000 popn.
Thames - Coromandel	1	12.9	1.9
...			
Manukau	70	3.2	8.1
North Shore	71	3.1	6.1
Waitakere	72	2.5	3.7
Selwyn	73	2.4	5.1

A recent Gambling Commission decision highlighted the requirement that harm minimisation and prevention measures had to be more than simply a reduction in gambling activity.

'Measures can only be imposed which reduce harm caused by problem gambling as distinct from simply reducing gambling activity, which is a lawful and permitted activity under the Act.

The Secretary [the DIA] must be able to demonstrate that the measure is likely to have the former effect, not just the second effect with proportional consequent effects on the former. He cannot seek to make gambling less attractive general in order that it appeals less to problem gamblers.¹⁶

After reviewing existing policies many TLA's have chose not to impose further limitations on class 4 gambling for the 2007 – 2010 period.

¹⁶ Gambling Commission Decision GC03/07, April 2007.

Provincial TLA Policy Decisions 2007 - 2010

TLA	2004 – 2007 Policy	2007 – 2010 Policy
Dunedin	No restrictions	No change
Franklin	No restrictions	No change
New Plymouth	No restrictions	No change
Wellington	Local caps, CBD no limits	No change
Hamilton	Machine cap	Increased cap
North Shore	Venue cap	No change
Porirua	Local caps, CBD no limits	No change
Tauranga	Machine/popn. based cap	No change
Western BOP	Machine cap	No change
Taranua	Machine cap	No change
Nelson	Machine cap	No change

'While the subcommittee sympathises with those who have been, or are currently affected by gambling, it is also mindful that a lot of community based and special interest groups are benefiting for its proceeds where they might otherwise struggle or cease to exist altogether.'

Wellington City Council 15 March 2007

4.3 Harm Prevention and Minimisation

The number of new gambler clients in New Zealand contacting the gambling helpline nationally has declined by over 60% since 2003 after the implementation of harm minimisation/host responsibility measures.

The total number of new gambler clients in New Zealand contacting the gambling helpline in 2006 was less than 1,500 or 0.0487% of the adult population.

PC recognises that some people can develop a problem with gambling in all forms including Lotto, casinos, TAB and gaming machines, and fully supports and funds education and treatments efforts.

In the past 3 years PC has contributed \$2M via the problem gambling levy to support research, public awareness, and intervention services.

PCI is committed to, and required under the Gambling Act 2003 and the Harm Prevention and Minimisation Regulation 2004, to ensure;

- All class 4 venues have problem gambling policies
- Have staff trained in problem gambling harm prevention and minimisation on duty at all times

In addition PCI area staff are all trained in gambling harm prevention and minimisation and are trained to deliver training to venue staff.

4.4 Wellington Problem Gambling Statistics

The assumption that provincial communities are at greater risk because of higher machine numbers is at odds with contemporary research and nationwide evidence.

Overall the claim that there is a direct correlation between machine numbers in a community and problem gambling prevalence is not supported by the evidence.

In the 5 years of the current Wellington City policy the Ministry of Health reported an overall decline in people receiving face to face counselling from problem gambling services.

Increased public awareness and the effectiveness of host responsibility initiatives appear to be the most effective measures in reducing problematic behaviour.

5. Wellington City Council Gambling Policy Proposal

5.1 PCI endorses the current policy with the exception of the requirement that Class 4 premises hold a designated liquor licence¹⁷.

Grounds for challenging this aspect of the policy are follows;

- The Gambling Act 2003 limits TLA authority in establishing Class 4 Gambling policy to issues of location and future numbers of gaming machines
- The Class 4 Gaming (Harm Prevention & Minimisation) Regulations determine suitability of venues and the Gambling Act 2003 specifies requirements for the issue of Class 4 Gambling Licences.
- Neither the statute or Regulation requires a venue to hold a liquor licence as a condition of operation a fact confirmed by two successful appeals to the Gambling Commission¹⁸ in 2006 & 2007, and the significant number of TAB's and Bowling Centres that operate Class 4 Gambling.

5.2 The Real Impact of Declining Machine Numbers

In March 2007 the NZ Herald reported that Gaming Machine Trusts were the largest corporate distributors of charitable funding in New Zealand.

The fundraising landscape has changed dramatically in the last 10 years with a general decline in volunteers, increases in demands for paid staff, and general increases in overall costs.

¹⁷ Wellington City Council Gambling Policy s4.2

¹⁸ GC 14/06 Perry Foundation v DIA and GC 17/07 Southern Trust and Te Wheke Holdings Ltd v DIA

Demands on grants funds have doubled in the same period. The increase compliance costs and regulatory pressure have reduced gaming machine numbers in New Zealand by 20% in the last 2.5 years with a subsequent decline in the funds available for distribution as donations.

Any localised reduction in machine numbers ultimately impacts on anecdotal or casual gambling with minimal impact on addictive gambling behaviour. The decline in available funds for local organisations results in financial hardship, and increasing pressure on local and central government funding.

6. Summary & Conclusions

In the last 2 years PC has returned in excess of \$2,887,734.22 in 171 donations benefiting Wellington City (refer appendix).

In inflation adjusted terms spending on all Class 4 non casino gambling has declined by 24% since 2004. This decline has seen spending in the local community shift to other forms of gambling with less redistribution of funds to the local community a result.

Declines in gaming machine numbers impact on anecdotal or recreational spending only and ultimately reduce funds available for distribution to the community.

Over the same period in Wellington City the reduction in gaming machine numbers has occurred by natural market attrition and from measures introduced in the body of the Gambling act 2003.

Ministry of Health New Zealand and Department of Internal Affairs statistics do not support theories that gaming machine density, or accessibility, is directly correlated to gambling harm or causation of harm in the community.

All class 4 venues are required to have in place extensive harm minimisation measures, including policies, support materials and staff trained in harm prevention and minimisation and are actively involved in supervising the gaming environment.

Machine based harm prevention measures interrupting play and delivering harm minimisation messages have now been installed in all class 4 gaming machines.

The current regulatory and compliance environment under the Gambling Act 2003 (The Act) is sufficient for the administration of Class 4 gambling in the District.

7.1 Appendix- Pub Charity Donations

Donations to WCC 1/10/07 – 30/09/09

Applicant Name	Address	Purpose	Approved
2020 Communication Trust	WGTV	E'day	\$2,000.00
Age Concern Wellington Inc	WGTV	Rent	\$5,000.00
Arts Foundation Of NZ	WGTV	Travel, Accommodation & Venue	\$3,000.00
Asthma And Respiratory Foundation Inc	WGTV	Banners	\$2,000.00
Athletics Wellington Junior Committee	WGTV	Accommodation	\$3,000.00
Autism NZ Inc Wellington	WGTV	Newsletters & Library Books	\$1,142.48
B M Royals Softball Club Inc	WGTV	Uniforms	\$1,000.00
Backyard Productions	WGTV	Lighting, Design/Operator	\$900.00
Backyard Productions	WGTV	Promotion Costs	\$1,326.43
Brooklyn Toy Library	WGTV	Kitchen Toys	\$544.40
Cansurvive Dragon Boat Team	WGTV	Accommodation	\$2,725.00
Capital Gymnastic Club Inc	WGTV	Rhythmic Mat	\$2,000.00
Capital Kids Co-Op Children Centre Inc	WGTV	Equipment	\$2,773.34
Circa Theatre Inc	WGTV	Promotional Material	\$2,000.00
Circa Theatre Inc	WGTV	Cost Of Advertising	\$2,500.00
Circa Theatre Inc	WGTV	Advertising & A Wig	\$2,000.00
Comunn Na Piobaireachd (NZ)	WGTV	Seminar	\$2,000.00
Cuba Street Carnival Collective Trust	WGTV	Cuba St Carnival Promotional Material	\$5,000.00
Cuba Street Carnival Collective Trust	WGTV	Marketing & Promotional Fees	\$5,000.00
Cuba Street Carnival Collective Trust	WGTV	Marketing & Economic Assessment Costs	\$5,000.00
Diabetes Wellington Inc	WGTV	Car park	\$1,866.72
Dominion Shorthaired Cat Club	WGTV	Accommodation	\$333.33
Eds Dragon Boat Team	WGTV	Team Uniform	\$1,500.00
Epilepsy Association Of NZ Wgtn Branch	WGTV	Printing	\$1,660.00
Epilepsy Association Of NZ Wgtn Branch	WGTV	Printing & Postage	\$2,420.00
Festival Singers Of Wellington	WGTV	Costs For Performance	\$3,000.00
Footnote Dance Company	WGTV	Photography, Printing & Postage	\$2,000.00
Footnote Dance Company	WGTV	New Computer & Associated Costs	\$1,605.00
Hampton Hill School	WGTV	Heat Pump &	\$1,955.00
Harbour Capital Master Swimmers Inc	WGTV	Masters Swimming Nat. Champs S/Gear, Office Equip, F/Aid	\$2,000.00
Hataitai After Schoolcare Trust	WGTV	Courses	\$2,543.88
John Drawbridge Memorial Trust	WGTV	Book Publication Costs	\$5,000.00
Johnsonville Cricket Club	WGTV	Uniforms	\$7,703.12
Johnsonville Softball Club Inc	WGTV	Playing Equipment & Softballs	\$2,500.00
Kapitall Kids Theatre	WGTV	Director Fee	\$750.00
Kapitall Kids Theatre	WGTV	Performing Rights Cost	\$1,100.00
Kidzstuff Theatre Of Children Inc	WGTV	Mobile Eftpos Machine & Electrical Upgrade Costs	\$2,366.65
Kidzstuff Theatre Of Children Inc	WGTV	Publicity Costs	\$2,000.00
Kiwi Amateur Athletic Club Inc	WGTV	Travel	\$880.00
Lyll Bay Surf & Life Saving Club Inc	WGTV	Surf Boat Oar Replacements	\$4,143.80

Malaghan Institute Of Medical Research	WGTN	Gel Documentation System	\$5,000.00
Maranui Surf Life Saving Club	WGTN	Gear Trailer	\$2,408.00
Marist AFC Inc	WGTN	Tracksuits & Equipment	\$2,773.34
Marist St Pats Rugby Club Inc	WGTN	Repair Of Leaking Clubrooms Roof	\$1,159.00
Maritime Archaeological Assn Of NZ	WGTN	Specialised Lab Equipment	\$4,000.00
Maritime Archaeological Assn Of NZ	WGTN	Chloride Meter	\$4,465.73
Maritime Heritage Trust Of Wellington	WGTN	Chain Block & Lever	\$813.00
Netball Wellington Region	WGTN	Fees, Accom. & Travel	\$2,500.00
NZ Badminton Federation Inc	WGTN	Conf. Travel, Venue & Accom. Printing Posters, Fliers & Programmes	\$2,000.00
Orpheus Choir Of Wellington Inc	WGTN	Advertising & Publicity	\$1,684.00
Orpheus Choir Of Wellington Inc	WGTN	Setting Up Project	\$2,000.00
Pablos Art Studio Inc	WGTN	Gym Hire	\$2,000.00
Parafed Wellington Inc	WGTN	Accommodation	\$1,500.00
Piping & Dancing Association Of NZ Wgtn	WGTN	Electronic Training Equipment	\$1,983.00
Queen Margaret College Inc	WGTN	Rowing Skiff	\$2,000.00
Queen Margaret College Inc	WGTN	Rowing Quad	\$3,500.00
Radio Heritage Foundation	WGTN	Update Website	\$3,927.78
Samaritans Of Wellington	WGTN	Removing Asbestos	\$2,500.00
Samaritans Of Wellington	WGTN	Promotional Materials	\$1,980.00
Shakespeare Globe Centre NZ	WGTN	Laptop	\$1,936.95
St George Softball Club	WGTN	Uniforms	\$1,764.38
Stagecraft Theatre Inc	WGTN	Stage Hire	\$2,500.00
The Faberizzis	WGTN	Theatre Hire & Publicity	\$1,646.00
The Moving Theatre Company	WGTN	Performance Rights	\$1,336.50
Theatre Militia	WGTN	Costumes	\$493.28
United Sri Lanka Association	WGTN	Hall Hire	\$1,410.00
V U W Students Association	WGTN	Registration Fees	\$1,443.75
Victoria University Of Wgtn AFC	WGTN	Equipment	\$1,000.00
Voice Arts Trust	WGTN	Mac book	\$1,500.00
Wellington Access Radio	WGTN	Stationery For Marketing	\$1,594.00
Wellington Badminton Assn	WGTN	Accommodation	\$1,000.00
Wellington Badminton Assn	WGTN	Transport & Accommodation	\$1,288.00
Wellington Boys & Girls Institute Inc	WGTN	Ropes Course	\$745.00
Wellington Brass Band Inc	WGTN	Instruments	\$3,000.00
Wellington Brass Band Inc	WGTN	Musical Instruments	\$5,000.00
Wellington Circus Trust	WGTN	Workshops	\$2,000.00
Wellington City Mission	WGTN	Salary	\$5,000.00
Wellington City Mission	WGTN	Operation Costs	\$5,000.00
Wellington College	WGTN	Minivans	\$500.00
Wellington College Rowing Club	WGTN	Oars	\$4,000.00
Wellington College Rowing Club	WGTN	Bus Hire	\$2,000.00
Wellington Cross Country & Road Committee	WGTN	Transport	\$1,313.69
Wellington Deaf Society Inc	WGTN	Uniforms	\$1,000.00
Wellington Football Club Inc	WGTN	Playing Gear For 2008 Season	\$2,500.00

Wellington Free Ambulance Service Inc	WGTN	Ambulance	\$30,000.00
Wellington Gilbert & Sullivan Inc	WGTN	Production Costs Aug	\$2,500.00
Wellington Gilbert & Sullivan Inc	WGTN	Printing	\$2,900.00
Wellington Hockey Association Inc	WGTN	Travel & Accommodation	\$3,500.00
Wellington Musical Theatre	WGTN	Transport, Accom. & Registration	\$969.70
Wellington Paraplegic Physically Disable	WGTN	Accommodation	\$440.00
Wellington Region Heritage Promotion Inc	WGTN	Brochure	\$330.00
Wellington Regional Orchestra Foundation	WGTN	Circus Costs	\$3,000.00
Wellington Rowing Association	WGTN	Hailers	\$1,111.82
Wellington Russian Club Inc	WGTN	Festival Costs	\$2,730.00
Wellington Samoan Golf Club	WGTN	Championship Hosting Costs	\$5,000.00
Wellington Tenths Trust	WGTN	Uniforms	\$1,750.00
Wellington Volunteer Centre	WGTN	Digital Monitor / Screen Replacement Trolley Launching System	\$1,949.00 \$6,300.00
Wellington Volunteer Coastguard Inc	WGTN	Computer System	\$822.00
Wellington Women's Health Collective Inc	WGTN	Purchase TV's	\$2,184.75
Wellington Women's Refuge Group Inc	WGTN	Venue Hire Expenses	\$1,710.00
Wgtn Contract Bridge Centre Inc	WGTN	Purchasing A Refrigerator	\$2,488.00
Worser Bay Boating Club	WGTN	Lighting	\$700.00
Young & Hungry Youth Arts Trust	WGTN	Computer, Software & Camera	\$2,711.11
Young & Hungry Youth Arts Trust	WGTN	Directors Fees	\$3,000.00
Young & Hungry Youth Arts Trust	WGTN	Printing	\$950.00
YWCA Of Wellington & Hutt Valley	WGTN		
		Sub Total 46 Account	\$276,450.93

Trustees Discretionary Funding

Applicant Name	Address	Purpose	Approved
Age Concern NZ Inc	WGTN	Stationery	\$10,920.65
Age Concern NZ Inc	WGTN	Brochure Publication Costs	\$15,000.00
Alzheimers New Zealand Inc	WGTN	Salary	\$50,000.00
Alzheimers NZ Inc	WGTN	Salary	\$25,000.00
Alzheimers NZ Inc	WGTN	Web Design Upgrade	\$2,135.00
Alzheimers NZ Inc	WGTN	Resource Coordinator Salary	\$25,000.00
Arthritis Foundation Of NZ In	WGTN	Hydrotherapy Courses	\$25,000.00
Arthritis Foundation Of NZ Inc	WGTN	Reprint Leaflets	\$22,000.00
Arthritis Foundation Of NZ Inc	WGTN	Research	\$30,000.00
Asia NZ Foundation	WGTN	Funding For Staging Lights	\$11,773.00
Athletics NZ Inc	WGTN	Annual Report	\$5,000.00
Athletics NZ Inc	WGTN	Computer & Hardware Upgrade	\$15,000.00
Athletics NZ Inc	WGTN	2009 NZO Track & Field Championships held Wellington Computers	\$30,000.00 \$9,470.00
Athletics NZ In	WGTN		
Autism NZ Incorporated	WGTN	National Newsletters & Administration	\$36,560.80
Barnardo's NZ	WGTN	Conference Wellington Aug	\$2,108.44

Barnardo's NZ	WGTV	Workshop May	\$1,909.33
Basketball NZ Inc	WGTV	Phone System	\$9,194.00
Big Buddy Mentoring Trust	WGTV	Advertising Project & Replace Server	\$20,716.68
Boxing NZ Inc	WGTV	Website Upgrade Costs	\$2,900.00
Chamber Music NZ Inc	WGTV	Artists Performance Fees	\$20,000.00
Coreys Foundation Trust	WGTV	Van & Wheelchair Hoist	\$28,882.00
Dance Aotearoa NZ Ltd	WGTV	Computer & Hardware	\$10,000.00
Dance Aotearoa NZ Ltd	WGTV	Computers & Data Projector	\$5,000.00
Deaf Netball Association Of NZ	WGTV	Uniforms	\$3,133.00
Debra NZ Trust	WGTV	Website	\$6,222.22
Education Outdoors NZ Inc	WGTV	Computer & Equipment	\$2,245.31
Kiwi Amateur Athletic Club Inc	WGTV	Petrol Vouchers	\$880.00
Life Education Trust NZ	WGTV	Operational & Capital Expenditure	\$250,000.00
Life Education Trust NZ	WGTV	Operational Costs	\$250,000.00
Life Education Trust NZ	WGTV	Expenditure, Admin & Refurbishment	\$345,000.00
Life Education Trust NZ	WGTV	Operations & Capital Expenditure	\$350,000.00
Life Flight Trust	WGTV	Fixed Wing Ambulance	\$141,144.00
Life Flight Trust	WGTV	Operational Cost - Akld & Wgtn	\$29,591.00
Malaghan Insitute Of Medical Research	WGTV	Oxylog 3000 Equipment	\$17,098.00
N Z Opera Ltd	WGTV	Lab 8 - Laboratory Glassware Washer	\$100,000.00
N.C.I.W.R Inc	WGTV	Opera Costs 2008	\$14,021.00
National Council Of Women Of NZ Inc	WGTV	Printing Costs For Annual Report And Promo. Resources	\$37,300.13
NZ Badminton Federation Inc	WGTV	Website Costs	\$13,600.00
NZ Badminton Federation Inc	WGTV	Computer Equipment	\$10,000.00
NZ Book Council Inc	WGTV	Medals	\$13,434.30
NZ Bsa Owners Club	WGTV	Advertising, Postage And Packaging, Writers Fee	\$1,155.00
NZ Cricket Museum Inc	WGTV	Magazine Publishing Costs	\$2,500.00
NZ Cricket Museum Inc	WGTV	Newsletter	\$2,711.03
NZ Cricket Museum Inc	WGTV	Newsletters	\$2,700.00
NZ Croquet Council Inc	WGTV	Newsletters	\$5,000.00
NZ Drama School	WGTV	AGM Costs Oct	\$1,475.00
NZ Film & Television School	WGTV	Data Projector	\$10,000.00
NZ International Festival Of The Arts	WGTV	Fit out Of New Premises	\$20,000.00
NZ International Festival Of The Arts	WGTV	Lexus Song Quest Wgtn	\$14,035.00
NZ Marist Rugby Football Federation	WGTV	Staging Of The Simulcast - Wgtn	\$4,650.00
NZ School Of Dance Board	WGTV	Printer	\$900.00
NZ Symphony Orchestra	WGTV	Poster Distribution	\$50,000.00
Parkinsonism Society Of NZ Inc	WGTV	Regional Tour Jan 31-Feb 11	\$6,925.14
Ronald Mcdonald House	WGTV	Production & Other Costs To Produce Magazine	\$100,000.00
Royal NZ Ballet	WGTV	Building Ronald McDonald House Wgtn	\$22,479.00
Royal NZ Plunket Society	WGTV	Hoists For Production Of Don Quixote Nov	\$38,189.00
Schizophrenia Fellowship NZ Inc	WGTV	Child Safety Stickers	\$8,500.00
Summer Shakespeare Production	WGTV	Website, Signs, Books	\$1,396.00
	WGTV	Production Materials	

Surf Life Saving NZ Inc	WGTN	Database	\$3,000.00
United Nations Association Of NZ	WGTN	Printing	\$1,148.70
Wellington Zoo Trust	WGTN	Building	\$300,000.00
Hospice NZ	WGTN	Printing May	\$5,990.56
Hospice NZ	WGTN	Creation & Print Conference '08 Handbook	\$11,290.00
Age Concern NZ Inc	WGTN	Stationery	\$10,920.65
		Sub Total 99 Acc	\$2,611,283.29
		Total WCC	\$2,887,734.22

7.2 Appendix- GC14/06 Southern Trust & Te Wheke Holdings LTD v DIA

GC17/07

IN THE MATTER of the Gambling Act 2003
AND of an appeal by THE
SOUTHERN TRUST
INCORPORATED and TE
WHEKE HOLDINGS
LIMITED

BEFORE A DIVISION OF THE GAMBLING COMMISSION

Members: P Chin (Chief Gambling Commissioner)
P J Stanley
G L Reeves

Date of Appeal: 23 March 2007

Date of Decision: 24 August 2007

Date of Notification of Decision: 11 September 2007

DECISION

**ON AN APPEAL BY THE SOUTHERN TRUST INCORPORATED
AND TE WHEKE HOLDINGS LIMITED**

Appeal

- 1 The Southern Trust Incorporated ("TST") and Te Wheke Holdings Limited ("TWH") (together referred to as the "Appellants") appealed, under section 77 of the Gambling Act 2003 (the "Act"), against a decision by the Secretary for Internal Affairs (the "Secretary") refusing to grant a class 4 venue licence for the premises known as "After 5", located at 1207 Eruera Street, Rotorua (the "Venue").

Relevant provisions of the Gambling Act 2003

2. Section 65 of the Act provides as follows:

65. Application for class 4 Venue Licence

- (1) A corporate society may apply to the Secretary for a class 4 venue licence
- (2) An application must be on the relevant standard form and must be accompanied by—
 - (a) ...
 - (b) a territorial authority consent if required under section 98; and

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- (j) evidence that the class 4 venue is not to be used mainly for operating gaming machines; and
- (5) The Secretary may return an incomplete application, and the accompanying documents and any fee, to an applicant
- (6) The Secretary may request from the applicant any further information that the Secretary considers necessary to consider the application properly

3 Section 98 of the Act provides as follows:

98. When territorial authority consent is required
A territorial authority consent is required in the following circumstances:

- (c) if a corporate society applies for a class 4 venue licence and a class 4 venue licence has not been held by any society for the venue within the last 6 months:

Facts

4. In June 2006, Ms Tammy Haira became interested in using a site at 1207 Eruera Street, Rotorua for a bar, and incorporated TWH for this purpose. The site was being used as a bar called "Bar 3", which operated gaming machines. Bar 3 was not a commercial success and the corporate society operating gaming machines there, the New Zealand Community Trust ("NZCT"), formally surrendered its class 4 venue licence for Bar 3 on 19 September 2006.
5. In August 2006, TWH entered into a lease for the Venue. TWH began upgrading the Venue in November 2006. On 6 December 2006, it applied for a liquor licence. On 15 March 2007, the Rotorua District Council told Ms Haira that the application had been opposed and that the matter would be heard before the Rotorua District Licensing Authority.
6. On 16 March 2007, there was a telephone conversation between Mr Campbell Wilson, TST's Compliance Manager, and Mr Robert Hunter, a Senior Gambling Inspector employed by the Secretary, about a possible application for a class 4 venue licence for the Venue. Mr Wilson told Mr Hunter that a liquor licence had not been issued for the Venue and asked whether an affidavit from the Venue operator would be sufficient evidence as to the Venue's main activity. Mr Hunter told Mr Wilson that the best evidence would be a liquor licence and that an affidavit would not suffice in the circumstances.
7. Notwithstanding Mr Hunter's advice, on 16 March 2007, Miss Haira swore an affidavit in which she expressed confidence that a liquor licence for the Venue would be issued to TWH in the near future, and that she was aware that the operation of gaming machines could not be the primary activity at the Venue. The affidavit stated that TWH would not operate gaming machines contrary to these requirements.
8. On 19 March 2007, the Secretary received an application for a class 4 venue licence from TST. The application was on a standard Department of Internal Affairs application form and

supplied all information that the form requested. The application did not include a copy of a liquor licence, as one had not been issued, but included Ms Haira's affidavit.

9. On 20 March 2007, the Secretary returned the application to TST as an incomplete application, under section 65(5) of the Act, on the basis that insufficient information had been provided to him to establish that the Venue was not going to be used mainly for operating gaming machines.
10. The Appellants considered the return of the application to be a refusal to issue a class 4 venue licence for the Venue and, on 23 March 2007 appealed to the Commission the Secretary's decision to refuse to grant the licence.
11. On 13 April 2007, the Rotorua District Council issued a Building Compliance Report for the Venue. A liquor licence was also issued on the same day (a building code consent being a prerequisite to the liquor licence being issued). The liquor licence was provided to the Secretary on 16 April 2007.
12. After the appeal was filed, the Secretary informed the Commission that he did not consider that he had made a decision refusing to grant the class 4 venue licence, but had instead exercised his powers under section 65(5) of the Act and returned an incomplete application.
13. In pre-hearing discussions, the parties agreed to treat the return of the application as amounting to a decision to refuse to grant a class 4 venue licence. The parties also agreed to limit the scope of the appeal to the following two matters:
 - (a) whether the information provided by TST with its application was, at 20 March 2007, sufficient to meet the requirement of section 65(2)(j) of the Act; and
 - (b) if the requirement of section 65(2)(j) was only met when the temporary liquor licence was received on 16 April 2007, whether a territorial authority consent is now required under sections 65(2)(b) and 98(c) of the Act, in order for the Secretary to be able to consider the application.

Submissions on behalf of the Appellants

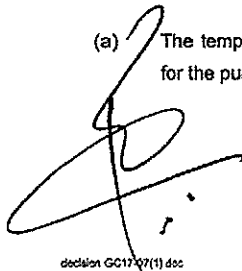
14. The Appellants submitted, in summary, that:
 - (a) Although there is no statutory requirement for a liquor licence to be filed with an application for a class 4 venue licence, the Secretary rejected the application for no other reason than the absence of a liquor licence accompanying the application.
 - (b) A liquor licence is not necessarily conclusive proof that gaming will not be the dominant purpose of the venue.

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- (c) A sworn affidavit from the venue's owner that the venue will not be operated mainly for gaming machines is better evidence than a liquor licence
- (d) Ms Haira's affidavit contained all the necessary information to allow the application to be considered.
- (e) In returning the application, the Secretary's actions amounted to a decision to reject the application on the improper basis that no liquor licence had been submitted with the application. The Commission should order the Secretary to consider the application as submitted.

Submissions by the Secretary

15. In relation to the first agreed matter on appeal, the Secretary submitted, in summary, that:
- (a) Where an application is submitted for a new class 4 venue licence, a liquor licence is helpful, but not essential, to establish that a venue will not be used mainly for operating gaming machines.
 - (b) It is possible to meet the requirements of section 65(2)(j) without a liquor licence, provided other compelling evidence is provided.
 - (c) With a new tavern with no history of operation, the existence of a liquor licence is relevant to show that liquor will be provided at the venue, and may assist an applicant to meet the 65(2)(j) requirements.
 - (d) In the absence of a liquor licence, or any evidence of other activities, he is justified in not being satisfied that the venue will not be used mainly for operating gaming machines.
 - (e) The Appellants provided insufficient evidence to satisfy the requirement of section 65(2)(j). The only evidence provided was an affidavit from Ms Haira in which she stated that she was confident that a liquor licence would be granted. However, she was not in a position to be confident as the liquor licence application was opposed. As such, he could not be satisfied that the venue would have a primary activity at all.
16. In relation to the second agreed matter on appeal, the Secretary submitted, in summary, that:
- (a) The temporary liquor licence issued on 13 April 2007 constitutes sufficient evidence for the purposes of section 65(2)(j).



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- (b) The Appellants should file a new class 4 venue licence application with a territorial authority consent, as more than six months has now expired since the previous licence was surrendered.
- (c) Alternatively, if the Commission is of the view that the Appellants' original application can be reassessed, the application was only effectively filed on 16 April 2007 when he received the liquor licence. This date is outside the six-month period and so a territorial authority consent is needed.
- (d) While the Commission can make decisions relying upon material not available to him, it would be inappropriate for the Commission to make a decision on the original rejected application based upon information received after he made his decision because of the 6 month rule in section 98(c) of the Act. To do so would circumvent Parliament's intent

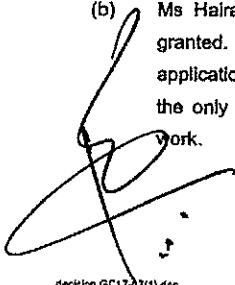
17. In addition, the Secretary submitted:

- (a) When the parties agreed to limit the appeal to the two agreed points, counsel for the Secretary acknowledged that, if the Commission accepted the Appellants' submissions, he would issue the venue licence. However, he has since discovered information that causes him concern in relation to a possible key person associated with the application. If the appeal is upheld, he now asks that the application be returned to him to reconsider and make a new decision.
- (b) Counsel for the Secretary orally informed the Commission that he is otherwise satisfied that the application meets the Act's requirements for the issue of a class 4 venue licence.

Appellants' submissions in reply

18. In reply, the Appellants submitted, in summary, that:

- (a) The Secretary acknowledged that there is no requirement that a liquor licence be supplied with an application for a class 4 venue licence, but his practice is at odds with this stated position.
- (b) Ms Haira was entitled to be confident that a temporary liquor licence would be granted. Whatever concerns were held by the parties opposing TWH's liquor licence application, they were satisfied within 18 days of Ms Haira's affidavit being sworn, and the only factor which held up the grant of a temporary liquor licence was building work.



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- (c) Rather than returning the application as being incomplete, the Secretary should have granted the venue licence with a special condition that the venue not operate unless it had a current liquor licence.
- (d) The affidavits in reply address the Secretary's concerns about the possible key person.

Analysis

Preliminary Matter

19. Although the parties accepted that the Secretary's return of the application amounted to a refusal to grant a class 4 venue licence, it is necessary to comment briefly on the return as it goes to the Commission's jurisdiction to hear the appeal
20. Section 77(1)(a) gives the Commission power to hear appeals from a refusal by the Secretary to grant a class 4 venue licence. Section 77 does not confer power on the Commission to hear an appeal from the return of an incomplete application by the Secretary.
21. Section 65 of the Act governs applications for class 4 venue licences. It provides that a corporate society may apply to the Secretary for a class 4 venue licence, that the application must be on the relevant standard form and be accompanied by certain specified documents, information and evidence, including evidence that the venue is not to be used mainly for operating gaming machines (section 65(2)(j)). The Act does not specify what evidence is required to demonstrate that venue will not be used mainly for operating gaming machines. It is clear however that it does not specify that a liquor licence must be provided to satisfy section 65(2)(j). A liquor licence may assist in satisfying section 65(2)(j), but the requirement may also be adequately addressed by other evidence.
22. As the Act does not require a liquor licence to be provided with an application, the return of the application on the basis that it was incomplete without one was incorrect.
23. The Secretary returned the Appellants' application to TST on the basis that it was incomplete, pursuant to section 65(5) of the Act, as the application did not include a liquor licence. Section 65(5) does not confer power to return an application which supplies the specified information in cases where the information, in the Secretary's opinion, is insufficient for the licence to be granted. It only allows the return of an application in which the standard form has not been completed or for which one or more of the matters listed in section 65(2)-(3) have not been provided at all. If insufficient evidence has been provided, the Secretary should ask for further information under section 65(6) of the Act, or decline the application. As the application met the statutory requirements for a valid application (whether or not it would be granted), the return constituted a refusal of the application.

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Key Issues

24. As noted above, the parties agreed to limit the scope of the appeal to the two points identified at paragraph 13. However, in the Commission's view, the two points do not adequately capture the issues required to dispose of the appeal. The first issue, whether the information provided by TST with its application was sufficient to meet the requirements of section 65(2)(j), assumes incorrectly that the Commission will consider the appeal only by way of rehearing (being limited to the information before the Secretary at the time of the refusal). As the Commission noted in decision GC06/06, and in subsequent decisions, the Commission hears appeals on a *de novo* basis, which means that it considers matters afresh, having regard to all the information before it, irrespective of whether the Secretary had that information when he made his decision and whether the original information justified his decision. Section 77(3)(d) of the Act provides that the Commission must consider all information put before it by the parties. This includes the liquor licence issued after the Secretary made his decision.
25. For the future assistance of the parties who framed the questions by agreement, the Commission provides answers to them as follows:
- (a) The answer to the first issue is "yes" In the Commission's view, the affidavit of Miss Halra satisfied the requirements of the Act, especially with the addition of a condition that the venue could not operate unless it held a current liquor licence. The actual prior issue of a liquor licence was not necessary in order to reach that conclusion.
 - (b) The answer to the second issue is "not required". The express pre-condition for the second issue is not met.

However, as the Commission has already indicated, neither issue is truly material to deciding the appeal as the answers do not determine the result of the appeal.

26. The Commission considers that the following two issues are necessary to dispose of the appeal:
- (a) In the circumstances, is there now a requirement for a territorial authority consent which affects the decision on appeal? (This is, the second issue with the pre-condition removed.)
 - (b) If the grounds for the appeal are established, should the Commission allow the appeal, or should it refer the matter back to the Secretary for his further consideration?


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Is a territorial authority consent required?

27. Section 65(2)(b) of the Act provides that an application for a class 4 venue licence must be on the relevant standard form and must be accompanied by a territorial authority consent, if required under section 98 of the Act. Section 98(c) provides that a territorial authority consent is required if a corporate society applies for a class 4 venue licence and a class 4 venue licence has not been held by any society for the venue within the last six months. The remainder of section 98 is not applicable.
28. In the present case, NZCT held a class 4 venue licence for the Venue (then known as "Bar 3") until 19 September 2006. The Appellants' application for a new class 4 venue licence was received by the Secretary on 19 March 2007, within the six month period, albeit on the last day. A territorial authority consent is not, therefore, required.
29. If the Commission were to decide to refer the application back to the Secretary for him to reconsider (this will be addressed below), in the Commission's view, the Appellants would still not need a territorial authority consent because section 77(4)(b) of the Act is a power to direct the Secretary to reconsider his original decision. That is, the Secretary has to reconsider whether or not the original application, together with any further information, is sufficient for a class 4 venue licence to be granted. The original application did not require a territorial authority consent as it was made within the six month window and the position is no different when it is reconsidered by the Commission on appeal or if the Commission were to direct the Secretary to reconsider it.

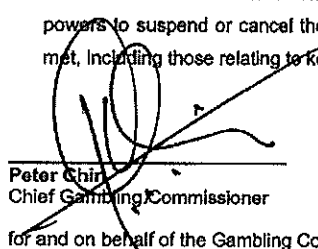
If the grounds for the appeal are established, should the Commission allow the appeal or refer the matter back to the Secretary?

30. The grounds for the appeal were, in summary, that the Secretary wrongly refused to issue the class 4 venue licence owing to an incorrect view that a liquor licence was required as evidence to establish that the Venue would not be used mainly for operating gaming machines.
31. The grounds for the appeal have been established as the Secretary accepts that:
- (a) a liquor licence is not required under section 65(2)(j);
 - (b) the return of the application did amount to a refusal to issue a licence;
 - (c) except for new concerns about a possible key person suitability, he is otherwise satisfied that the application meets the requirements of the Act; and
 - (d) a liquor licence has been issued (and is further confirmation of the affidavit evidence that the Venue will not mainly be used for operating gaming machines).

32. The Commission has gone on to consider whether to allow the appeal, thereby effectively directing the Secretary to issue the class 4 venue licence, or whether to refer the matter back to the Secretary for further consideration. Either option is available to the Commission, pursuant to section 77(4) of the Act. The Commission noted the Secretary's submissions and evidence about possible key person suitability concerns, together with his suggestion that, if the Commission accepted the Appellants' submissions, the matter should be referred back to him for further consideration.
33. In the context of this appeal, the Commission decided that the interests of justice favoured the immediate issue of the licence. In appeals before the Commission, it is common for Appellants to have the benefit of a favourable status quo with the appeal acting as a stay until the issues are determined. However in this case, the status quo is unfavourable to the Appellants because the decision was a refusal to grant a licence. This has resulted in the Appellants having to file an appeal to correct a decision to refuse to consider their application on the basis that a liquor licence was required, when it was not.
34. The Commission considers that the key person concerns do not justify a decision to refer the application back to the Secretary, particularly as the Secretary has ongoing powers to suspend or cancel licences if the continuing requirements to hold a licence (such as key person suitability) are not met. Accordingly, the Commission declined to refer the application back to the Secretary for further consideration.

Decision

35. The Commission allows the appeal and directs the Secretary to issue TST with a class 4 venue licence for the Venue. The decision on appeal does not limit or restrict the Secretary's powers to suspend or cancel the licence once issued if the continuing requirements are not met, including those relating to key persons.


 Peter Chin
 Chief Gambling Commissioner
 for and on behalf of the Gambling Commission

September 2007

7.3 Appendix – GC14/06 Perry Foundation v DIA

GC14/06

IN THE MATTER of the Gambling Act 2003
AND of an appeal by **PERRY FOUNDATION**

BEFORE A DIVISION OF THE GAMBLING COMMISSION

Members: P Chin (Chief Gambling Commissioner)
M M Lythe
G L Reeves

Date of Appeal: 8 February 2006

Date of Decision: 9 June 2006

**DECISION
ON AN APPEAL BY PERRY FOUNDATION**

Appeal

1. Perry Foundation (the "Appellant") appealed under section 77(1)(e) of the Gambling Act 2003 (the "Act") against a decision by the Secretary of Internal Affairs (the "Respondent" or the "Secretary") to cancel the class 4 venue licence held by the Perry Foundation for the Panmure Super Bowl, 532A Ellerslie Panmure Highway, Auckland. The Appellant sought reinstatement of the licence.

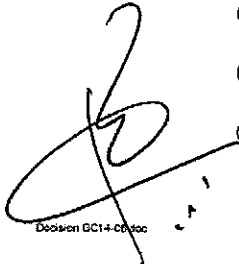
Gambling Act 2003 and Gambling (Harm Prevention and Minimisation) Regulations 2004

2. The Appellant's licence was cancelled pursuant to section 74(1)(a) which provides that:

- (1) The Secretary may suspend for up to 6 months, or cancel, a class 4 venue licence if the Secretary is satisfied that –
 - (a) any of the grounds in section 67 are no longer met; . .

3. Section 67 of the Act provides (in part):

- 67(1) The Secretary must refuse to grant a class 4 venue licence unless the Secretary is satisfied that –
 - (b) the possibility of persons under 18 years old gaining access to class 4 gambling at the class 4 venue is minimal; and
 - (q) the proposed venue is suitable in all other respects to be a class 4 venue; and
 - (r) there are no other factors that are likely to detract from achieving the purpose of the Act; and
 - (s) any other requirement set out in regulations or licence conditions is, or will be, met



Decision GC14-06.doc

4. Regulation 4 of the Gambling (Harm Prevention and Minimisation) Regulations 2004 (the "Regulations") provides as follows:

4. Unsuitable class 4 venues

The following venues are declared unsuitable to be a class 4 venue:

- (a) a venue at which the primary activity is anything other than onsite entertainment, recreation, or leisure focused on persons 18 years and over, including (without limitation) –
- (i) a dairy, supermarket, or other similar venue;
 - (ii) a fast-food outlet or other similar venue;
 - (iii) an office;
 - (iv) a private residence;
 - (v) a sports stadium;
 - (vi) a circus, fair, amusement parlour, arcade or park, theme park, or other similar venue;
- (b) a venue that is not a fixed permanent structure, including (without limitation) –
- (i) a tent or marquee;
 - (ii) a vehicle, vessel, aircraft, trailer, or other conveyance;
- (c) a footpath (whether or not undercover);
- (d) a concourse area (whether or not enclosed);
- (e) an internet-café or cyber-café, or any other venue at which the primary activity is electronic media (including games);
- (f) a library, art gallery, museum, theatre, cinema, or other similar venue;
- (g) a place of worship.

Facts

- 5 An Agreed Statement of Facts was filed by the parties. The Appellant filed affidavit evidence from the owner of the premises, Mr Lum, the Chief Executive Officer of the Perry Foundation, Mr Paterson, and the Chief Executive Officer of Ten Pin Bowling New Zealand Incorporated, Mr Nevatt.
- 6 The Respondent did not file evidence, but set out additional factual matters in its written submissions relating to the inspections undertaken by the Department of Internal Affairs (the "Department"), promotional material collected from the site, and the website of the Panmure Superbowl.
- 7 By letter dated 10 October 2005, the Respondent advised the Appellant that it proposed to cancel the class 4 venue licence for the Panmure Superbowl and stated the following reason for the proposed cancellation:

The reason for the proposed cancellation, based on the outcome of its inspections, is that the Department is not satisfied that the Venue's primary activity is on site entertainment, recreation or leisure focused on persons 18 years and over, as required by section 67(1)(s) and Regulation 4. The

Venue's primary activity is ten pin bowling, which is focused on persons of all ages, including the very young. This conclusion is supported when the Venue's subsidiary activities, which have a clear youth focus, are also taken into account

- 8 The Appellant lodged submissions, opposing the proposed cancellation
- 9 By letter dated 30 January 2006, the Department gave notice that it had decided to cancel the licence, with effect from midnight on Friday 24 February 2006
- 10 On 9 February 2006, the Appellant lodged an appeal of the Respondent's decision.
- 11 Class 4 gambling at the Panmure Superbowl premises is conducted in the bar area. The bar is of similar size to an average tavern, with the gaming machines being located at one end. The only access from the bar to the ten pin bowling area is a small exit adjoining the café/kitchen area.
12. The Panmure Superbowl is open from 9.30am until 11 30pm on Mondays, Tuesdays, Thursdays and Sundays, and until midnight on Wednesdays, Fridays and Saturdays. It was common ground that the primary activity for the premises, as a whole, is ten pin bowling.
13. At the time of the Department's inspections, the venue operator was Zone Holdings Limited. On or about 12 December 2005, the venue was sold to the current owner and operator, Maritone Holdings Limited.
14. The Division of the Commission hearing the appeal visited the premises during the morning of 9 June 2005 as members of the public and unaccompanied by the parties. The visit was limited to what could be seen by an ordinary member of the public entering the premises, the purpose being for Commissioners to see in three dimensions what had already been represented to the Commission by photographs and a plan, and in evidence.

Submissions on behalf of Appellant

- 15 The notice of appeal listed two grounds of appeal. The first was that the relevant class 4 venue comprises only the bar within the Panmure Superbowl. As a consequence, the venue complies with the Regulations as the primary activity of the bar is the sale of liquor. The second and alternative ground of appeal (ie if the class 4 venue was held by the Commission to be the entire Panmure Superbowl) was that the Panmure Superbowl is not in breach of Regulation 4 of the Regulations because the primary activity (ten pin bowling) is recreation focused on persons 18 years and over.

In relation to the first ground, the Appellant noted that "class 4 venue" is defined as "a place used to conduct class 4 gambling." In submitting that the "place" at Panmure Superbowl was the bar, the Appellant relied on Mr Lum's evidence that:

- (a) The bar is a physically separate location which has its own toilets and external entry. There is a small accessway between the bar to the ten pin bowling area.
- (b) The bar is fully stocked and is of a similar size or bigger than an average tavern
- (c) The Department's inspector, Mr Batenburg, wrote in answer to the question of whether the venue is geared toward minors, that it was "Almost like 2 venues ...".

17. In relation to the second ground, the Appellant submitted:

- (a) Regulation 4(a) should be construed narrowly. To do otherwise would be to make redundant Regulations 4(b) to 4(g).
- (b) It could be presumed from the omission to refer to ten pin bowling venues in Regulation 4(a) that such venues are suitable and prohibited by Regulation 4 only if the primary activity is not focused on persons over 18 years of age
- (c) The reference in Regulation 4 to "the focus of the primary activity" contemplates that a venue is not unsuitable merely because some persons under 18 years participate in the primary activity.
- (d) The Respondent had incorrectly taken into account subsidiary and ancillary activities in making its determination that the venue was unsuitable.
- (e) The Department had insufficient evidence reasonably to conclude that the primary activity was not focused on persons over 18 years. In support of this contention, the Appellant relied on the evidence of Mr Lum and Mr Nevatt that:
 - (i) Ten pin bowling is an adult dominated sport.
 - (ii) 86% of Panmure Superbowl's turnover is generated from adults.
 - (iii) 99% of all league bowlers at Panmure Superbowl are over 18 years.
 - (iv) Income generated from junior bowling in a sample month (April 2005) was slightly less than 20% of the total bowling income and 14% of Panmure Superbowl's entire income. Income generated from junior bowling in January, February and March 2006 was respectively 14%, 21.5% and 8% of bowling income.
 - (v) 54% of the Panmure Superbowl's operating hours are outside hours that persons under 18 would attend (due to school hours or lateness in the day)

Decision GC14-08.doc

- (vi) External marketing is targeted at people over 18 years of age, reference being made to radio advertising on More FM (which it was stated has a strong audience in the 25-44 age bracket), the Auckland Entertainment Book and by website.
- (vii) Adult bowling is more lucrative and for this reason the venue management markets to persons over 18.
- (viii) The "vast majority" of people who visit the venue are over 18.

Submissions on behalf of the Respondent

18. The Respondent submitted that:

- (a) Regulation 4 refers to a venue in its entirety as opposed to the class 4 venue. For Panmure Superbowl, the venue is the premises as a whole not the bar
- (b) The venue has an "all ages" focus, and the primary activity is not focused on onsite entertainment, recreation or leisure focused on persons 18 years or over. It is not necessary to ascribe a percentile or proportional value to the business generated by youth; it is sufficient that the focus is not limited to persons 18 years and over
- (c) In addition to section 67(s) and Regulation 4, sections 67(1)(b), (q), and (r) indicate that the Secretary is able to take into account a broad range of factors in determining suitability.
- (d) There is a legislative presumption first, against granting a licence under section 67(1) and second, that a venue is unsuitable under Regulation 4(a), where the primary activity is anything other than onsite entertainment, recreation or leisure focused on persons 18 years or more.
- (e) Regulation 4(a) provides a general rule for classifying unsuitable venues, with examples, while Regulations 4(b)-(g) provides a list of venues that are inherently unsuitable for class 4 gambling. The words "without limitation" in 4(a) make it clear that the list in 4(a)(i) to (vi) is not exhaustive.
- (f) The Secretary was not wrong to consider secondary activities in making his decision that the venue was unsuitable. Secondary activities are relevant as they may indicate that the venue is focused on all ages.
- (g) Cabinet Papers relating to the Regulations support an interpretation of Regulation 4(a) to the effect that ten pin bowling venues are unsuitable if the focus is not on persons over 18 years.

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(g) Ten pin bowling venues will not be caught by Regulation 4 in circumstances where such venues have "such a scant youth participation/focus that it would preclude an all ages focus and [would] thereby be analogous to a pub."

- 19 In submitting that the primary activity had an all ages focus, the Respondent relied on promotional material collected from the venue and the venue's website, which included promotions for juniors, families, birthday parties and school groups
20. The Respondent submitted that the statistics provided by the Appellant relating to income, turnover and numbers of persons over 18 attending the venue were not robust or determinative. It was submitted that league representation was not indicative of broader junior youth participation at the venue, and that the source of turnover generation is different from the group upon whom the primary activity is focused. The evidence showed, it was submitted, that the venue is concentrating and directing attention to the family/youth market. In the alternative, the statistics provided by the Appellant, if relevant, supported a view that bowling was not focused on persons over 18 years.

Submissions in reply

- 21 The Appellant's submissions in reply largely repeated the Appellant's earlier submissions. Appellants are reminded that a reply should address only new points or matters raised in the Respondent's submissions and evidence which are not foreseen and dealt with in original submissions and evidence. Matters raised by the Appellant of this nature included the following:

- (a) The Respondent has not filed any evidence. The evidence filed on behalf of the Appellant is sworn, uncontested evidence. Comments in the inspector's report provided to the Commission are hearsay, and accordingly must be given little (if any) weight.
- (b) The Secretary has misconstrued section 67(1)(b). The Secretary is required to be satisfied that the possibility of persons under 18 years accessing class 4 gambling is minimal. The issue is not access generally to the venue.
- (c) Sections 67(1)(b), (q) and (r) are not relevant as the Secretary has previously been advised that the only ground for cancellation is section 67(1)(s).
- (d) The Cabinet papers referred to by the Respondent are an inadequate basis for concluding Parliament intended Regulation 4 to apply to ten pin bowling venues.

Preliminary matters

22. As noted by the Appellant, the Secretary has filed written submissions but no affidavit evidence. The Secretary's written submissions include legal arguments and factual

inferences based on the Appellant's evidence, but also outline factual matters based on information available to the Secretary, but which is not in evidence.

23. As an appeal is by way of *de novo* hearing, consideration should be given by the parties to how they should place factual information before the Commission for use in the appeal. The Commission draws to the attention of parties its Practice Notes (paragraph 33) which specifies as follows:

The Commission's preference is to receive from the parties to an appeal an agreed statement of facts covering relevant factual matters which are not in dispute. Beyond this, factual material must be presented to the Commission by way of sworn affidavit

[Emphasis added]

24. Despite the non-compliance with the Practice Notes, the Commission is required to consider the factual information contained in the submissions. Section 77(3)(d) of the Act provides:

(3) The Gambling Commission—

(d) must consider any information provided by the corporate society, or the parties to the venue agreement, and the venue manager and the Secretary

25. The requirement that the Commission must consider information submitted to it does not, however, dictate the weight which it should receive. In the current circumstances, the Commission does not consider the factual material set out by the Secretary in his submissions to be contentious. Indeed, the Respondent has relied principally on the Appellant's own evidence to argue that the venue has an "all ages" focus and accordingly is unsuitable. In the circumstances of this appeal, a more extensive Agreed Statement of Facts should probably have been utilised.

26. The circumstances may be different, however, where the facts are contentious. For the future, the Commission's preference is to receive factual information, which is not agreed, in the form of sworn evidence, and cautions parties that unsworn statements in legal submissions and otherwise placed before the Commission, for example as part of information provided to the Commission and the appellant at the outset of an appeal, may not receive the same weight.

Key issues


27. The Commission's jurisdiction on appeal is *de novo*. It reconsiders the Secretary's decision having regard to the information before it and is not restricted to the information before the Secretary or to the grounds stated by the Secretary for his decision. This appeal gives rise to the following issues arose for consideration and determination by the Commission:

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- (a) What is the venue? The bar within the Panmure Superbowl or the premises as a whole?
- (b) If the venue constitutes the entire Panmure Superbowl premises, is the primary activity of the venue, on the facts, something other than onsite entertainment, recreation or leisure focused on persons 18 years and over?

The issues relate principally to the requirements of section 67(1)(q) that the venue be suitable for class 4 gambling, Regulation 4 specifying that certain premises are not suitable for this purpose either inherently or in view of the focus of the primary activity.

- 28 A finding for the Appellant on the first ground would mean that it was unnecessary for the Commission to consider the second. The Appellant contends, and the Respondent has not disputed that, if the relevant class 4 venue is the bar only, the venue would not be unsuitable in terms of Regulation 4 (or at all, for that matter) because the focus of the primary activity of the bar is the sale of liquor, limited to persons over 18 years.
29. A "class 4 venue" is defined in section 4 of the Act as "a place used to conduct class 4 gambling". The definition of "place" includes a building and a room (amongst other things). Accordingly, what constitutes the class 4 venue in any given instance will vary from case to case depending on the facts and the terms of the particular licence. As noted by the Commission in its decision GC10/05, relating to an appeal by the New Zealand Community Trust, the Secretary has the ability to licence individual parts of a building as class 4 venues, if that is necessary or desirable.
30. In determining what constitutes the class 4 venue in the current circumstances, the Commission starts by considering the licence issued by the Respondent. The licence identifies the venue as the Panmure Superbowl, located at 523A Ellerslie Panmure Highway. It describes the venue as a "hotel". This appears to be somewhat inapt; although there is a bar at the location, it is not a hotel.
- 31 Different aspects of the licence support different conclusions. On the face of the licence, the place within which class 4 gambling is permitted is the business premises called "Panmure Superbowl" at 532A Ellerslie Panmure Highway. It is not restricted to any more specific area of the premises, irrespective of where the gaming machines are in fact located at present. On the other hand, the description of the venue as "hotel" might support a construction that the venue is the bar area of the premises only.
- 32 The Commission also considered, a matter of fact and impression, where the class 4 gambling activities were located at the address, whether the various activities undertaken in the building were sufficiently co-ordinated so that the entire building appeared to be one business, or whether the activities were separate with the result that several



32

Decision GC14-05.doc

businesses appeared to operate within the one building. In making such an assessment, the Commission adopted the point of view of a consumer. Would a member of the public gain the impression, from the get up, advertising and operation of the activities at Panmure Superbowl that the activities (bowling, bar, café, megazone) formed one enterprise or more than one?

33. From the evidence before it and its own visit, the Commission considered that a consumer visiting the premises would gain an impression that the bar was distinct from the remainder of the Superbowl business, which otherwise formed a contiguous whole. The size of the bar, the fact it was walled off from the rest of the venue (except for a limited access way), the separate external access, and the positioning of gaming machines at the far end of the bar gave the impression that the bar was a separate business from the remainder of the premises and functioned on an independent basis. In contrast, the other activities at the Panmure Superbowl were located in a contiguous area and were apparently highly integrated.
34. Notwithstanding these observations and the reference in the licence to "hotel", the Commission was not prepared to decide conclusively that the relevant venue was the bar only. As in its earlier decision, it considers that the terms of the licence have primacy and that, if the licence were intended to apply only to part of the premises, the licence would specify the particular part and its location on its face. The licence does not do so in this case and, on the information before the Commission, class 4 gambling may be lawfully undertaken anywhere within the Panmure Superbowl venue although, if not restricted in fact to the bar area, other considerations would come into play. The Commission accordingly moved on to consider the second issue.
35. The Appellant argued that Regulation 4(a) must be narrowly construed to avoid making Regulation 4(b) to (g) redundant.
36. The Commission does not agree that the Regulation should be interpreted to avoid any overlap between Regulation 4(a) and 4(b)-(g). Regulation 4(a) is concerned with the **primary activity** of the venue, while Regulation 4(b)-(g) is concerned with the **type** of venue. Because Regulation 4(a) and (b)-(g) concern different things, there is no requirement to interpret the Regulation to avoid overlap.
37. A venue which falls into Regulation 4 (b)-(g) is inherently unsuitable as a class 4 venue whether or not its primary activity is focused on persons over 18. An adult cinema would be unsuitable on that basis.
38. Equally, the Commission draws little from the omission of Regulation 4(a) to refer specifically to ten pin bowling alleys. It is clear, from the phrase "including (without limitation)", that Regulation 4(a) applies to venues beyond those listed depending on the

focus of the primary activity at each such venue. Ten pin bowling alleys will be suitable or otherwise under Regulation 4(a) depending on the focus of the primary activity of each such venue.

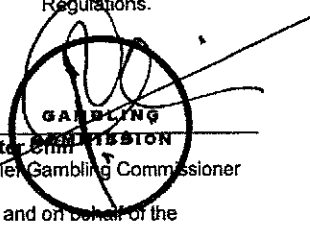
39. The concept of a "primary activity" recognises that a venue may have a number of activities present, although it assumes that there will be one primary or dominant activity, the other activities at the venue being incidental or ancillary. Class 4 gambling is never supposed to be the "main use" of the venue (section 67(1)(k)).
40. Determining what the primary activity is in any given case is a question of fact. In the present case, if the venue is Panmure Superbowl, there is no dispute between the parties that the primary activity of the venue is ten pin bowling. Incidental or ancillary activities include video games, sale of food and beverages, and class 4 gambling. The application of Regulation 4(a) is assessed on the focus of the primary activity, not the ancillary activities, although the nature of the ancillary activities may affect the assessment of the focus of the primary activity.
41. The word "focused" in Regulation 4(a) does not carry a particular legal meaning, and the Commission gives it its ordinary meaning of "a centre of interest or activity" or "close or narrow attention; concentration". While the focus of the primary activity must be on persons over 18 years of age, exclusive attention to, or participation by, persons over 18 is not required.
42. The Commission considered that the test for suitability proposed by the Respondent was too narrow, in suggesting that the venue had to be "analogous to a pub" in the sense that persons under 18 years were excluded from entry. A venue is not rendered unsuitable merely because of the presence of persons under 18 years. Regulation 4(a) requires assessment of the focus of the primary activity, as distinct from the venue itself.
43. Having considered the evidence and information before it (including the impressions gained from its visit to the premises), the Commission was satisfied that Panmure Superbowl is a suitable venue in all respects to be a class 4 venue and, in particular, that the focus of the primary activity (ten pin bowling) was the onsite entertainment, recreation and leisure of persons 18 years and over.



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Decision of Division

- 41 The Commission decided to allow the appeal and reinstate the Appellant's licence, having determined that the venue met the requirements of section 67(1) and Regulation 4 of the Regulations.


GAMBLING
COMMISSION
Peter Griffin
Chief Gambling Commissioner
for and on behalf of the
Gambling Commission

26 June 2006

Gambling Venues Policy – Submission Form

Please use this form to give us your views about the draft policy for the Wellington City Council's Gambling Venues Policy.

You can have your say:

- Online at www.Wellington.govt.nz or by sending an email to: policy.submission@wcc.govt.nz, or
- Make a submission on this form and send it to: Freepost 2199, Gambling Venues Policy Review, Wellington City Council, Wellington, or
- Fax it to 801 3231

If you would like to speak about your submission to City Councillors at the Council's Strategy and Policy Committee meeting, you can make an oral submission by ticking this box: We will organise a time for you.

Submissions close at 5 pm Friday 9 April 2010.

I am making a submission

- As an individual
 On behalf of an organisation

Name of organisation

Pub Charity Inc.

Name and contact details

Mr/Mrs/Ms/Miss/Dr (circle which applies)

First name(s)*

Lisa

Last name(s)*

Beighton

Street address*

190 Taranaki Street

Phone: Home

Mobile

027 447 5566

Email

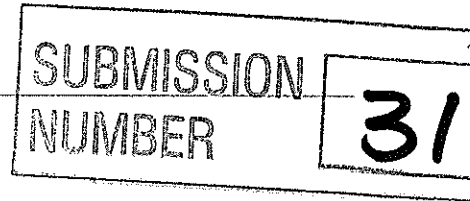
lisa@pubcharity.org.nz

Note *Mandatory fields (please use block capitals). All submissions (including name and contact details) are published and made available to elected members of the Council and the public. Personal information supplied will be used for the administration of the consultation process. All information collected will be held by Wellington City Council, 101 Wakefield Street, Wellington. Submitters have the right to access and correct personal information.

Do you have any comments to make on the proposed amendment to the Gaming Venues Policy?

See following submission by email.

Do you have any comments to make on the policy approach for the Central Area Zone?

Brian OSullivan

From: Sally-Ann Hughes [Sally-Ann.Hughes@nzct.org.nz]
Sent: Thursday, 8 April 2010 11:31 a.m.
To: BUS: Policy Submission
Cc: Mike Knell; Rob Holden; Rae Mazengarb; Amy Rountree; Angela Paul; Paul Matheson
Subject: NZCT submission on Gambling Venues Policy
Attachments: FINAL Wellington City Council Submission Apr10.pdf

Dear Sir/Madam

Please find attached our submission for the Council's review of your Gambling Venues Policy. We would like to speak to this submission at the Council's Strategy and Policy Committee meeting and would appreciate being notified of the time. Many thanks.

Kind regards

Sally Ann Hughes
Marketing Manager



New Zealand Community Trust
LOCAL GAMING – LOCAL FUNDING
PO Box 10857, Wellington
DDI 04 473 0644 | MOB: 027 289 4588 | FAX: 04 473 0007
Web: <http://www.nzct.org.nz>

Information from ESET NOD32 Antivirus, version of virus signature database 5008
(20100407)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

8/04/2010



Submission to Wellington City Council
on the proposed
Gambling Venues Policy

9 April 2010

Introduction

This submission gives an overview of New Zealand Community Trust (NZCT) and outlines our response to the proposed amendment to your current gambling policy.

We support the unlimited approach to gaming machine numbers for the central zone, as it is logical for the Council to cluster entertainment options in the central city.

We also support the population based cap approach for the suburban zones. A population based cap is a good concept because as the population fluctuates, so does the number of machines, and this also protects the funding to sports groups in these areas.

However we do not support the ratio chosen for the proposed new cap on machine numbers (one machine to 300 people). We think the ratio should be re-calculated so that machine numbers are left at their existing levels, since research has shown that the link between machine numbers and problem gambling is not proven. Furthermore, we think sports funding should be protected for these six zones.

NZCT is one of New Zealand's largest gaming trusts. Our publicans raise funds by operating gaming lounges within their hotels. We have twin goals of serving both our publicans and the communities in which they operate. NZCT plays a significant role within the New Zealand sporting fraternity and the hospitality sector. We are proud of the economic contribution we make to the Wellington region.

NZCT is one of the largest funders of amateur sport in New Zealand, and a strong supporter of other worthy community activities, including local government projects. In the 12 months to 30 September 2009, we distributed \$40.9 million to sporting, local government and community groups.

We were the first charitable gaming society in Australasia to become accredited with ISO 9001:2008, and our quality management systems are continually reviewed and improved.

In Wellington during the last financial year, we financially supported more than 200 groups, to a total of over \$5.8 million. Our Wellington Regional Advisory Committee made recommendations on these grant applications and we are privileged to have Paul Elenio, Irene Van Dyk, Kevin Wilson and Jason Pine as members. These reputable people provide invaluable local advice on the best use of our funds.

Proposed amendment

NZCT supports the three objectives of the proposed amendment to the Gaming Venues Policy, namely:

1. Manage the growth of gaming machines in areas of concern

Of the 21 gaming venues we have in Wellington City District, only three venues are in the identified areas of concern (Tawa, Johnsonville, Miramar, Karori and Newtown). We support protecting the 'at risk' people in these communities.

However, NZCT has a policy of returning funds to the communities in which they were raised – our by-line is 'Local Gaming, Local Funding'. We note that the socio-demographic profile identified in the areas of concern is also often involved in amateur sport and therefore may be impacted if sporting funding is reduced to those areas.

We dispute the theory that gaming machine numbers directly correlate with the incidence of problem gambling, which we discuss further below.

Examples of recent NZCT funding to these areas of concern follow:

Tawa		Miramar	
Tawa Association Football Club Inc	\$20,000	Miramar Christian School	\$5,000
Tawa Bowling Inc	\$2,000	Miramar Golf Club	\$19,000
Tawa College	\$11,500	Miramar Rangers Assn Football	\$60,000
Tawa Linden Wrestling Club Inc	\$5,275	Miramar Softball Club Inc	\$10,000
Tawa Rugby Football Rugby Club Inc	\$20,000	Miramar Tennis Club Inc	\$1,500
Tawa Softball and Sports Club Inc	\$5,000		
Tawa Squash Club Inc	\$2,500	Karori	
Tawa Swimming Club	\$2,000	Karori Amateur Athletic Club	\$950
		Karori Community Bus Inc	\$1,000
Johnsonville		Karori Cricket Club Inc	\$29,000
Johnsonville Bowling Club Inc	\$8,000	Karori Hockey Club	\$2,000
Johnsonville Cricket Club Inc	\$30,000	Karori Netball Club	\$2,000
Johnsonville Lawn Tennis Club	\$2,000	Karori Pirates Swimming Club	\$2,300
Johnsonville Rugby Football Club	\$10,000	Karori Table Tennis Club	\$2,000
Johnsonville Softball Club	\$9,300		
Newtown			
Newtown Carols Trust	\$1,500		
Newtown Residents Association	\$6,500		

2. Ensure that within the limits prescribed by the Gambling Act, people who wish to participate in gaming machine gambling can do so within the Wellington City District

We recognise that the Council encourages a wide range of entertainment options for residents and tourists alike (WCC Economic Development Strategy Outcome 3.1: *Wellington will be a prime tourist and conference destination with diverse and changing attractions...*)¹. We support this objective and maintain that pokie-playing is a valid and enjoyable source of entertainment for many Wellington residents and tourists.

Not all people who wish to participate in 'playing the pokies' are problem gamblers. In fact, current research shows that less than 2% of adults in New Zealand are susceptible to becoming problem gamblers². Most pokie players, like lotto players, do so to 'have a little thrill'. They regard it as entertainment.

3. Ensure that gaming machines are located within venues where there is a degree of supervision and control of those using the machines, to assist in reducing the risk of problem gambling and gambling by those under 18 years of age

As a corporate society licensed to conduct class 4 gambling, NZCT is fully aware of its obligations under the Gambling Act 2003 to prevent and minimise the harm caused by gambling, including problem gambling. NZCT takes these obligations very seriously. We also provide significant funding to the Problem Gambling Foundation through an annual levy (\$1.9 million in 2009).

¹ Economic Development Strategy, Wellington City Council, July 2006

² Problem Gambling Resource for Local Government, Ministry of Health, May 2009

NZCT provides a problem gambling resource kit to each of its venues. The kit includes:

- NZCT's harm prevention and minimisation policy;
- exclusion orders and guidance on the exclusion order process;
- a harm minimisation incident register to record any problem gambling issues and action taken by staff; and
- problem gambling pamphlets for distribution.

Exclusion orders

In addition to the harm prevention and minimisation policies, NZCT's problem gambling resource kit also explains the exclusion order process and sets out some important tips in relation to exclusion orders. These tips include:

- clarifying that excluded people are banned from the whole venue;
- explaining what to do with completed exclusion orders;
- explaining who needs to know if an exclusion order has been completed;
- explaining what to do if an excluded person enters the venue; and
- explaining the gambler's rights.

Training

NZCT uses both internal and external resources to provide problem gambling training to staff at each of its venues. Trainers deliver a powerpoint presentation on problem gambling and take staff members through each part of the problem gambling resource kit in detail. Refresher training is also provided at regular intervals.

Venues are continually reminded of their obligation to ensure a person trained in harm minimization is on duty. We do this via our venue operator newsletter and our regional managers when they visit venues.

Signage

Finally, in addition to the problem gambling resource kit, NZCT also provides all of its venues with signs to display in and around the gaming area.



Policy approach for the Central Area Zone

We support the unlimited approach for the central zone since it seems logical to cluster entertainment options in the central city. This area is also where the majority of gaming venues are currently located.

Policy approach for the Suburban Zones

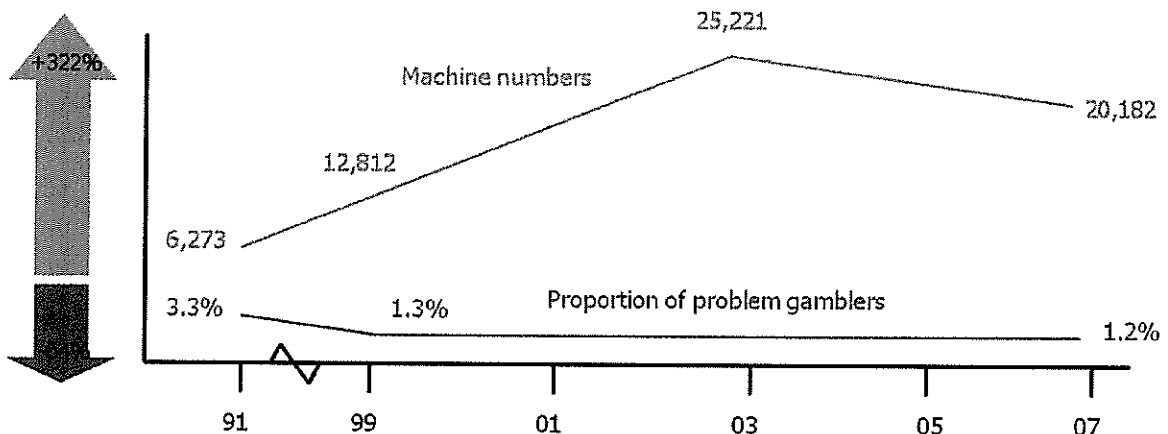
We support the population based cap approach. A population based cap is a good concept because as the population fluctuates, so does the number of machines, and this also protects the funding to sports groups in these areas.

However we do not support the ratio chosen for the proposed new cap on machine numbers (one machine to 300 people). This new cap would result in an actual reduction of 15 machines and a capped reduction of 52 machines across the six zones. We think the caps would be better left at their existing levels, since research has shown that the link between machine numbers and problem gambling is not proven (see Graph 1 below).

A reduction of 15 machines across the six zones is unlikely to have any effect on the small number of problem gamblers in these areas, but it may result in a noticeable reduction in funding to sporting clubs. We recommend that this ratio be re-calculated so that existing levels of machines are maintained.

Furthermore, we are just one of a number of trusts within the city, all of whom are returning gaming funds to these suburban communities. Any reduction in gaming machine revenue will reduce funding from all of the trusts, not just NZCT.

Graph 1. Gaming machine numbers versus prevalence of problem gambling in New Zealand 1991-2007³.



Source: Ministry of Health

New Zealand Community Trust and Wellington City Council

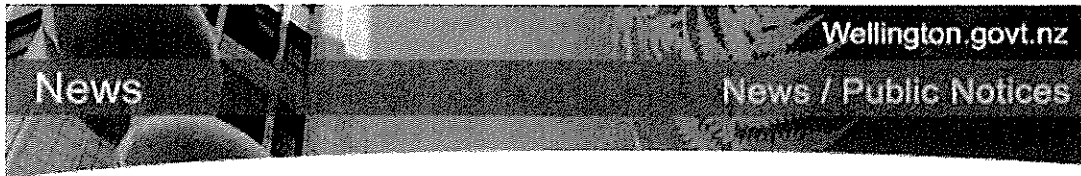
NZCT funds a number of significant projects in collaboration with WCC each year. We invested \$500,000 in the all weather turf at Nairnville Park last year, as well as \$150,000 in the Council's Summer City programme, and we have continued to be the principal funder of the Dragon Boat Race.

We prefer to fund 'legacy' projects, which make a lasting contribution to each community. These types of projects are typically undertaken in conjunction with each local authority.

Once again, any reduction in gaming machine numbers in the suburban areas may impact the types of projects that NZCT can co-fund with the Council in future.

³ Problem Gambling Geography of New Zealand 2005, Ministry of Health, 2006

Examples of NZCT/WCC collaborative projects follow (Council's own news pages):



Opening Day for Nairnville Park's Artificial Turf

31.03.09

Nairnville Park's new artificial sports turf will be officially opened by Mayor Kerry Prendergast this Saturday 4 April.

The opening of the all-weather turf on Nairnville Park's upper field takes place at 10.30am followed by rugby and football demonstrations. A celebrity football match kicks off at 11.15am. Players include Wellington Phoenix coach Ricki Herbert, Wellington Lions coach Jamie Joseph and Football Fern Hannah Wall.

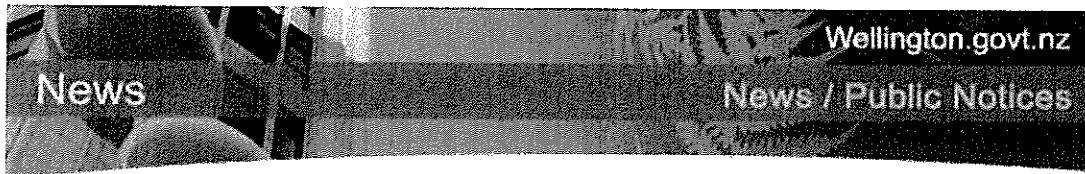
The \$900,000 artificial surface has been developed in partnership with the New Zealand Community Trust (NZCT) and will be predominately used for rugby and football although it can be used for other sports, including school sports. It will provide a higher quality field for training and competition and an extra court area for the Nairnville Recreation Centre, and will be able to be used in all types of weather.

The turf is about three-quarters the size of a full-size field and is made of 65mm long fibres with rubber infill and an underlying safety rubber shock pad. The fibres of the turf are made from polyethylene providing a realistic looking surface with a similar feel to natural grass but without the grass burns.

Wellington City Council's Economic Development and Recreation Portfolio Leader, Councillor John Morrison, says the new turf is an excellent addition to Nairnville Park and Wellington's rugby and football teams. "It will put an end to years of poor drainage and muddy conditions. People were understandably frustrated at the impact last winter's weather had on outdoor sports but now we can use this pitch 365 days a year which provides certainty for sports codes.

"Local rugby and football clubs have been telling us the city needs more artificial pitches to meet the demands of the growing number of winter sports players. Artificial surfaces can withstand more play than even the most robust and well-drained grass pitch and we expect the Nairnville pitch will reduce the pressure on other sportsfields this winter."

 Print Page



Summer City Set to Sizzle in its 30th Year

22.12.09

It's Summer City's 30th birthday and we're celebrating with a programme packed full of sizzling summer outdoor events and entertainment - so get amongst it!

The New Zealand Community Trust (NZCT) Summer City series kicks-off with a New Year's Eve party in Civic Square with events continuing right through until the end of March.

New events this year include the 15th Unicycle World Championships - the first time it has been held in the southern hemisphere. Check out these masters of balance as they play unicycle hockey and basketball, race along the waterfront and do tricks throughout the city.

Also look out for Wellington's Festival of Circus where for one week in March Waitangi Park will be magically transformed with big top circus tents, flying trapeze rigs, carousels and candy floss. And sample the sights, sounds and spicy aromas of Asia when the Southeast Asian Night Market sets up on the waterfront for one night in late March.

Wellington City Council's Economic Development and Recreation Portfolio Leader, Councillor John Morrison, says the festival has a colourful history in Wellington, and this year's line-up of entertainment to mark its 30th year is sure to be a crowd pleaser.

"Summer City dates back to 1978 when City Councillors proposed to bring all planned summer activities under one promotional umbrella and City of Wellington - Summer 79 was born. It was developed with two major aims - to provide good recreational opportunities during the summer and to offer worthwhile job opportunities in order to assist the unemployed situation over summer.

"Since then Summer City has developed to become a festival favourite for Wellingtonians. What I like most about Summer City is that there is something to cater for everyone's taste, and most of the events are free."

There is a huge array of music on offer with perennial favourite the ASB Gardens Magic Series in The Soundshell from 10-31 January and summer beats at One Love and Waitangi Day Celebrations. There's also colourful festivities for the Chinese New Year celebrations, Pasifika and the Newtown Festival.

There will be plenty of sporting action on offer, with the party atmosphere of the NZI Sevens, the Pelorus Trust Wellington Round the Bays Fun Run, the Wellington Dragon Boat Festival, the Culture Kicks football tournament, beach volleyball, the Ocean Swim series and Offshore Powerboat Racing to get the blood pumping.

"Wellingtonians will be literally spoiled for choice so I encourage people to get out there and enjoy what's on offer this summer," says Cr Morrison.

Keep an eye out for the new look Summer City brochure featuring the full programme dotted around the city in cafes, bars, retail outlets, Council libraries, pools and recreation centres. Phone (04) 499 4444 for one to be posted out to you, or check out details from the Events section of this website.

NZCT Wellington Grants

In the year ended 30 September 2009, NZCT distributed \$5,863,649.00 to sporting and community groups in Wellington.

Regional grants

	Grant Amount
All Kiwi Sports Club Inc	\$100,000.00
Asian Events Trust	\$20,000.00
Bowls Wellington Greenkeeping Assn	\$7,500.00
Bowls Wellington Inc	\$25,000.00
Cancer Soc of N Z Wellington Division	\$70,000.00
Capital Soccer	\$360,400.00
College Sport Wellington	\$75,000.00
Cricket Wellington Inc	\$198,750.00
N Z OK Dinghy Assn	\$20,000.00
Saints Basketball	\$139,796.00
Sport Wellington Region	\$80,000.00
Swimming Wellington	\$17,000.00
Team Wellington Soccer Inc	\$115,120.00
Wellington Golf Inc (formerly Wellington Golf Assn)	\$24,000.00
Wellington Hockey Assn Inc	\$159,000.00
Wellington Paraplegic & Physically Disabled Assn Inc	\$19,500.00
Wellington Regional Orchestra Foundation Inc	\$10,000.00
Wellington Rugby Football League Inc	\$120,757.00
Wellington Rugby Football Union Inc	\$321,750.00
Wellington Rugby League Referees Assn	\$4,000.00
	\$1,887,573.00

Local grants

Adelaide Early Childhood Centre Inc	\$1,000.00
Age Concern Wellington Inc	\$5,000.00
B M Royals Softball Club Inc	\$1,700.00
B M Royals Softball Club Inc	\$3,000.00
Bellevue School Wellington	\$5,000.00
Berhampore Primary School	\$20,000.00
Brooklyn Community Assn	\$2,000.00
Brooklyn Cricket Club	\$2,500.00
Brooklyn Early Childhood Centre Inc	\$3,000.00
Capital Gymnastics Club Inc	\$10,000.00
Capital Gymnastics Club Inc	\$20,000.00
Capital Gymnastics Club Inc	\$12,500.00
Capital Inline Hockey Club Inc	\$5,000.00
Capital Kids Co operative Childcare Centre Inc	\$600.00
Capital Swim Club	\$25,000.00
Capital Swim Club	\$25,000.00
Capital Swim Club	\$3,000.00

Cardinal McKeefry School	\$1,000.00
Challenge 2000 Trust	\$2,500.00
Clyde Quay School	\$5,000.00
College Old Boys Victoria University Football Club Inc	\$20,000.00
College Old Boys Victoria University Football Club Inc	\$50,000.00
Consultancy, Advocacy & Research Trust	\$14,000.00
Crofton Downs Primary School	\$680.00
Cuba St Carnival Collective Trust	\$45,000.00
Dress for Success Wellington Inc	\$7,500.00
Eastern Bays Scout Group	\$2,000.00
Eastern Suburbs Bulldogs A F L	\$1,500.00
Eastern Suburbs Cricket Club	\$12,000.00
Eastern Suburbs Cricket Club	\$1,000.00
Eastern Suburbs Cricket Club	\$22,000.00
Eastern Suburbs Cricket Club	\$13,000.00
Eastern Suburbs Retired Persons Assn Inc	\$400.00
Evans Bay Yacht & Motor Boat Club	\$10,000.00
Eventing Wellington Incorporated	\$2,000.00
G O Y A N Z Inc	\$20,000.00
G O Y A N Z Inc	\$11,500.00
Harbour City Gymsports Inc	\$10,000.00
Harbour City Hockey Club Inc.	\$30,000.00
Harbour City Rugby League Inc	\$2,101.00
Harbour City Rugby League Inc	\$3,000.00
Harbour City Waterpolo Club Inc	\$4,500.00
Hoop Club Wellington	\$15,000.00
Hunter Sports Assn	\$3,000.00
Island Bay Bowling Club Inc	\$3,000.00
Island Bay Softball Club Inc	\$1,750.00
Island Bay Tennis & Squash Club Inc	\$1,000.00
Island Bay United AFC	\$15,000.00
Ixion Motorcycle club	\$1,000.00
Johnsonville Bowling Club Inc	\$5,000.00
Johnsonville Bowling Club Inc	\$3,000.00
Johnsonville Cricket Club Inc	\$15,000.00
Johnsonville Cricket Club Inc	\$15,000.00
Johnsonville Lawn Tennis Club	\$2,000.00
Johnsonville Rugby Football Club Inc	\$10,000.00
Johnsonville Softball Club Inc	\$1,300.00
Johnsonville Softball Club Inc	\$8,000.00
Kapitall Kids Theatre	\$1,000.00
Kapitall Kids Theatre	\$1,000.00
Karori Amateur Athletic Club	\$950.00
Karori Community Bus Inc	\$1,000.00
Karori Cricket Club Inc	\$20,000.00
Karori Cricket Club Inc	\$5,000.00

Karori Cricket Club Inc	\$4,000.00
Karori Hockey Club	\$2,000.00
Karori Netball Club	\$2,000.00
Karori Pirates Swimming Club	\$790.00
Karori Pirates Swimming Club	\$1,500.00
Karori Table Tennis Club	\$2,000.00
Khandallah Bowling Club Inc	\$1,500.00
Khandallah Tennis & Squash Club	\$2,000.00
Kia Ora Netball Club	\$2,000.00
Kidzstuff Theatre for Children Inc	\$1,500.00
Kidzstuff Theatre for Children Inc	\$800.00
Kilbirnie Tennis Club Inc	\$1,000.00
Lyll Bay School	\$5,000.00
Lyll Bay Surf Life Saving Club Inc	\$17,000.00
Lyll Bay Surf Life Saving Club Inc	\$3,000.00
Maranui Surf Life Saving Club Inc	\$5,000.00
Maranui Water Polo Club	\$7,500.00
Marist A F C Inc	\$15,000.00
Marist A F C Inc	\$13,000.00
Marist St Pats Rugby Club	\$20,000.00
Marist St Pats Rugby Club	\$20,000.00
Mary Potter Hospice	\$40,000.00
Mary Potter Hospice	\$20,000.00
Mata Mambo	\$1,100.00
Miramar Christian School	\$5,000.00
Miramar Golf Club Inc	\$19,000.00
Miramar Rangers Assn Football Club Inc	\$20,000.00
Miramar Rangers Assn Football Club Inc	\$20,000.00
Miramar Rangers Assn Football Club Inc	\$20,000.00
Miramar Softball Club Inc	\$7,500.00
Miramar Softball Club Inc	\$2,500.00
Miramar Tennis Club Inc	\$1,500.00
Mt Victoria Kyokushin Karate Dojo Inc	\$7,500.00
Musical Stars	\$4,000.00
N Z Choral Federation Wellington Region	\$5,000.00
Netball Wellington Centre Inc	\$2,800.00
Netball Wellington Centre Inc	\$50,000.00
Netball Wellington Centre Inc	\$30,000.00
Netball Wellington Region Inc	\$9,000.00
Netball Wellington Region Inc	\$19,500.00
Netball Wellington Region Inc	\$25,000.00
Netball Wellington Region Inc	\$30,000.00
Netball Wellington Region Inc	\$41,000.00
Newlands College	\$500.00
Newlands College	\$1,000.00
Newlands College	\$10,000.00

Newlands College	\$2,000.00
Newlands School	\$2,900.00
Newlands Softball Club	\$4,000.00
Newlands Softball Club	\$4,000.00
Newtown Carols Trust	\$1,500.00
Newtown Residents Assn	\$6,500.00
Ngahauranga Te Kohanga Reo	\$2,000.00
Ngaio Childcare Centre Inc	\$350.00
Ngaio School	\$5,000.00
North Wellington Assn Football Club	\$2,000.00
North Wellington Assn Football Club	\$1,500.00
North Wellington Assn Football Club	\$1,000.00
North Wellington Junior Football Club Inc	\$25,000.00
Northern Squash Racquets Club	\$1,000.00
Northern Suburbs Netball	\$1,500.00
Northern United Hockey Club Inc	\$10,000.00
Ohariu Valley Riding Club	\$2,000.00
Olympic Harrier Club Inc	\$1,500.00
Olympic Harrier Club Inc	\$3,000.00
Olympic Harrier Club Inc	\$3,000.00
Onslow College	\$128,230.00
Onslow College	\$10,000.00
Onslow Cricket Club Inc	\$2,000.00
Onslow Gymnastic Club	\$2,000.00
Oriental Rongotai Football Club Inc	\$10,000.00
Oriental Rongotai Football Club Inc	\$10,000.00
Oriental Rongotai Football Club Inc	\$9,300.00
Oriental Rongotai Football Club Inc	\$19,150.00
Oriental Rongotai Football Club Inc	\$4,600.00
Oriental Rongotai Football Club Inc	\$26,000.00
Oriental Rongotai Football Club Inc	\$14,000.00
Outdoor Participation Trust	\$5,400.00
Paparangi School	\$2,900.00
Paraparaumu College	\$2,000.00
Pipitea Childcare Centre	\$3,500.00
Playspace Childcare Centre Inc	\$500.00
Poneke Football Club Inc	\$26,900.00
Poneke Football Club Inc	\$5,660.00
Poneke Football Club Inc	\$3,200.00
Poneke Football Club Inc	\$100,000.00
Poneke Football Club Inc	\$10,000.00
Poneke Football Club Inc	\$100,000.00
Poneke Kilbirnie Softball Club Inc	\$100,000.00
Poneke Kilbirnie Softball Club Inc	\$7,000.00
Poneke Kilbirnie Softball Club Inc	\$100,000.00
Port Nicholson Poneke Cycling Club	\$600.00

Port Nicholson Poneke Cycling Club	\$2,300.00
Port Nicholson Yachting Trust	\$10,800.00
Port Nicholson Yachting Trust	\$25,668.00
Port Nicholson Yachting Trust	\$16,268.00
Port Nicholson Yachting Trust	\$43,336.00
Primary Sport Wellington Inc	\$15,000.00
Queen Margaret College Inc	\$4,000.00
Queen Margaret College Inc	\$10,000.00
Queen Margaret College Inc	\$2,000.00
Rape Crisis Centre Wellington Inc	\$4,000.00
Ronald McDonald House Wellington	\$50,000.00
Rongotai College	\$20,000.00
Rongotai College	\$7,500.00
Rongotai College	\$7,500.00
Rongotai College	\$7,500.00
Rongotai Sports Club	\$2,000.00
Rongotai Volleyball Club	\$2,000.00
Roseneath School	\$15,000.00
Royal N Z Plunket Society Rongotai Branch Inc Strathmore Seatoun Bays Sub Branch	\$2,000.00
Royal Port Nicholson Yacht Club Inc	\$25,000.00
Royal Port Nicholson Yacht Club Inc	\$5,000.00
Sailability Wellington Trust	\$2,500.00
Samaritans of Wellington Inc	\$10,000.00
Samaritans of Wellington Inc	\$5,000.00
Samuel Marsden Collegiate School	\$1,500.00
Samuel Marsden Collegiate School	\$8,000.00
Samuel Marsden Collegiate School	\$2,000.00
Scots College	\$10,000.00
Scots College	\$2,000.00
Scots College	\$4,000.00
Scots College	\$1,500.00
Sea Cadet Assn of N Z Inc	\$9,600.00
Seatoun Assn Football Club Inc	\$5,000.00
Skylight	\$10,000.00
Skylight	\$11,590.00
South Wellington Seido Karate	\$5,000.00
South Wellington Seido Karate	\$5,000.00
Speld N Z Inc Wellington	\$1,500.00
Squash Wellington Districts Inc	\$10,000.00
St Anthony's School	\$1,000.00
St Anthony's School	\$2,500.00
St Brigids Primary School	\$2,900.00
St Francis Netball Club	\$900.00
St James Theatre Charitable Trust	\$25,000.00
St James Theatre Charitable Trust	\$25,000.00
St James Theatre Charitable Trust	\$25,000.00

St Marys College Wellington	\$4,500.00
St Marys College Wellington	\$5,000.00
St Mary's Old Girl's Netball Club Inc	\$7,500.00
St Patricks College Wellington	\$2,000.00
St Patricks College Wellington	\$2,400.00
St Patricks College Wellington	\$3,000.00
St Patricks College Wellington	\$1,750.00
St Patricks College Wellington	\$2,000.00
St Patricks College Wellington	\$10,000.00
Stewart Royales Marching Team	\$3,000.00
Surf Lifesaving Charitable Trust Inc	\$20,000.00
Table Tennis Wellington Inc.	\$15,000.00
Table Tennis Wellington Inc.	\$7,500.00
Tawa Assn Football Club Inc	\$15,000.00
Tawa Assn Football Club Inc	\$5,000.00
Tawa Bowling Club Inc	\$2,000.00
Tawa College	\$4,000.00
Tawa College	\$1,500.00
Tawa College	\$1,800.00
Tawa College	\$1,500.00
Tawa College	\$1,500.00
Tawa College	\$1,500.00
Tawa Linden Wrestling Club Inc	\$5,275.00
Tawa Rugby Football Club Inc	\$20,000.00
Tawa Softball & Sports Club Inc	\$5,000.00
Tawa Squash Club	\$2,500.00
Tawa Swimming Club	\$1,000.00
Tawa Swimming Club	\$1,000.00
Te Kura Kaupapa Maori o Nga Mokopuna	\$3,000.00
Te Upoko O Te Ika WGTN Maori	\$4,000.00
The Arms Football Club	\$2,745.00
Twisters Tawa Gymnastic Club Inc	\$5,000.00
Victoria Bowling Club Inc	\$1,000.00
Victoria University Cricket Club	\$9,000.00
Victoria University Cricket Club	\$7,000.00
Victoria University Cricket Club	\$1,500.00
Victoria University Cricket Club	\$6,000.00
Victoria University Cricket Club	\$3,000.00
Victoria University Wellington Hockey Club	\$3,000.00
Wadestown Presbyterian Church	\$2,000.00
Waterside Karori A F C Inc	\$20,000.00
Waterside Karori A F C Inc	\$30,000.00
Waterside Karori A F C Inc	\$30,000.00
Waterside Karori A F C Inc	\$40,000.00
Waterside Karori A F C Inc	\$18,750.00
Wellington Badminton Assn Inc	\$20,000.00

Wellington Basketball Assn Inc	\$30,000.00
Wellington Basketball Assn Inc	\$25,000.00
Wellington Basketball Assn Inc	\$25,000.00
Wellington Basketball Assn Inc	\$20,000.00
Wellington Canoe Polo Assn Inc	\$3,000.00
Wellington City Council	\$250,000.00
Wellington City Council	\$50,000.00
Wellington City Mission Anglican Trust Board	\$50,000.00
Wellington City Mission Anglican Trust Board	\$50,000.00
Wellington City Mission Anglican Trust Board	\$18,100.00
Wellington City Saints Australian Rules Football Club Inc	\$750.00
Wellington City Wolves AFC	\$3,000.00
Wellington College	\$2,000.00
Wellington College	\$3,000.00
Wellington Collegians Cricket Club Inc	\$15,000.00
Wellington Competitive Bowlers Association	\$700.00
Wellington District Surf Life Saving Assn	\$15,000.00
Wellington Diving Club Inc	\$15,000.00
Wellington Diving Club Inc	\$15,000.00
Wellington East Girls College	\$7,000.00
Wellington East Girls College	\$12,000.00
Wellington East Netball Club Inc	\$16,320.00
Wellington East Netball Club Inc	\$6,860.00
Wellington East Netball Club Inc	\$15,600.00
Wellington Evergreens Softball Club Inc	\$2,000.00
Wellington Floorball Club Inc.	\$1,000.00
Wellington Football Club Inc	\$8,500.00
Wellington Football Club Inc	\$2,900.00
Wellington Football Club Inc	\$9,000.00
Wellington Football Club Inc	\$1,000.00
Wellington Football Club Inc	\$4,000.00
Wellington Free Ambulance Service Inc.	\$50,000.00
Wellington Girls College	\$10,000.00
Wellington Harrier Athletic Club Inc	\$1,000.00
Wellington Harrier Athletic Club Inc	\$2,000.00
Wellington Harrier Athletic Club Inc	\$2,500.00
Wellington Heat Basketball Inc	\$2,000.00
Wellington High Performance Aquatics	\$18,000.00
Wellington High School & Community Education Centre	\$6,000.00
Wellington Indians Sports Club Inc	\$9,813.00
Wellington Indians Sports Club Inc	\$51,000.00
Wellington Indians Sports Club Inc	\$3,500.00
Wellington Indians Sports Club Inc	\$9,500.00
Wellington Jazz and Music Festival Trust	\$75,000.00
Wellington Kart Club Inc	\$1,000.00
Wellington Maori Golf Assn Inc	\$2,500.00

Wellington North Badminton Assn Inc	\$7,000.00
Wellington Northern United Netball Club	\$2,000.00
Wellington Northern United Netball Club	\$1,000.00
Wellington Region Heritage Promotion Council Inc	\$300.00
Wellington Riding for the Disabled Assn Inc	\$2,700.00
Wellington Roller Skating Club	\$2,000.00
Wellington Scottish Athletics Club Inc	\$5,000.00
Wellington Sexual Abuse Help Foundation	\$5,000.00
Wellington Smallbore Rifle Assn Inc	\$1,500.00
Wellington Softball Assn Inc	\$30,000.00
Wellington Softball Assn Inc	\$16,000.00
Wellington Softball Assn Inc	\$15,500.00
Wellington Softball Assn Inc	\$45,000.00
Wellington Synchronised Swimming Club	\$1,200.00
Wellington Tennis Inc	\$20,000.00
Wellington Tennis Inc	\$20,000.00
Wellington Tennis Inc	\$12,500.00
Wellington Triathlon & Multisport Club	\$3,500.00
Wellington Underwater Hockey Assn Inc	\$1,500.00
Wellington United Assn Football Club Inc	\$20,000.00
Wellington United Assn Football Club Inc	\$7,500.00
Wellington Volleyball Assn	\$4,500.00
Wellington Volunteer Centre	\$2,000.00
Wellington Wanderers Cricket Club	\$3,300.00
Wellington Wanderers Cricket Club	\$9,000.00
Wellington Wanderers Cricket Club	\$7,500.00
Wellington West Netball Competition	\$2,500.00
Wellington Youth Orchestra Inc.	\$12,500.00
Western Bays Junior Mgr Committee	\$2,000.00
Western Suburbs Rugby Football Club	\$22,000.00
Western Suburbs Rugby Football Club	\$30,000.00
Wilton Bowling Club	\$3,500.00
Wilton Bowling Club	\$2,000.00
Worser Bay Boating Club	\$25,000.00
Worser Bay Life Saving Club Inc	\$4,000.00
WRFKA Island Bay Kindergarten	\$990.00
WRFKA Lyall Bay Kindergarten	\$2,000.00
WRFKA Ngaio Kindergarten	\$300.00
Y W C A Hockey Club	\$5,000.00
YWCA of Wellington & Hutt Valley	\$3,500.00
YWCA of Wellington & Hutt Valley	\$3,000.00
Zeal Education Trust	\$4,000.00
Zeal Education Trust	\$2,000.00
	\$3,976,076.00
TOTAL Wellington	\$5,863,649.00

SUBMISSION
NUMBER

3

Sharon Bennett

From: Don S. McDonald [mcdonewt@yahoo.co.nz]
Sent: Sunday, 14 March 2010 5:51 p.m.
To: BUS: Policy Submission; Don McDonald; Info at WCC; Iona Pannett
Cc: don mcdonald; dominion post; info@dia.govt.nz; lotto nz lotteries
Subject: WCC Gambling venues policy subm.. FORMAL COMPLAINT tvnz> \$30,000 LOTTO RORT UNCOVERED:Fri Headlines

NZ lotteries Commission.

WCC Gambling venues policy subm.. FORMAL COMPLAINT tvnz> \$30,000 LOTTO RORT UNCOVERED:Fri Headlines

SIR/MADAM,

FORMAL COMPLAINT

I have received the decision of TVNZ complaints committee 21.12.2005 relating to the following formal complaint.

My complaint was UPHeld as a breach of standard 5.
Thank you. I am relieved that the decision was in my favour.

However, I wish to point out 2 apparent errors in the decision.

Therefore, I wish to refer the matter to the broadcasting standards authority, as provided under section 8 of the broadcasting act, for the purposes of an investigation and amendment of the decision.

My reason is the original FORMAL COMPLAINT was in the context of standard 5, ACCURACY. Therefore, the decision is similarly NOT COMPLETELY ACCURATE to my satisfaction.

I wish to consolidate my small success gained by 18 years research and effort.

My original complaint said.." the odds of winning lotto first division are very easy to calculate.

"casio fx-82 MS schools calculator.
should be 1 in:
 $40 nCr 6 = 3,838,380.$

"the total of ALL prizes in
the latest big Wednes draw #3

*Don rang 24/03/10
to say he would like
to make an oral
Submission.*

E

"for comparison was just \$100,384 .00?
(nothing like \$2,000,000.)"

Mr David Edmunds, TVNZ Programme Standards manager, in the committee's decision above, wrote that (I., Donald McDonald) had "complained that the odds reported in ONE News and Tonight item, namely 1 in 380,000, were an error and that a simple calculation of the prizes in that week's draw would have shown that the odds were one in 3,338,380." ...

"The News and Current Affairs Department provided the following information for the committee, 'it was a silly error as anyone reading the script should have spotted the incorrect figure.' "

Therefore, I wish to strongly point out, if you have access to a schools scientific calculator please, that THE THEORETICAL ODDS are 1 in 3,838,380 as set out in my original complaint.

My Edmunds' figure, one in 3,338,380, is a further error or typo, albeit only in the the second digit; '3' should of course be '8.'

THE THEORETICAL ODDS OF LOTTO DEPEND ON THE GAME STRUCTURE (choose 6 + bonus from 1-40) and NOT ON JUST ONE DRAW RESULT, or many or all draws to date.

The calculation is based on a binomial coefficient or factorials, $n C r = n! / (r! \times (n-r)!)$.

Where the number of balls in the barrel is $n=40$ and the number of lucky numbers drawn for division 1 are $r=6$.

It is good to COMPARE with the prizes paid. Though these MAY OR MAY NOT SUPPORT, they DO NOT PROVE THE EXACT ODDS.

Where, in my fair opinion NZ Lotteries Commission is only one-quarter honest. In their advertising, publicity, odds and results. As I have explained to Government Administration select committee.

I demanded (2002??) a Lotto Hygiene Certificate for gambling health.

Lotto launched BIG Wednesday game in 2005 Q4 ca October.
Until 04.01.06 there have been 11 draws drawn.

Newspaper readers were promised (a prize of \$5 million per week.)

The highest prize in the first 11 weeks has been nothing like \$2 million. Division 1 has NEVER been struck yet.
Division 2 has been struck a (couple of times ?) and paid about one hundred thousand dollars each occasion.

Lotto advertised "odds 1 in 12 of a prize in Lotto 6+2/40 (2 bonus numbers.)" I proved very clearly in 4 days that the odds should be 1 in 131.9, (exactly 29,100 mt everest / 3838,380.)

Lotto and Dept Internal affairs have not been gracious to grant me a fair answer.

I look forward to hearing the result of any review and amendment.

Please.

Yours sincerely

Donald S. McDonald.

erin conroy
tvnz
6pm ONE NEWS WGTV thurs 10.11.05, and 10pm.

after i spoke to laura WGTV news and warned of the error.

said the odds of winning lotto first division are "just 1 in 380,000." per line.

FORMAL COMPLAINT
accuracy.

the odds are very easy.
casio scialc fx 82W. schools calculator..

should be 1 in..

$40 nCr 6 =$
3,838,380.

Critically wrong by a factor of 10.101 times exactly.
misleading
it means do you get back \$1 or \$10.?

yours sincerely

donald mcdonald
63-3 hutchison rd
NEWTOWN WGTV 2
04/389-6820.

--- Stuff Headlines <stuff.headlines@stuff.co.nz>
wrote:

>
> >> TODAY'S HEADLINES
> Friday, November 11, 2005
> _____

\$30,000 LOTTO RORT UNCOVERED

> A former dairy owner facing seven years' prison for allegedly
> defrauding a \$30,000 Lotto winner is claiming a "Robin Hood" defence.

> >>

>

<http://www.stuff.co.nz/hlc/1,,76866~3474501a10~,00.html>

> > >> NATIONAL NEWS

> FAREWELL TO 'NOBLE NEW ZEALANDER'

> Christ Church Cathedral yesterday brimmed with passion and emotion for
> "noble New Zealander" Rod Donald, but could not hold all those
> mourning for a man too fast gone.

> >>

>

<http://www.stuff.co.nz/hlc/1,,76866~3474505a11~,00.html>

> \$30,000 LOTTO RORT UNCOVERED

>

<http://www.stuff.co.nz/hlc/1,,76866~3474364a6000~,00.html>

Don S. McDonald ... please 2 repeat two sentences for query or explanation/

<http://www.facebook.com/MCDONewt> ,lower case fine,caution account logout

-T. +64 *** (4) 389-6820. call ID/ mind, Newtown pg**256.**

Flat 63/3 Hutchison Rd, Wellington 6021 v/ New Zealand.

E. MCDONewt@yahoo.co.nz (U Mt 2 Gd, BumpRe Harvest,)

** I lost and got back a TX/ pxt mob amen 027-7-...

--- On Thu, 5/1/06, don mcdonald <mcdonewt@yahoo.co.nz> wrote:

> From: don mcdonald <mcdonewt@yahoo.co.nz>
> Subject: FORMAL COMPLAINT tvnz> \$30,000 LOTTO RORT UNCOVERED:Fri
> Headlines
> To: info@bsa.govt.nz, banjo@actrix.co.nz, aking@ministers.govt.nz,
> phodgson@ministers.govt.nz
> Cc: "don mcdonald" <mcdonewt@yahoo.co.nz>, "dominion post"
> <letters@dompost.co.nz>, info@dia.govt.nz, "david edmunds tvnz"
> <dedmunds@tvnz.co.nz>, "lotto nz lotteries" <info@nzlotteries.co.nz>,

> "don.lotto" <don.lotto@paradise.net.nz>
> Received: Thursday, 5 January, 2006, 12:19 AM
> 10.12.05 ?? 18:34 uncertain.
> emailed Fri, 11 Nov 2005 15:42:50 +1300 (NZDT)
>
> Wedn. 05.01.06 00:09 referred to BSA..
>
> this file
> ...DON93-11.Tvcomplain.TVNZholmes.LOT380,000.1div10x
>

SUBMISSION
NUMBER

48

Sharon Bennett

From: Stephanie McIntyre [director@dcm.org.nz]
Sent: Friday, 9 April 2010 4:47 p.m.
To: BUS: Policy Submission
Subject: Gambling Venues Policy Submission
Attachments: DCM Submission Gambling Venues Policy Review 2010.doc; DCM cover letter.gambling policy.doc

Please find attached our submission and covering letter.

Stephanie McIntyre

Stephanie McIntyre
Director
Downtown Community Ministry
Tel: 04 384 7699
www.dcm.org.nz

12/04/2010

5 April 2010

Submission on Gambling Venues Policy
Senior Policy Advisor
Wellington City Council
101 Wakefield Street
PO Box 2199
WELLINGTON 6140

Attention Brian O'Sullivan,

RE: WELLINGTON CITY COUNCIL'S GAMBLING VENUES POLICY

Please find attached our submission regarding the above review.

We oppose the proposal because we would prefer the Council to support a "sinking lid" – a complete ban on any new venues or machines in Wellington Central Business District.

DCM would like to give an oral submission regarding this matter.

With kind regards,

Stephanie McIntyre
Director
Downtown Community Ministry
2 Lukes Lane
WELLINGTON

Submission on: Gambling Venues Policy
From: Downtown Community Ministry (DCM)

Downtown Community Ministry strongly supports a 'sinking lid' policy in the Wellington Central Business District.

The proposed changes to the Gambling Venues Policy do not consider, or include adequate measures to support harm minimisation from the effects of gambling, for the people living in, and spending their daytime hours in, the Central Business District of Wellington. We strongly believe that the effect of pokie machines in the Wellington Central Business District is detrimental to the wellbeing of our service users.

As set out in Preventing and Minimising Gambling Harm Strategic Plan, 2004-2010, the Ministry of Health has seven key objectives. Two key objectives include:

1. Encourage supportive environments to minimise Gambling harm and
2. Assist the development of peoples' life skills and resilience in relation to preventing or minimising gambling harm.

The proposed gambling policy changes do not reflect the strategic plan from MOH to minimise harm caused from gambling.

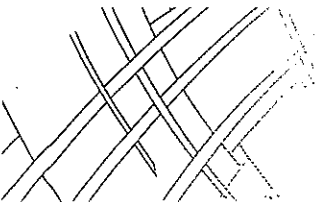
Max Abbott, the leading expert in Gambling and Addiction studies, has released his latest research (2010) that is the most comprehensive gambling research study in Australasia. He concludes that "findings strongly indicate that the prevalence of problem gambling **increases** with increasing density of EGM's (Electronic Gaming Machines) at a rate of around .8 problem gamblers for each additional EGM".

This information is of great concern to DCM as many of our service users are either homeless or live in inadequate, temporary accommodation in and around the city. Others, who have been recently housed, have insufficient meaningful activity to fill their days and consequently spend large amounts of time in the city. Individuals from both these groups are frequent users of the pokie machines in the city.

The DCM Foodbank is one of the key services we provide. Our foodbank service goes further than just providing emergency food assistance to meet immediate need; we also endeavour to identify and address the underlying reasons for an individual's shortage of food so that people don't have to keep returning to a foodbank. We are very concerned that expenditure on pokie machines is frequently a reason cited by people using the DCM and other foodbanks.

DCM encourages the Wellington City Council to adopt a 'sinking lid' policy for Wellington CBD. DCM views a 'sinking lid' policy as the most effective positive step in decreasing problem gambling prevalence and therefore contributing to a safer and healthier city for Wellington.

Stephanie McIntyre
Director
Downtown Community Ministry
5 April 2010



SUBMISSION NUMBER **33**

Gambling Venues Policy – Submission Form

Please use this form to give us your views about the draft policy for the Wellington City Council's Gambling Venues Policy.

You can have your say:

- Online at www.Wellington.govt.nz or by sending an email to: policy.submission@wcc.govt.nz, or
- Make a submission on this form and send it to: Freepost 2199, Gambling Venues Policy Review, Wellington City Council, Wellington, or
- Fax it to 801 3231

If you would like to speak about your submission to City Councillors at the Council's Strategy and Policy Committee meeting, you can make an oral submission by ticking this box: We will organise a time for you.

Wellington City Council
RECEIVED
 09 APR 2010

Submissions close at 5 pm Friday 9 April 2010.

I am making a submission

- As an individual
- On behalf of an organisation

Name of organisation CAPITAL E

Name and contact details

Mr/Mrs/Ms/Miss/Dr (circle which applies)

First name(s)* MR STUART Last name(s)* GRANT

Street address* CIVIC SQUARE WELLINGTON

Phone: Home 9777887 Mobile 9133734

Email stuart.grant@wmt.org.nz

Note *Mandatory fields (please use block capitals). All submissions (including name and contact details) are published and made available to elected members of the Council and the public. Personal information supplied will be used for the administration of the consultation process. All information collected will be held by Wellington City Council, 101 Wakefield Street, Wellington. Submitters have the right to access and correct personal information.

Do you have any comments to make on the proposed amendment to the Gaming Venues Policy?

I support the ratio of one machine to 300 people outside the CBD as proposed.
I disagree with a "sinking lid" policy

Do you have any comments to make on the policy approach for the Central Area Zone?

I think the CBD policy approach of keeping a central zone without limits is sensible

Do you have any comments to make on the policy approach for the suburban zones?

The population based model is sensible, but I would like the ratio maintained where sensible applications are received.

Please add any other comments

Applications for Gaming Machine licenses should be contestable when a venue closes, rather than a "sinking lid" approach - An assessment panel of charitable trust representatives - appointed by WCC - should then assess based on criteria and past delivery of the gaming trust applicants.

Our organisation could not deliver the quality and accessibility across diverse audiences that we currently achieve without funding support,

- The funding support we receive from Gaming Trusts is good because:
 - it has a quick turnaround
 - it is flexible in the range of activity to which it can be applied
 - it is locally focussed
 - it links directly to community benefits
- Currently, there seems to be a variable quality in the operations between trusts, re accountability and transparency. I think the suggestion around recipient representation on a license application assessment panel would help address this, and would complement D.I.A. and WCC policy.

SUBMISSION
NUMBER

26

Brian OSullivan

From: Froukje Spaak [Froukje_Spaak@nzf.salvationarmy.org]
Sent: Thursday, 8 April 2010 8:17 a.m.
To: BUS: Policy Submission
Subject: Submission for WCC gambling venues policy
Attachments: WCC submission 2010.doc

Attached please find out submission

Kind regards Froukje

Froukje Spaak
Coordinator and Senior Counsellor

Oasis Centre for Problem Gambling
PO Box 6033
Wellington
Ph 04 389 6566 Fax 04 389 7110

The email message may contain information which is confidential. If you are not the intended recipient, you must not peruse, use, disseminate, distribute or copy this email or attachments. If you have received this message in error, please notify us immediately by return email, facsimile or telephone and delete this email. Thank you.

8/04/2010

7 April 2010

Submission on Gambling Venue Policy
Senior Policy Advisor
Wellington City Council
101 Wakefield Street
PO Box 2199
WELLINGTON 6140

Wellington Gambling Venues Policy

The Salvation Army Oasis Centre is supportive of the proposed population cap for the gambling venues policy in Wellington but is advocating for a 'sinking lid' policy or a district-wide ban on gambling machines and venues in the Wellington city.

The Salvation Army Oasis Centre for Problem Gambling was established in Auckland in June 1997 in response to the growing evidence that the considerable influx of gambling activity was having a negative social impact on society. Over the last decade, gambling has clearly contributed to social problems. During the period from 1997 to 2003, the number of clients seeking help for gambling-related problems has increased by 300%. The Oasis Centre is now situated in Newtown.

Newtown is a culturally diverse suburb where the ethnic groups comprise of large numbers of people who identify as Maori, Pacific Island and Asian.¹ In 2006 the ethnicity of those seeking help services for gambling were Maori 32.2%, Pacific 7.4% and Asian 6%.²

The 1991 and 1999 New Zealand national gambling prevalence study reported that Maori were two to three times at risk of problem or pathological gambling than non-Maori. They also reported that 16% of the Maori adult population had a problem with gambling.³ Pacific Island and Asian communities have also reported to have increased vulnerability to problem gambling.

There are currently four large gaming venues in Newtown with a total of 72 gaming machines. Almost half of gaming machine venues reside in areas with high deprivation ratings such as areas of Newtown. The Oasis center view this poker machine number as too high and would like to see the continuous decrease via a 'sinking lid' policy.

Newtown has a current media profile as having issues with street dwellers consuming alcohol in public areas. There is an identified correlation between problem gambling and dependencies. One in five severe problem gamblers are reported to be suffering from alcoholism or other dependencies.⁴ In order for the Newtown community to deal with such negative social issues, the opportunities to reduce and minimize harm from gambling must be given some weight. Oasis runs a successful and productive community organization that is sustainable without the assistance of poker funds. The Salvation Army Oasis Center would like to present an oral presentation to the Wellington City Council regarding this issue.

Froukje Spaak

Senior Counsellor and Coordinator

¹ New Zealand Department of Statistics (2006)

² The Problem Gambling Foundation of New Zealand (2008)

³ The Problem Gambling Foundation of New Zealand (2008)

⁴ Productivity Commission (1999)

OASIS CENTRE FOR PROBLEM GAMBLING

22-26 Riddiford Street, Newtown, Wellington 6141, New Zealand. PO Box 6033, Marion Square, Wellington 6141, New Zealand.
Phone +64 4 389 6566 Fax +64 4 389 7110

Founders of The Salvation Army Catherine and William Booth. General Shaw Clifton.

www.salvationarmy.org.nz

SUBMISSION
NUMBER

41

Sharon Bennett

From: Sue Paterson [Sue.Paterson@festival.co.nz]
Sent: Friday, 9 April 2010 12:56 p.m.
To: BUS: Policy Submission
Subject: Gambling Venues Policy Submission

WELLINGTON CITY COUNCIL GAMBLING POLICY

The New Zealand International Arts Festival is in support of the proposed Wellington City Council Gambling Policy with a relocation policy for existing venues. We understand the commitment of the Wellington City Council to control growth and minimise harm of the gaming machines, however we do not support a 'sinking lid'.

A sinking lid policy means that if an existing gaming venue closes, it will not be replaced with a new license elsewhere. The gaming trusts' ability to assist the Festival is directly relative to the number of gambling venues, a decline in venues is a decline in funding produced by those venues.

Major funding from the Lion Foundation, the New Zealand Community Trust and other gaming trusts makes up 3% of the Festival's income and is critical to the success of the Festival. This funding is impossible to replace and supports Festival free events, community events and education programmes. Held once every two years, the Festival is important to Wellington and has an economic impact of \$33.4 million

I would like to make an oral submission on 22nd April near the end of the day as I will be returning from Auckland that afternoon.

I look forward to hearing from you.

Regards

Sue Paterson
Executive Director

New Zealand International Arts Festival

T +64 (4) 473 0149 | F +64 (4) 471 1164 | M +64 (0) 21 623 949
E sue.paterson@festival.co.nz | www.nzfestival.co.nz |
Level 2 Anvil House, 138-140 Wakefield St, Wellington 6011
PO Box 10113, The Terrace, Wellington 6143, New Zealand

New Zealand International Arts Festival | 26 February – 21 March 2010
Wellington Jazz Festival | March 2011 (dates tbc)
Lexus Song Quest | (dates tbc)

Visit the 2010 Festival website www.nzfestival.nzpost.co.nz
Follow us on Twitter www.twitter.com/nzfestival

12/04/2010



24 March 2010

E-Mail Address: jarrod.true@harkness.co.nz
Direct Dial: +64-7-834 6680

Email: www.wellington.govt.nz

Please refer to: Jarrod True
Account No: 464501-91

Gambling Venues Policy Review
Wellington City Council
PO Box 2199
WELLINGTON 6140

Attention: Brian O'Sullivan, Policy Group

Wellington City Council Gambling Venues Policy Review

We enclose New Zealand Racing Board's submission on the Wellington City Council's Gambling Venues Policy. We wish to speak in support of our submission.

HARKNESS HENRY

Per:

JARROD TRUE

Partner

Cc: New Zealand Racing Board
Attn: Bruce Proudfoot
By email

encl.

The New Zealand Racing Board's Submission on the Wellington City Council's Gambling Venues Policy

Background

1. The New Zealand Racing Board is a statutory body operating under the Racing Act 2003. The New Zealand Racing Board is the authority responsible for administering racing, racing betting and the racing judicial system in New Zealand and is the only entity which can legally conduct racing betting in New Zealand. The New Zealand Racing Board has approximately 100 stand alone TAB Agencies ("Board Venues") in New Zealand. The Board Venues are owned or leased by the New Zealand Racing Board and controlled and run by the New Zealand Racing Board.

2. The New Zealand Racing Board has 7 Board Venues, 12 Pub TABs and 8 self service terminals in Wellington as follows:

Name	Address	Type of Outlet
Johnsonville	28 Johnsonville Road	Board Venue
Kilbirnie	68 Bay Road	Board Venue
Miramar	73 Miramar Avenue	Board Venue
Newtown	227/229 Riddiford Street	Board Venue
Brandon Street	Gen I House, 27 Brandon Street	Board Venue
Tawa	197 Main Road, Tawa	Board Venue
Courtenay Place	57 Courtenay Place	Board Venue
Windmill Bar & Café	55 Cleveland Street, Brooklyn	Pub TAB
The Realm	7 Moxham Avenue, Hataitai	Pub TAB
Island Bay Bar	134 The Parade, Island Bay	Pub TAB
Johnsonville Club	1 Norman Lane, Johnsonville	Pub TAB
Newlands Arms	15 Batchelor Street, Newlands	Pub TAB
Trax Bar	Wellington Railway Station, Bunny Street	Pub TAB
Stadium Bar	1 Bunny Street	Pub TAB
Lovelocks Bar	12 Bond Street	Pub TAB
Downtown Local	48 Cuba Street	Pub TAB
Four Kings	Hope Gibbons Building, 7-11 Dixon Street	Pub TAB
Cambridge Hotel	28 Cambridge Terrace	Pub TAB
Margins Bar	18 Garrett Street, Wellington	Pub TAB



So Bar & Café	1 Disraeli Street, Johnsonville	Self service terminal
Quiet Lady	5 Parkvale Road, Karori	Self service terminal
Monteiths Brewery Bar	5 Ganges Road, Khandallah	Self service terminal
The Corner Bar	Bay & Rongotai Roads, Kilbirnie	Self service terminal
Victoria Bowling Club	125 Pirie Street, Mt Victoria	Self service terminal
The Feathers	Featherston & Johnston Streets	Self service terminal
Green Man	Cnr Victoria & Willeston Streets	Self service terminal
Strathmore Local Restaurant & Bar	3/5 Strathmore Avenue	Self service terminal

3. Council only has jurisdiction over Board Venues, ie stand alone TABs. Council consent is not required under the legislation to establish a TAB facility in a bar, hotel or club.

) The Racing Industry

4. The New Zealand Racing Board via its TAB operation funds and promotes racing in New Zealand. Racing in New Zealand:
- a. Generates 1.3% of New Zealand's GDP - around \$1.5 billion per year;
 - b. Creates 18,300 full time jobs, generating more than \$679 million in salaries and wages;
 - c. Generates more than \$130 million in export sales of horses; and
 -) d. Holds more than 780 race meetings a year, attended by more than 1.04 million people.

Executive Summary

5. The New Zealand Racing Board invites Council to:
- a. Separate the Board Venue (TAB) policy and class 4 venue (gaming machine) policy and have the review and consultation of the two policies done at different times. The combined consultation results in a discussion dominated by the harm caused by gaming machines without due consideration being given to TAB Board Venues.



- b. Amend the primary activity requirement to enable TAB Board Venues to host gaming machines. The policy currently requires all class 4 venues to have a liquor licence. Board Venues are alcohol free. Board Venues are one of the most highly supervised environments to conduct class 4 gambling. Board Venues are expressly permitted to host gaming machines under s 33 of the Gambling Act.
- c. Retain the status quo gaming machine caps in the six suburban zones. A reduced cap will not reduce problem gambling but will reduce community funding opportunities.

Separation of Board Venue Policy from Class 4 Gambling Venue Policy

6. Council currently has one brief policy which covers both Board Venues and class 4 gambling.
7. Councils are required to adopt two separate policies, a TAB Board Venue policy under s 65D of the Racing Act 2003 and a class 4 gambling venue policy under s 101 of the Gambling Act 2003.
8. The following Council's have separate class 4 and TAB Board Venue policies:
 - Chatham Islands Council
 - Hamilton City Council
 - Hastings District Council
 - Hurunui District Council
 - Opotiki District Council
 - Rangitikei District Council
 - Southland District Council
 - Waimakariri District Council
 - Waipa District Council
9. Over the last six months the New Zealand Racing Board has during the consultation process requested that Councils separate their policies. Almost all Council's spoken to to date have indicated that they will separate the policies. Recently the Southland District Council, the Chatham Islands Council and the Hurunui District Council



amended their policy and formally separated the TAB and class 4 policies. The Hurunui District Council in their letter of 28 September 2009 stated:

"The Council agreed to adopt two gambling venue policies; one for TAB venues and another for Class 4 venues. It was agreed that these venue types are very different and that this will enable the merits of restrictions on either type of gambling to be debated separately, should it arise in the future."

10. By incorporating both policies in one combined document and having a single public consultation the discussion and submissions focus on the harm caused by gaming machines without due consideration being given to TAB Board Venues. The writer has attended almost all the gambling venue public consultation hearings held by the various Councils in New Zealand over the last four years and found that the process was dominated entirely by criticism in respect of gaming machines without any consideration being given to the separate issue of TAB Board Venues. Despite thousands of submissions being made to local Councils over the last four years, only a handful of submissions have suggested that TAB Board Venues be restricted.
11. Board Venues are different from class 4 venues. Race and sports betting are 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 5% of all problem gamblers indicate a problem with race betting. Only 1% of all problem gamblers report a problem with sports betting.
12. Board Venues are operated by the New Zealand Racing Board, a statutory body. Board Venues are highly supervised, have highly trained staff and are subject to regular internal audits.
13. The only possible concern about formally separating the two policies is the possibility of Council incurring additional administration costs. However, having two policy documents rather than one is unlikely to incur any additional cost but would provide greater clarity.
14. It is suggested that the class 4 venue policy be reviewed in three years but the Board Venue policy be reviewed in two years and simply rolled over if there is no need for change. Given the lack of any negative feedback in respect of TABs a roll over of the policy would be appropriate. Further, any formal separate TAB review is likely to only attract 2 or 3 public submitters and be able to be dispensed with within one hour.

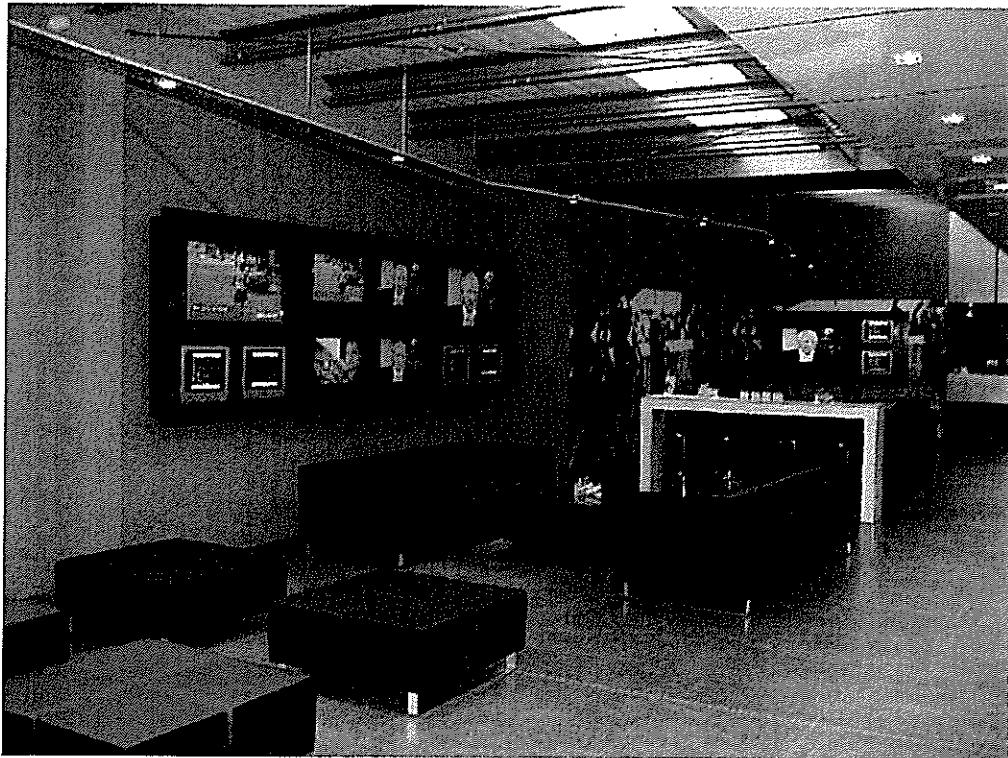


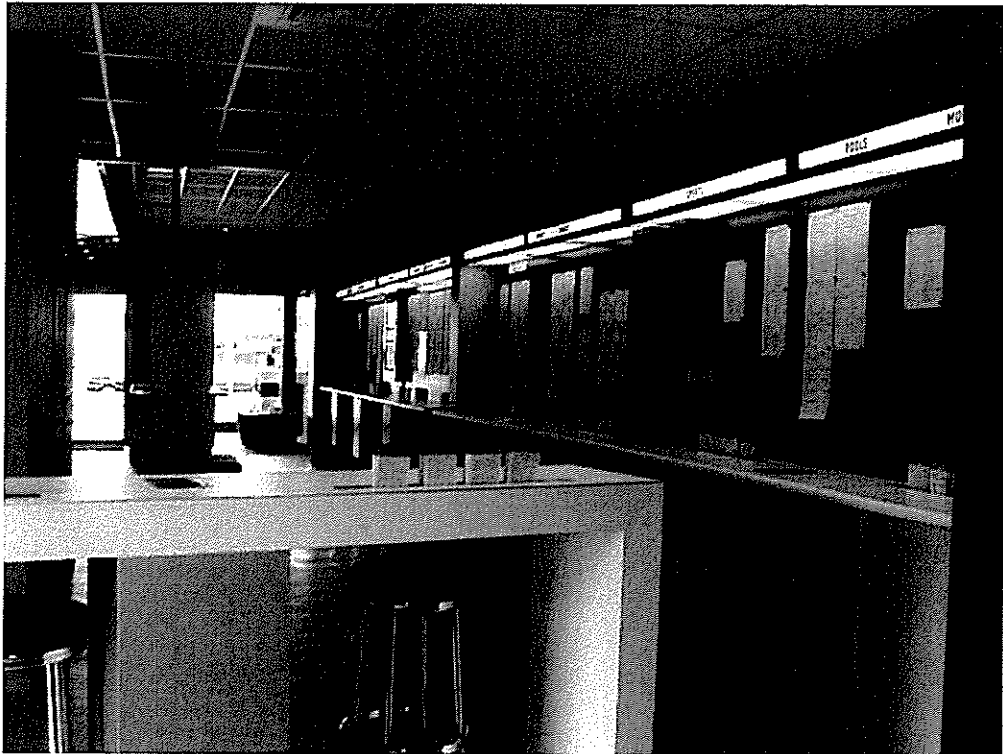
Board Venue Regulations

15. Board Venues are controlled by the Racing (Harm Prevention and Minimisation) Regulations 2004. The Regulations ensure that Board Venues provide a safe environment to gamble and that staff at the Board Venues are well trained. The Regulations:
 - a. Prohibit automatic teller machines at Board Venues;
 - b. Require signage to be displayed in all Board Venues which encourages players to gamble only at levels they can afford and advice on how to seek assistance for problem gambling;
 - c. Require all staff to have undertaken problem gambling awareness training. The training undertaken by staff includes information on how to:
 - i. Approach a player that the employee has reasonable grounds to believe may be experiencing difficulties related to gambling;
 - ii. Provide information to a player about the characteristics of problem gambling (including recognised signs of problem gambling);
 - iii. Provide information to a player about the potential risks and consequences of problem gambling;
 - iv. Provide information to a player about how to access problem gambling services; and
 - v. Remind a player that the Board may refuse to accept a bet without giving any reason for doing so.
16. All Board Venues have a self-exclusion procedure where customers can elect to exclude themselves from any form of gambling at the venue.
17. The New Zealand Racing Board provides problem gambling awareness training to each employee and agent who is involved in supervising gambling. The training module was prepared by experts in the problem gambling field and is comprehensive.



18. All Board Venues are connected via closed circuit television to a central monitoring office. This is one method of ensuring persons under 18 years of age are not permitted to gamble. Board Venues are also subject to regular audits and spot checks to ensure adherence to the legislative and regulatory requirements along with the New Zealand Racing Board's own problem gambling policy requirements.
19. The New Zealand Racing Board is a participant in the Problem Gambling Data Advisory Group organised by the Ministry of Health.
20. The Board Venues in New Zealand are being remodelled. The photos show the clean, modern look of the new Board Venues.







Board Venues Hosting Gaming Machines

21. It is submitted that the primary activity requirement be amended to read as follows:

All gaming machine venues must have a current on-licence with a designation, a club liquor licence, or a permanent club charter under the Sale of Liquor Act 1989 or be a stand-alone TAB Board Venue.

22. Section 33 of the Gambling Act 2003 expressly permits Board Venues to obtain a class 4 venue licence and to host gaming machines.
23. Approximately 20 of the 102 Board Venues in New Zealand host gaming machines. If a new TAB Board Venue was to be established and wished to host gaming machines it would need to obtain two consents, firstly a consent to establish a Board Venue under the TAB Policy and secondly a consent to host gaming machines under the class 4 policy.



24. Most Councils permit Board Venues to host gaming machines including:

Central Otago District Council	Papakura District Council
Chatham Islands Council	Porirua City Council
Clutha District Council	Rodney District Council
Dunedin City Council	Ruapehu District Council
Far North District Council	Selwyn District Council
Franklin District Council	Southland District Council
Gisborne District Council	Tararua District Council
Gore District Council	Tasman District Council
Hamilton City Council	Taupo District Council
Hauraki District Council	Tauranga City Council
Hurunui District Council	Thames-Coromandel District Council
Hutt City Council	Timaru District Council
Invercargill City Council	Upper Hutt City Council
Kaikoura District Council	Waikato District Council
Kapiti Coast District Council	Waimate District Council
Mackenzie District Council	Waimakariri District Council
Manawatu District Council	Waipa District Council
Manukau City Council	Waitakere City Council
Marlborough District Council	Waitomo District Council
Matamata Piako District Council	Western Bay of Plenty District Council
Napier District Council	Westland District Council
Nelson City Council	Whakatane District Council
New Plymouth District Council	Whangarei District Council
North Shore City Council	
Otorohanga District Council	
Palmerston North City Council	

25. When the issue has been raised before other Councils during the public consultation process Councils have accepted the merits of permitting Board Venues to host gaming machines. Over the last three years the Franklin District Council, Kapiti Coast District Council, Porirua City Council, Gore District Council, Nelson City Council, Upper Hutt City Council, Waikato District Council, Hamilton City Council, Hauraki District Council and Clutha District Council have amended their Gambling Venue Policies to expressly permit Board Venues to host gaming machines.

26. The present policy requires all class 4 venues to have a liquor licence. Board Venues are alcohol free. It is no longer a requirement of the Gambling Act 2003 or any of the associated regulations or licence conditions that class 4 venues have a liquor licence now that section 302 of the Act expressly prohibits persons under 18 years participating in class 4 gambling.



27. In the December 2005 edition of the DIA's Gambits Magazine, the Department confirmed:

"There is no statutory requirement for a class 4 venue to have a liquor licence and there are some venues that do not have them..."

28. The old requirement to have a liquor licence was an attempt to impose an age restriction on people playing gaming machines (the Gaming and Lotteries Act 1977 did not impose any age restrictions on people who could play gaming machines). The Gambling Act 2003 now expressly imposes age restrictions and enables venue operators to exclude people from their venue for any reason.
29. Section 302(1) provides that it is an offence punishable by a fine of \$500.00 for any person under 18 years to participate in class 4 gambling. A Gaming Trust is liable for a fine of \$5,000.00 if it allows any person under 18 years of age to participate in class 4 gambling at any of its venues: section 302(2). Section 302(3) provides that it is an offence punishable by a fine of \$1,000.00 if any venue staff allow a person under 18 years of age to participate in class 4 gambling.
30. The Department of Internal Affairs cannot grant a venue a licence to operate gaming machines unless it is satisfied that the possibility of persons under 18 years old gaining access to class 4 gambling at the venue is minimal: section 67(1)(b).
31. All class 4 venues must also be considered suitable under the Gambling (Harm Prevention and Minimisation) Regulations 2004 (i.e. must be a venue which focuses on persons over 18 years of age).
32. A Board Venue simply cannot get a class 4 venue licence unless it is a venue which focuses on adults and has adequate measures in place to ensure minors do not gamble at the venue. The highly trained and professional staff at Board Venues ensure that persons under 18 years of age are not permitted to gamble.
33. In its decision of 16 March 2007, the Gambling Commission at paragraph 38 referred to a New Zealand Health Survey which found that problem gamblers were four times more likely to have potentially hazardous drinking patterns than non-problem gamblers.



34. The link between alcohol use and problem gambling was noted in Chapter 11 of Professor Max Abbott's 2006 report as follows:

"It was found that two or more alcoholic drinks increased reports of difficulty in resisting urges to gamble. Continued consumption during a gambling session also predicted unplanned, extended gambling."

"Kyngdon and Dickerson (1999) followed up the preceding survey by undertaking an experimental study involving regular Electronic Gaming Machine players who also regularly consumed alcohol. Participants received three alcoholic (experimental group) or non-alcoholic drinks (control group) prior to playing a computer-based analogue card game. This and subsequent experimental studies (Ellery, Stewart & Loba, 2005) demonstrate that alcohol consumption is associated with riskier styles of gambling (using analogue and real gambling forms) among regular and problem gamblers."

35. In 2007 the Hamilton TAB applied to the Hamilton City Council to obtain consent to host 9 gaming machines. The then Chief Executive of the Problem Gambling Foundation, John Stansfield, commented on the application in his email of 22 November 2007 as follows:

*"... we oppose any expansion of gambling machine numbers in Hamilton until such time as machines can be made safe. We acknowledge the significant effort of NZRB in improving their host responsibility policy and agree **it is one of the best and probably the best operating in Hamilton...**"*

The consent application was subsequently granted by the Hamilton City Council.

36. The New Zealand Racing Board does not own gaming machines, does not hold a Class 4 Operator's Licence to operate gaming machines, has no plans to do so and is unlikely under its legislation to be permitted to do so. The gaming machines which are located at Board Venues are owned by Gaming Trusts – e.g. Lion Foundation, Perry Foundation, Pub Charity, New Zealand Community Trust and The Trusts Charitable Foundation. The Board Venue (in the same manner as a bar which hosts gaming machines) simply receives a weekly venue payment for hosting the machines and supervising the players. This venue payment is limited and controlled by the Gazette Notice issued under section 116 of the Gambling Act 2003.
37. All the funds from the gaming machines at Board Venues are banked to the Gaming Society's account. The funds are then distributed by the Gaming Trust in accordance with their authorised purpose statement. The Gaming Trusts which the New Zealand Racing Board uses all have a policy of returning the funds back to the local community in which they were generated.



38. The New Zealand Racing Board cannot have any input into the grants that the Gaming Trusts make. The Gaming Trusts are independent professional bodies. Section 113 of the Gambling Act 2003 confirms that it is a criminal offence punishable by a fine of up to \$10,000.00 for a venue operator (the New Zealand Racing Board) to be involved in any decision regarding the distribution of grants. It is also a criminal offence for a Gaming Trust to be influenced by a venue operator in respect of grants. A copy of section 113 is annexed.

Class 4 Venue Policy - Gaming Machines - Key Facts

39. Gaming machines have been operating legally in pubs and clubs in New Zealand for over 22 years.¹
40. Approximately 90% of New Zealanders over the age of 18 years participate in one form of gambling activity on a regular basis.²
41. Recent research suggests that, at any given time, between 0.3% and 1.8% of adults living in the community in New Zealand are likely to score as "problem gamblers" on standard questionnaires. This conclusion is largely derived from three large surveys, using different questionnaires, over a period of eight years. The most recent of these surveys returned the lowest estimate (0.3% to 0.5%).³

¹ Gaming and Lotteries Act 1977 and Gambling Act 2003.

² 2005 Participation and Attitudes Survey (Department of Internal Affairs, 2008), 2006/2007 Gaming and Betting Activities Survey (Health Sponsorship Council and National Research Bureau Ltd, 2007).

³ For example:

- The 1999 National Prevalence Survey [M.W.Abbott and R.A.Volberg, (2000), *Taking the Pulse on Gambling and Problem Gambling in New Zealand: A Report on Phase One of the 1999 National Prevalence Survey*, Wellington, Department of Internal Affairs] estimated that 0.3% to 0.7% of adults living in the community were current probable pathological gamblers and a further 0.6% to 1.1% were current problem gamblers. "Adults" meant those aged 18 and over. "Current" meant within six months of being surveyed. "Probable pathological" meant a SOGS-R score of 5 or more. "Problem" meant a SOGS-R score of 3 or 4.
- The 2002/03 New Zealand Health Survey [Ministry of Health (2006); *Problem Gambling in New Zealand: Analysis of the 2002/03 New Zealand Health Survey*, Wellington, Ministry of Health] estimated that 1.0% to 1.5% of adults living in the community were current problem gamblers. "Adults" meant those aged 15 and over. "Current" meant within 12 months of being surveyed. "Problem" meant a positive response to either of the two items in the Lie/Bed screen, or a positive response to one or more nominated items from a screen developed for the Survey, using questions from other validated screens.
- The 2006/07 New Zealand Health Survey [Ministry of Health, (2008), *A Portrait of Health: Key Results of the 2006/07 New Zealand Health Survey*, Wellington, Ministry of Health] estimated that 0.3% to 0.5% of adults living in the community were current problem gamblers. "Adults" meant those aged 15 and over. "Current" meant within 12 months of being surveyed. "Problem" meant meeting the criteria in the 9 question PGSI from the CPGL. (It is worth noting that the CPGL tends to be more conservative than the SIGS-R). A further 1.1% to 1.5% of adults were "moderate risk" gamblers, and 3.1% to 3.9% were "low risk".

All three Surveys were large (6,452, 12,949 and 12,488 respondents respectively) and had high response rates (75%, 72%, 68%). The 1999 Survey was a telephone survey; the two Health Surveys were face-to-face.



42. Since 2005, every form of gambling has increased with the exception of non-casino gaming machines.⁴ The largest increase in spending was on Lotteries Commission products, due mainly to the introduction of Big Wednesday. Overall expenditure on gambling in 2008 was made up of:

Gambling Product	2008 Expenditure (\$m)	Increase / Decrease since 2005
Racing and Sports Betting	273	+9.52%
Lotteries Commission Products	346	+19.08%
Non-Casino gaming machines	938	-9.49%
Casinos	477	+1.05%
Total	2034	+5.04%

43. The Department of Internal Affairs has reported a reduction in community grants of \$36,000,000.00 in 2008 due to a reduction in gaming machine revenue.⁵ Community organisations have suffered considerably as a result of decreased gaming machine expenditure and the corresponding funding decline.
44. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$20,000,000.00 to the Ministry of Health to support and treat gambling addiction and to increase public awareness. The programme is working as is evident by the considerable reduction in the number of people seeking help from the national gambling helpline and intervention services. In fact some concern has been raised by the media about the amount of funding which is being received per individual problem gambler. For example, concern was raised by the New Zealand Herald that Hamilton's Pacific People's Addiction Service received \$143,160.00 to provide counselling for a target of 306 people – but it attracted only eight users at an average of \$17,895.00 per gambler.⁶

New Gaming Machine Regulations

45. Since the current policy was first introduced the following new regulatory safeguards have been imposed:
- a. The Gambling (Harm Prevention and Minimisation) Regulations 2004;

⁴ DIA Gambling Expenditure Statistics – www.dia.govt.nz

⁵ Gambling expenditure statistics table for 1984-2008 - www.dia.govt.nz

⁶ New Zealand Herald 19 April 2007.



- b. The Gambling (Infringement Notices) Regulations 2004;
- c. The Gambling (Fees and Revocations) Regulations 2004;
- d. The Gambling (Class 4 Net Proceeds) Regulations 2004;
- e. The Gambling (Class 4 Bankings) Regulations 2006;
- f. The Gambling (Electronic Monitoring Fees) Regulations 2006; and
- g. The Gambling (Problem Gambling Levy) Regulations 2007.

46. The regulations are comprehensive and include the following:

- a. A list of unsuitable and prohibited venues, e.g. sports stadiums, internet cafes, and cinemas. The Regulations provide that the primary activity of the venue must be focused on persons over 18 years of age. The types of venues permitted are accordingly limited to licensed premises, clubs, TAB agencies and massage parlours etc;
- b. Limits on stake and prize money. 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. These limits only apply to gaming machines in pubs and clubs. Gaming machines at casinos do not have these restrictions and offer considerably larger stakes and prizes. It is also not illegal in New Zealand to participate in internet gambling. Internet gambling stakes and prizes are unrestricted;
- c. A requirement that gaming machines 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. The message is then displayed asking the player whether they wish to continue with their session or collect the credits;
- d. A prohibition on the use of the word "jackpot" or any similar word in advertising and a prohibition on advertising being visible from outside a venue;
- e. A requirement that pamphlets must be at the venue which provide information on odds and also information about the characteristics of problem gambling and how to seek advice for problem gambling;



- f. A requirement that signage be displayed in venues which encourages players to gamble only at levels they can afford and advice on how to seek assistance for problem gambling;
 - g. A requirement that one staff member must be present at all times who has undertaken comprehensive problem gambling awareness and intervention training;
 - h. A requirement that a minimum of 37.12% of gaming machine proceeds are distributed to the community each year.
47. Other restrictions have also been imposed since the current policy was first introduced including:
- a. In September 2004 the DIA set limits on the amount of venue payments that may be paid to gaming machine venues under s 116 of the Act. The limits ensure that costs are kept to a minimum and thus the proceeds available to the community are maximised;
 - b. In June 2006 a new set of comprehensive Game Rules were established by the DIA pursuant to s 367 of the Act. The Game Rules set out in detail how gaming machines must be operated and how issues such as player disputes and machine malfunctions must be dealt with; and
 - c. All gaming machine venues must be connected to an electronic monitoring system. The electronic monitoring system ensures greater accountability of gaming machine turnover.

No Need to Change the Status Quo – A Restrictive Cap or Sinking Lid Policy Will Not Reduce Problem Gambling

48. It is anticipated that Council will receive submissions urging it to adopt a sinking lid policy, or introduce a more restrictive cap. A sinking lid policy is the most restrictive approach that Council could adopt. It is submitted that such an approach is unjustified in the current environment of high regulation and naturally reducing machine numbers. There is no reason to change the present policy.

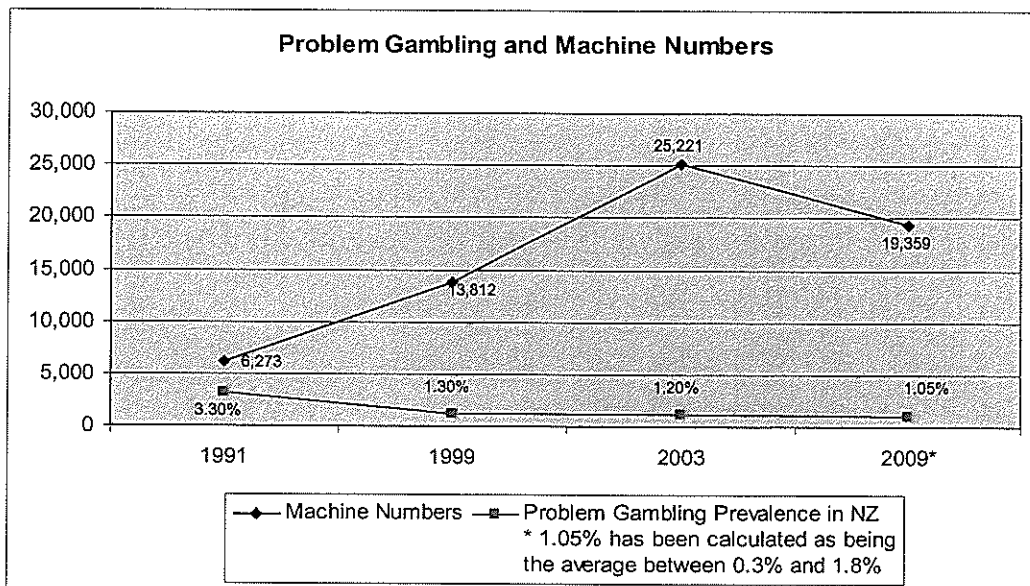


49. The number of gaming machines in New Zealand has been in steady decline since 2003. In 2003 New Zealand had 25,221 gaming machines. In December 2009 New Zealand had 19,359 gaming machines. Wellington City has also experienced a natural decline in machine numbers.
50. The following table illustrates the change in class 4 gaming machine numbers in Wellington (by zone) since 2007 compared to the cap on each zone:

Number of class 4 gaming machines per zone from December 2007				
Gambling Venue Zone	No. Machines at 31 Dec 2007	No. Machines at 31 Dec 2008	No. Machines at 30 Sep 2009	Cap on No. Machines
Southern	115	97	115	116
Northern	150	130	146	146
Eastern	122	113	113	125
Onslow	9	9	9	62
Western	38	38	35	73
Lambton (excluding Central Area Zone)	9	0	0	55
Central Area Zone	391	382	379	No Limit
TOTAL	834	769	797	

51. There is no conclusive evidence indicating that caps or sinking lids reduce problem gambling. A number of studies have commented on whether a link between machine numbers and problem gambling exists. The studies have had mixed results with some authors drawing one conclusion and then reversing the conclusion within 24 months. The best evidence appears to be the historical problem gambling rates in New Zealand and machine numbers. These factors are known. When we look at machine numbers and the problem gambling prevalence rate as detailed in the graph below it appears clear that there is no correlation between gaming machine numbers and problem gambling rates.





52. A sinking lid policy or a restrictive cap is unlikely to reduce problem gambling but will reduce the amount of funding available to Wellington City community groups. Problem gamblers are people who are addicted to gambling. If a new bar is established and the policy prevents that bar from hosting gaming machines, a person who is addicted to gambling will simply travel the short distance to the next bar which has gaming machines or worse move to another form of gambling such as internet gambling. Other forms of gambling such as internet gambling are legal in New Zealand, and do not have the safeguards that gaming venues have and do not return any funds to the community. In the article "Gambling billions flowing overseas" published by the New Zealand Herald on 17 June 2009 David Coom, the Problem Gambling Foundation spokesman was quoted as follows:

"Problem Gambling Foundation spokesman David Coom said the survey confirmed that overseas online gambling was "a really fast-growing problem."

"It's basically totally unregulated and there's no ability to do any host responsibility around it," he said.

"One of the big issues with problem gambling is that it flourishes and thrives in secrecy, and of course online you can just sit at home and access it all you like."

"We are starting to see cases come through where parents are bringing in their teenagers who are spending up to 60 hours a week online. We are just about to embark on some research with youth to see what actually is going on."

"If the survey is correct, it means that about a sixth of New Zealand's total gambling spending is going overseas, paying no New Zealand taxes and returning nothing to the community."

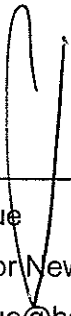


Conclusion

53. Board Venues are different from class 4 venues. Race and sports betting has a very low prevalence of problem gambling. A Board Venue is subject to all the stringent requirements of the Racing Act 2003. The New Zealand Racing Board ensures that all of their venue staff are well trained in problem gambling awareness and harm minimisation. It is submitted that Council fully separate the Board Venue and class 4 venue policies and each policy have its own separate public consultation. It is suggested that the class 4 venue policy be reviewed in three years but the Board Venue policy be reviewed in two years and simply rolled over if there is no need for change. This will ensure that the Board Venue policy is considered on its own merits.
54. Board Venues are permitted by section 33 of the Gambling Act 2003 to host gaming machines. Board Venues provide the opportunity to participate in class 4 gambling in an alcohol free environment. A Board Venue is a suitable venue to host gaming machines and accordingly it is submitted that Council's class 4 policy be amended to permit Board Venues to host gaming machines.
55. It is acknowledged that the Council needs to strike a balance between the costs and benefits of class 4 gambling. It is accepted that a small percentage (between 0.3% and 1.8%) of people who play gaming machines do have a problem with their gambling. Casual expenditure on gaming machines is a form of entertainment for a lot of people and over 98% of the public are not adversely affected. Gaming machines provide a considerable amount of community funding to local community groups each year. This funding is the lifeblood of many organisations within Wellington City.
56. The gaming industry has now reached a point where it is heavily regulated by legislation which is described by the DIA as world leading. Machine numbers, venue numbers and community funding is steadily in decline. In light of the new regulations and naturally decreasing machine numbers it is submitted that there is no need to change the current caps.



57. We wish to speak to our submission.



24 March 2010

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Section 113 Key persons must not be involved in certain activities or decisions

- (1) A key person in relation to a venue to which section 65(3) applies must not—
 - (a) provide application forms for persons or groups in the community to complete in order to apply for grants of net proceeds from class 4 gambling; or
 - (b) be involved in decisions about, or in managing, the application or distribution of net proceeds from class 4 gambling conducted by a corporate society that operates at the venue (whether or not the net proceeds derive from that venue); or
 - (c) provide, or be involved in decisions about who will provide, to the corporate society that conducts class 4 gambling at the venue, goods or services other than services listed in the class 4 venue agreement; or
 - (d) provide, or be involved in decisions about who will provide, goods or services to recipients of grants of net proceeds from class 4 gambling conducted by a corporate society at the venue if the goods or services constitute at least part of the authorised purpose for which net proceeds were granted; or
 - (e) be involved in decisions about who will provide goods or services to recipients of grants of net proceeds from class 4 gambling conducted by a corporate society that operates at the venue (whether or not the net proceeds derive from that venue) if the goods or services constitute at least part of the authorised purpose for which net proceeds were granted.
- (2) A key person in relation to a venue who contravenes this section commits an offence and is liable on summary conviction to a fine not exceeding \$10,000.
- (3) A key person in relation to an operator's licence or the holder of a class 4 operator's licence who knowingly allows a key person in relation to a venue to contravene this section commits an offence and is liable on summary conviction to a fine not exceeding \$10,000.

