

Gambling Venues Policy Submission To Wellington City Council

October 2020

We would like to appear in person to support our submission

Contact person:

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Wellington City Youth Council
Te Rūnanga Taiohi o te Kaunihera o Pōneke

Introduction

1. The Wellington City Youth Council (Youth Council) welcomes the opportunity to submit on Wellington City Council's Gambling Venues Policy consultation.
2. Having considered the five proposed options, Youth Council supports Option A – implementing a sinking lid on the number of Class 4 gambling machines in Wellington City.

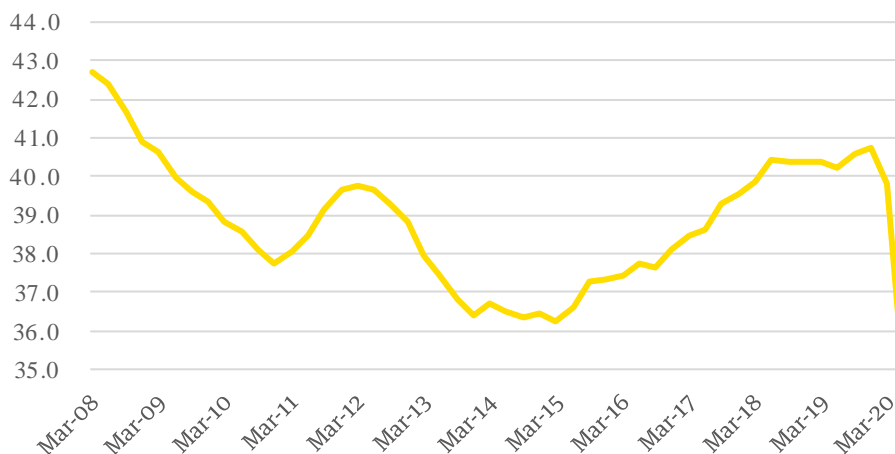
Gambling produces harmful outcomes

3. Youth Council notes the harms that gambling causes, including emotional distress, financial difficulties, social and relationship breakdowns, and lower work and training performance.
4. Gambling proceeds in Wellington City topped \$40m each year prior to the COVID-19 Level 4 lockdown, having risen steadily since the start of 2015 and levelling out at around \$40m each year since 2018 (see Graph 1). This is a considerable amount of money taken out of household budgets.

Graph 1

Gambling proceeds top \$40m

\$m, annual running totals, gambling machine proceeds for Wellington City. Compiled from Department of Internal Affairs data. Recent values affected by Level 4 lockdown



5. Noting that harms of gambling, and the amount of money that is used on these activities that cannot therefore be spent by households, Youth Council views it as desirable to reduce the potential for gambling to occur by adopting a sinking lid policy on Class 4 gambling machines
6. This sinking lid policy will stop any additional gambling machines from operation and will over time see the number of gambling machines fall.

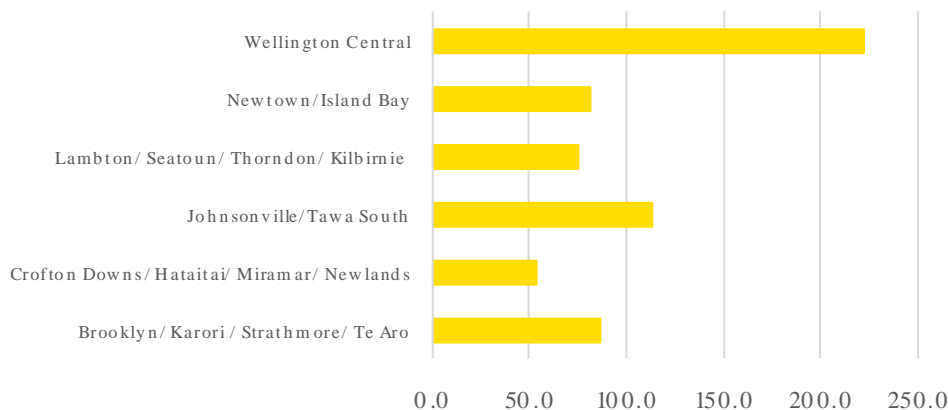
Community funding from gambling not enough to outweigh the harm caused to communities

7. Youth Council recognises the considerable financial support provided to community organisations and causes, paid for from gambling proceeds.
8. However, Youth Council views the harms of gambling outweighs the benefits provided by the community funding stemming from gambling, and also views this money as “robbing Peter to pay Paul”. In other words, the money being distributed into the community, although undoubtedly important to those organisations who receive it, represents less money able to be spent by others in the community.
9. There is also the concern that the money gambled at Class 4 gambling machines might take money out of poorer suburbs and then distribute it back to better off areas through community funding.
10. Although 35% (222) of gambling machines are located centrally (due to the entertainment precinct), 18% (113) are located in the Johnsonville / Tawa South area, followed by 14% in Brooklyn / Karori / Strathmore / Te Aro (see Graph 2).

Graph 2

Gambling machines across Wellington City

Number of gambling machines by area, Wellington City, June 2020 quarter.
Compiled from Department of Internal Affairs data



11. Funding from gambling overwhelmingly supports sports, with around 65% of granted funds in 2018 going to sports in the Wellington Region¹.

¹ Wellington City Council (2020). “The Social Impacts of Gambling in Wellington.” Wellington City Council: Page 30

12. Youth Council is concerned that gambling proceeds redistributed into the community may not be supporting those communities in greater need, with proceeds instead going to areas that are better off.

Additional work needed centrally to reduce harms

13. Youth Council understands that making changes to the Gambling Venue Policy is as much as can be done at a local level – Council cannot dictate how funding is redistributed nor assist with additional resourcing for problem gambling assistance.
14. However, we do urge Council to discuss further options for change with the Department of Internal Affairs to assist with better informed distribution of gambling proceeds, and resourcing for problem gambling assistance.

Conclusion

15. Youth Council supports Option A to implement a sinking lid policy.