

Hon George Hawkins
Minister of Internal Affairs



Hon Damien O'Connor
Associate Minister of Health

2 September 2004

Media Statement

Problem gambling levy introduced

A problem gambling levy aimed at addressing harm associated with gamblers' losses, will apply on pub and club gaming machine, casino, TAB and Lotteries Commission profits from 1 October.

Internal Affairs Minister, George Hawkins, and Associate Health Minister, Damien O'Connor said the regulations include the first problem gambling levy set under the Gambling Act and specific harm minimisation provisions for gambling operators.

Mr Hawkins said the levy was set at various rates for different forms of gambling to reflect the amount of money lost and the level of associated harm.

The rates (GST exclusive) are:

- gaming machines in pubs and clubs, 1.11% of operators' gross profits
- casinos, 0.51%
- New Zealand Racing Board (i.e. racing, TAB and sports betting), 0.57%
- New Zealand Lotteries Commission, 0.14%.

Mr Hawkins said the Ministry of Health assumed responsibility for funding and coordinating problem gambling services in July and developed an integrated strategy for problem gambling, which includes funding problem gambling services. The cost of delivering the strategy will be reimbursed by the levy.

Mr O'Connor said the Health Ministry would work with Internal Affairs, gambling operators, problem gambling service providers, community groups and other government agencies to prevent and minimise gambling harm and to keep up with changes in the sector.

The Health Ministry will spend a total of \$54.5 million over the next three years managing and delivering a strategy that includes primary (public health), secondary and tertiary (interventions) services, as well as research and workforce development, Mr O'Connor said.

Gamblers losses in the year to 30 June 2003 were \$1.87 billion up, 12 percent on previous year, with losses for 2004, estimated to top more than \$2 billion.

Regulations will also be introduced to minimise harm from gambling and will apply to gaming machines in pubs and clubs, stand-alone TABs not part of pubs, and casinos.

These regulations will include:

- A definition of unsuitable venues for gaming machines that will mean some venues will no longer be able to host gaming machines. These are venues that are not focused on entertainment or leisure for adults (people over 18 years).
- A ban on automatic teller machines in TABs and the gambling areas of pubs, clubs and casinos.
- A prohibition on advertising and displaying gaming machine jackpots in a way that they can be seen outside the venue.
- Requirements for gaming machines to automatically stop and ask gamblers if they wish to continue gambling or to have their credits paid out.
- Rules for signs in venues.
- Requirements for venue staff to be given problem gambling awareness training.

Copies of the regulations will be available on www.legislation.govt.nz and from bookstores that sell legislation.

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