Executive Summary

This report details the results of a survey of people's participation in and attitudes to gaming. A randomly selected sample of 1,500 people aged 15 years and over living in private household were interviewed face-to-face between June and July 2000. The questionnaire was based on previous surveys conducted by the Department of Internal Affairs in 1985, 1990 and 1995.

Participation and expenditure

Participation

The majority of the sample (87%) had taken part in at least one gaming activity in the 12 months prior to being surveyed, compared to 90% in 1995 and 1990, and 85% in 1985.

The proportion of respondents who had not done any gaming activities has increased since 1995, despite an increase in the number of gaming activities available during this time. However, there has been an increase in the proportion of respondents who had done 7 or more gaming activities at least once in the past 12 months.

The only gaming activities to show increased participation levels between 1995 and 2000 were casinos and sports-betting.

The majority of respondents (75%) had played Lotto, although this has declined slightly since 1995. Buying raffle tickets was the only other gaming activity that the majority of respondents did in 2000 (67%). The next most common gaming activity was buying Instant Kiwi/scratch tickets (48%) – the first time in this survey series that participation levels for Instant Kiwi have dropped below 50% of respondents.

For the first time in this survey series there were fewer males than females playing at least one gaming activity. Female participants were more likely to play Lotto, Instant Kiwi or other scratchies and TeleBingo than male participants.

Respondents aged between 15-34 years were more likely to have played non-casino gaming machines and Instant Kiwi at least once in the past 12 months.

Māori respondents were more likely to have played Lotto, Instant Kiwi, non-casino gaming machines and TeleBingo at least once in the past 12 months compared to the rest of the population. Māori and Pacific peoples were more likely than respondents in the General population to have played Daily Keno, sports-betting and housie at least once in the past year.

Respondents from households with an annual income of $30,000 or more were more likely to have played casino gaming machines, table games at a casino, placed bets on a horse or dog race and placed bets on sporting events at least once in the past year. By comparison, respondents from households with income of under $30,000 were more likely to have played housie and TeleBingo.

Blue-collar workers were most likely to have participated in gaming activities, while students were the least likely. The unemployed were most likely to have played TeleBingo and housie. Together with homemakers they were most likely to have played Daily Keno. Students were most likely to have played non-casino gaming machines at least once in the 12 months.

University graduates were less likely to have participated in a gaming activity in the past 12 months. However, those university graduates that had participated in a gaming activity were more likely to have played a casino gaming machine, and played a table game at a casino.

Frequency of participation

Except for Internet-based gaming, only Lotteries Commission run activities (Lotto, TeleBingo and Daily Keno) were played at least once a week or more frequently by more than a quarter of people who participated in them.

Reasons for participation

The predominant reason for involvement in all forms of gaming other than raffles and casinos was to win prizes or money. A sizeable proportion of participants attended casinos to win prizes/money, but this was the only activity that the majority of participants did not cite winning prizes/money as a reason for participation. Notably, participants often bet on horse and dog racing, sporting events, gaming machines, and housie for "entertainment" and "for excitement or as a challenge".

Expenditure

The proportion of people who reported spending over $1,000 on gaming activities annually increased slightly since 1990. However, there was an increase in the proportion of people who did not spend anything (10% of respondents in 1990 compared to 17% of respondents in 2000). The overall average (mean) amount reported spent on gaming decreased between 1990 and 2000 in inflation adjusted terms ($531 in 1990 compared to $470 in 2000).

Only 18% of respondents had played gaming machines at least once in 2000 compared to 28% of respondents in 1990. Despite this, the annual reported spending on gaming machines of all respondents increased between 1990 and 2000 in inflation adjusted terms ($43 was reported spent on average in 1990 compared to $98 reported spent on average in 2000 by all respondents).

Beliefs about playing activities

People who placed a bet on a sporting event were most likely to feel they had won money overall (29%). Housie players were the most likely to say they had won money or broken even overall (63%), followed by those who had placed a bet on horse and/or dog race (49%) and those who had placed a bet on a sporting event (45%).

Few of the participants who played a Lotteries Commission run game (i.e. Lotto, Daily Keno, TeleBingo and Instant Kiwi) felt they had won money overall. However, nearly one-in-three of the people who played Instant Kiwi and one-in-five Daily Keno players felt they had broken even overall.

The majority of participants said they did not use any system or skill to improve their chances of winning. Daily Keno was the activity in which the highest proportion of participants felt they used a system or a skill to improve their chances of winning, followed by Lotto and non-casino gaming machines.

Public Attitudes to Gaming

Gaming legislation

The four most important factors that people thought should guide government when reviewing gaming regulations were:

- Limiting the harm gaming can cause people
- Ensuring profits fund worthy causes
- Preventing criminal activity
- Ensuring fairness for players

People who had done few or no gaming activities were more likely to favour the more "interventionist" options. Conversely, the more gaming activities a person had done the more likely they were to favour the more "liberal" or "free-market" options.

Worthy causes

The majority of respondents favour gaming activities being run to fund worthy causes. Two other popular reasons are for gaming activities to be run as profit sharing between a promoter and a worthy cause, and for sales promotions.

Organisations that most people feel are worthy causes to receive gaming profits, in order of consensus, were:

- Welfare organisations
- Rescue organisations
- Health research organisations
- Educational groups
- Amateur sports
- Community/recreational groups
- Amateur arts and culture groups
- Science research

Who should distribute gaming profits?

When asked what group or groups should distribute the profits to worthy causes, almost half felt community representatives, followed by local councils, should do this.

Where do the profits go?

There was a reasonably high level of uncertainty about where gaming profits go. Respondents considered Lotto to give the highest proportion of its profits to worthy causes, followed by TeleBingo – both activities run by the Lotteries Commission. The activities that most feel do not fund worthy causes are horse or dog racing, sports-betting, and Internet-betting.

Public awareness of Funding Agencies

The vast majority of New Zealanders have heard of the Hillary Commission and the Lottery Grants Board, while comparatively few have heard of Creative New Zealand.

How many gaming operators should there be?

The majority of people support the number of national lottery agencies, sports-betting organisations, and casinos currently available in New Zealand. However, 28% do not want any casinos available in New Zealand.

Age restrictions

The majority of people feel there should be a common age restriction for all gaming activities and that this should be 18 years of age. However, a large minority of people (39%) prefer the current situation of different age limits, tailored to suit each particular gaming activity. This group preferred a higher age limit for casinos than other activities (preferring a median age limit of 20.1 years) and comparatively lower age limits for Lotteries Commission-run games such as Lotto (most of which currently do not have any age limits).

Desirability of gaming activities

Over half of respondents feel that 0900 telephone games, casinos, and Internet-based gaming are socially undesirable. An increasing proportion of people are saying that gaming machines and betting on horse and/or dog races are also socially undesirable activities. Opposition to horse and/or dog racing in particular is higher among younger people.

Advertising of gaming activities

Almost all New Zealanders (89%) could remember seeing or hearing some form of gaming advertising in the 12 months prior to being surveyed. Of those who had seen gaming advertising, most could recall advertisements for Lotteries Commission run games, particularly those for Lotto.

Gambling problems

Since 1985, there has been a steady increase in the proportion of the population who believe very strongly that there is a problem in New Zealand with people being heavily involved in gambling. Most people believe very strongly that there should be special help and support available to those who want to give up gambling. The majority of people also feel that the gaming industry itself has a responsibility to meet some or all of the costs of helping problem gamblers.

Would warnings about problem gambling make any difference?

Most of the people who were asked whether warnings about problem gambling on or with gaming activities would affect how much they played felt such warnings would make no difference to how they currently played. However, the survey does indicate that groups more vulnerable to problem gambling would be somewhat more likely to take notice of such warnings.

Internet-based gaming

Less than 2% of New Zealanders had placed a bet via the Internet in the 12 months prior to being surveyed. However, most had only played trial games and therefore had not spent any money.

Interest in future participation in Internet-based gaming

Only 8% of New Zealanders said they would be interested in placing bets on the Internet in the future (this includes those who had already placed a bet via the Internet). Future Internet-based activities of most interest were sports-betting, lotteries/sweepstakes, and casinos.

Of those interested in Internet-based activities, most said they would look to increase the amount currently spent on gaming to cover future spending. An exception was for people interested in buying lottery or sweepstakes tickets via the Internet. They indicated they would look to fund their purchasing of lottery or sweepstakes tickets from money they currently spend on (New Zealand based) gaming activities.

Section 1: Introduction

In June through to September 2000 the Department of Internal Affairs conducted a survey of people's participation in and attitudes to gaming. The survey was based on similar surveys conducted by the Department in 1985, 1990 and 1995.

The market research company National Research Bureau (NRB) was commissioned to do the fieldwork and data processing. The questionnaire was developed by the Internal Affairs Research Services staff in liaison with staff in Gaming, Censorship and Regulation (GCR) Gaming Policy and other relevant branches of the Department, as well as in association with other interested government agencies.

The questionnaire was based closely on questionnaires from previous surveys carried out by the Department in 1985 (Wither, 1987), 1990 (Christoffel, 1992) and 1995 (Reid and Searle, 1996). The survey was conducted to continue the quinquennial monitoring of public attitudes towards gaming, begun by the Department in 1985. The specific aims of the 2000 survey were to obtain information on:

- Current participation in gaming activities
- Public preferences for the regulation of gaming activities
- Public attitudes towards aspects of the current gaming legislation
- Public attitudes towards gaming
- Likely impact of Internet-based gaming
- Public awareness of expenditure on gaming activities
- Aspects that promote and/or inhibit/deter participation in new and existing gaming activities
- Changes in gaming behaviour and attitudes to gaming over time

The period between the 1995 and 2000 surveys has seen the introduction of TeleBingo, the establishment of three additional casinos and the applications being submitted for three more. Also during this period sports-betting has been introduced to the marketplace. Therefore, this survey was able to observe the change in casino participation since their introduction to New Zealand just prior to the 1995 survey (Christchurch casino in 1994) and their impact on gaming participation since 1995 (Sky City casino in Auckland opened in 1996). Although not necessarily new, Internet-based gaming activities are activities that are being looked at for the first time in this survey. This survey looks at the prevalence of, and public attitudes towards this form of gaming.

This report only briefly describes the broad level trends and main results, relying on the reader to observe results of interest from the tables and figures provided. Only sizeable differences are mentioned in the cross-tabulated results (e.g. sizeable differences by sex, age, ethnicity). Sub-sections of cross-tabulations may not appear if there are no significant trends or discernible differences.

1.1 Methodology

The questionnaire used in this survey was based largely on the questionnaire used in previous surveys. New questions were developed in consultation with the relevant interested areas within and outside of the Department. The survey was a face-to-face survey with respondents drawn from a randomly selected sample of 1,500 people aged 15 years and over in private households. The response rate was 54%[1]. This survey has a larger population than the two previous surveys (1995 and 1990 - 1,200) and is equal to the size initial survey, conducted in 1985.

The fieldwork was carried out between June and July 2000. Showcards were used for most of the questions in case the topic was considered sensitive by interviewees (e.g. personal income) and to better enable respondents to answer complex questions. A copy of the questionnaire is included in Appendix B.

The term "gaming" rather than "gambling" was used throughout most of the questionnaire and this report to avoid confusion, as some people may not consider some of the activities surveyed to be gambling, such as buying Lotto tickets. This practice has been continued from previous surveys where the terminology has been shown to have worked in the desired way. A brief explanation of "gaming" was used by interviewers in their introduction to potential interviewees (see Appendix B).

The questionnaire contains a section on people's attitudes to different aspects of gaming and its regulation. In addition, respondents were also asked about their knowledge and access to the Internet and their attitudes and participation in Internet-based gaming, their attitudes towards the legalisation of new gaming activities and attitudes towards current age restrictions, and recommendations for future legislation.

Results from the survey were re-weighted by age, sex and household size. These weighted results were cross-tabulated by respondent and household characteristics. These were sex, age, ethnicity, geographical location, personal and household income, occupation and highest educational attainment level. In addition, results were also cross-tabulated by the number of gaming activities respondents had participated in[2] and the amount spent on gaming activities.

Care should be taken when interpreting percentages that are not based on the total sample, for example when examining participants in a particular gaming activity (e.g. housie n=53). In some of these cases, the numbers of respondents are less than 100. The sampling error for a sample of 1,500 is 2.5% at the 95% confidence level. In theory, with a sample of this size, one can say with 95% certainty that the results have a statistical precision of plus or minus 2.5% percentage points of what they would be if the entire adult population had been surveyed with complete accuracy.

Unfortunately, there are several other possible sources of error in all surveys that are probably more serious than theoretical calculations of sampling error. They include refusals to be interviewed (non-response), question wording and question order, interviewer bias, weighting by demographic control data and data entry errors. It is difficult or impossible to quantify the errors that may result from these factors.

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[1] Further information on the response rate to the survey can be found in Appendix A

[2] All references to the number of gaming activities refer to gaming activities a person had done in the 12 months prior to their being surveyed (June - July 2000)

1.2 Analysis

Age

For the purpose of analysis the age groups used in this report are in ten-year increments beginning with the 15 to 24 years age group, up to the top bracket of people aged 65 years and over.

Ethnicity

The ethnic groups used in the analysis for this report comprise people in the following ethnic groups: Māori; Pacific peoples; and the General population (includes all those who do not belong to Māori or Pacific peoples ethnic groups). The questionnaire did allow respondents to choose more ethnic groups, but due to the small numbers involved in some groups respondents were grouped into three groups. These ethnic groups represent sole counts (i.e. each person was counted only once regardless of how many ethnic groups they indicated they belonged to), as defined by the official guidelines as defined by Statistics New Zealand (SNZ). For reference material on this topic please refer to the Standard Classification of Ethnicity, 1996 on the SNZ web site:
(http://www.stats.govt.nz/domino/external/web/carsweb.nsf/Classifications?openview)

Area

The results were also divided into three geographical groupings: South Island, Lower North Island and Upper North Island. The lower North Island refers to the areas of Wellington, Taranaki and Hawke's Bay as defined by SNZ, while the upper North Island refers to those living in the remaining areas of the North Island.

Household income

All incomes, unless otherwise stated, refer to annual, pre-tax, household income in New Zealand dollars in year 2000 values. Household income was divided into three income brackets of households with income: under $30,000; $30,000 to $60,000; and, over $60,000.

Occupation

People's occupations were categorised as blue-collar, white-collar, retired, home duties, unemployed/beneficiary, homemaker, and student.

Highest qualification

Respondents were categorised on the basis of their highest educational qualification. The categories used were:

- No formal qualifications
- School Certificate
- UE/Matric/Sixth Form Certificate/Bursary
- Technical or trade qualifications
- University qualifications
- Other tertiary qualifications (e.g. teaching, nursing).

Number of gaming activities

This refers to the number of gaming activities a person had done in the 12 months prior to being surveyed. The results have been sorted into four categories: none, 1-3, 4-6, 7-9, and 10 or more.

Reported expenditure

The gaming expenditure data are based on the average annual reported spending for each gaming activity. This is calculated by cross-tabulating respondents' estimates of how often they participated in a gaming activity with their estimated average expenditure in an average or typical session of that particular activity. Therefore these data are *estimates* and should be treated extremely cautiously. However, they do provide a basis for comparison between the sub-populations (e.g. ethnic groups, age, sex) and also show trends over time.

The dollar amounts for the estimated annual average expenditure where applicable from the 1985, 1990, and 1995 surveys have been adjusted using the Consumers Price Index (CPI) into the equivalent purchasing power of these dollar amounts in equivalent 2000 dollars, otherwise referred to as in "real terms" or "inflation adjusted terms". The actual amounts of money in the year mentioned are also featured in the report and are referred to as "face-value" or alternately as "nominal value".

Time series

The Department of Internal Affairs has conducted a survey of public attitudes and participation in gaming quinquennially since 1985. Much of the current survey questionnaire contains questions comparable to the previous questionnaires. Wherever possible this information is presented here, although this is done mainly for broad-level results.