

Gambits

NEWSLETTER OF
GAMBLING ISSUES

JUNE 2010

THE DEPARTMENT OF INTERNAL AFFAIRS

Te Tari Taiwhenua

Pull your socks up, Minister tells sector

The Class 4 gambling sector must pull its socks up and prove that it can comply with the Gambling Act before the Government will consider making changes to the law.

Internal Affairs Minister, Nathan Guy, delivered this unequivocal message to a Community Gaming Association special conference, held in the wake of two Gambling Commission decisions that warned the sector about using improper practices. The Commission upheld two licence suspensions imposed by the Department on The Southern Trust and The Trusts Charitable Foundation over competition for venues and unnecessary entertainment expenses (see pages 2 and 14).

"If the sector wants concessions and changes to the law, then it needs to demonstrate that it will maximise the community funding generated by gaming machines and that everyone will comply with the law," Nathan Guy said.

He reminded societies that they were licensed to raise money for community purposes and that gaming machine money was not theirs.

"It is money you hold in trust on behalf of the community," he said. "Some societies seem to have lost sight of this very simple point. It is not a 'grey' issue, with any room for debate. From the Government's point of view, it is 'black and white'.

"The Government's expectation is that you will comply with the law and honour your obligations to the community. I know that most of you are doing this.

"I don't want to see an unnecessarily heavy-handed approach from the Department of Internal Affairs. Staff in the Department would prefer to be spending their time on more constructive activities. But they will be persistent when they get a sniff of anything dodgy. The Department will suspend, cancel or refuse to renew licences and it will consider prosecutions when it finds breaches of the law."

Perception needs sorting out

Mr Guy said there was a public perception that no matter how worthy a community purpose was, it would not get a grant unless the community group knew the right people, controlled a gaming machine venue, or controlled a gaming machine society.

"DIA officials tell me some cases coming up suggest that this perception is accurate," he added. "But whether it's accurate or not, this is a perception you have to sort out. It's in your hands.

"When the Department picks up issues involving non-compliance, societies must accept that there are problems and put them right, quickly. There are too many cases of societies spending community money trying to defend the indefensible.

"If the sector can improve its practices, which I hope it will, then this has to be a win for all the parties involved."

Mr Guy said that from his meetings with the sector and the wider community there seemed to be a strong desire for change and the Government was prepared to change too.

"Some societies and potential grant recipients consider that the prohibition on multi-year grants means that grant applicants don't have the certainty which is necessary for long-term planning," he said. "There is some merit in this point."

The Government could propose changes later this year to allow societies to make multi-year grants in certain circumstances. For example a society would need to hold a current licence, have sufficient funds available and disclose long-term commitments in its annual report.

"Allowing multi-year grants would give a 'better bang for the bucks' and assist in getting projects started with more long-term certainty. But first, we want to see a change in societies' behaviour," Mr Guy said.

"If the sector wants concessions and changes to the law, then it needs to demonstrate that it will maximise the community funding generated by gaming machines and that everyone will comply with the law.

"If we work together, I hope we can get the sector back on track. This is your chance."

The Minister's speech is available on:
www.beehive.govt.nz/minister/nathan+guy

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December 2003 – June 2010
available on www.dia.govt.nz

PUBS AND CLUBS

Commission sets out societies' obligations

The Gambling Commission delivered strong judgements that reminded Class 4 societies of their obligations under the Gambling Act 2003, when it dismissed two appeals by The Southern Trust and The Trusts Charitable Foundation against decisions of the Secretary for Internal Affairs to suspend their operator licences.

The Southern Trust was suspended for five days after it had incurred development and enhancement costs in excess of limit C, incurred unnecessary costs in upgrading gambling areas, and incurred substantial brokerage costs to secure two new venues. The Trusts Charitable Foundation was suspended for six days after incurring unnecessary society costs including third party entertainment and contracting a party to find new venues.

The Commission's decisions clearly state societies' obligations under the legislation and address elements of the competition for venues that have developed within the sector. The Gambling Commission stated:

"There are clear dangers in societies forgetting their true function and acting as if they are commercial gambling operators. The requirement to distribute all net proceeds for authorised purposes, and to maximise net proceeds and minimise costs, are fundamental obligations of purpose, not be approached as if they were a tax on commercial activity, strictly and minimally construed and applied".

The appeals primarily focused on whether the societies had incurred actual, reasonable and necessary costs. In reaching its decision, the Gambling Commission reiterated that societies can only incur costs in "conducting the gambling" and in legal compliance. These costs must be "necessary" in the first instance, which the Gambling Commission has held "is a fairly strong word falling between expedient or desirable on the one hand and essential on the other".

Whether a cost is "necessary" defines if the cost can be incurred at all, while "reasonable" defines its quantum.

The prohibition on incurring costs that aren't actual, reasonable or necessary is consistent with the duty to minimise operating costs and maximise net proceeds.

The Gambling Commission stated that under the legislation, the "overall sense conveyed is a requirement of conservatism in spending and the need to protect funds intended to benefit the community from speculation and waste".

In line with these key messages the Gambling Commission found the Southern Trust venue upgrades, which involved themed gambling areas, not to be necessary costs; contracting dedicated staff/brokers to source new venues not to be reasonable and necessary costs; and the costs incurred by The Trusts Charitable Foundation on leisure and entertainment for venue operators and the trustees not to be necessary.

The Gambling Commission had advice and messages for the Department as well. Included in that advice was a recording of its expectation that the Department will be diligent in its investigation of similar conduct by other societies and that there will be proportional consequences for any breach.

However, the Department notes that if societies make good faith assessments on the costs they intend to incur and make those assessments with a clear understanding of their obligations under the law and the fundamental purpose for which they conduct Class 4 gambling, then there is nothing for those societies to fear. The Department wishes to see a sector motivated by maximising returns and minimising costs with a clear understanding of its responsibilities at law and to the community.

See page 14 Pokie operators to suspend business.

Gambits' Editor is Trevor Henry.

If you have any questions about articles in Gambits, would like further information or have comments about what information we could provide to make Gambits more useful to you, please contact: Trevor Henry

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Ban on harness racing club grants confirmed

Three gaming machine societies have dropped their Gambling Commission appeals against an Internal Affairs Department decision that prevents them from granting pokie funds to four northern harness racing clubs.

Last November the Department imposed the gambling licence condition on Lion, Perry and Infinity Foundations preventing them from making grants to the Thames Harness Racing Club and the Manukau, Kumeu and Franklin Trotting Clubs. This followed an investigation into the grant application process, flow of funds and the relationship between the societies, trotting clubs and Northern Hospitality Management Ltd, which operated at seven venues where the societies involved had gaming machines. The investigation showed that while grants to the four clubs totalled about \$400,000 up to 2005, between 2006 and December 2008 they received over \$5.4 million.

Gambling Compliance Director, Mike Hill, said the Department considered the grants were inconsistent with sections 113 and 118 of the Gambling Act 2003, which make it clear that decisions about gaming machine grants should be transparent, free from conflicts of interest or conditions.

"The societies lodged an appeal with the Gambling Commission against the condition, assuring us of no wrongdoing," Mike Hill said. "We are pleased that, in withdrawing their appeals, they appear to have recognised the legitimate concerns of the Department but their responses are disappointing when they know what our investigations revealed."

Infinity told the Department it had adhered to the licence condition since it was imposed last November. It was innocent of any wrongdoing relating to the four racing clubs and was not involved in any arrangement with them.

But it was withdrawing its appeal because of the expenditure it would incur as the sole remaining appellant.

Lion Foundation Chairman, Mike Smith, said Lion believed firmly it had not breached the Act but that it had withdrawn its appeal because it was an impediment to "reaching an overall resolution to the industry-wide issues associated with grants to the racing industry".

However, Mike Hill said the Department's concern was not that funding from the societies concerned was going to racing purposes but that arrangements had been entered into to capture the funding and indirectly support investments back into pub ownership and management.

"Any moves that seek to capture funding flows from pokie machines are rorting the system and the Department is working strenuously to expose them. We want to ensure community groups have fair access to gambling-generated community funds and there are several investigations under way involving similar such arrangements. The Department intends to expose and hold accountable any key persons intentionally involved in the 'money-go-rounds'.

"While Lion, Perry and Infinity haven't acknowledged any wrongdoing, the Department will continue to closely monitor the sector and will prosecute where there is evidence of a breach of the Act."

The Department had still to make a decision on a proposal to impose a 21-day suspension of gaming machine operations at the seven venues operated by Northern Hospitality, linked into these societies, Mike Hill added.

Change in Regulation and Compliance

The Department's Regulation and Compliance Branch, which includes Gambling Compliance, has a new Deputy Secretary following the secondment of Keith Manch to Identity Services (IDS) as General Manager.

Craig Armitage was appointed Acting Deputy Secretary for the six months that Keith Manch is on secondment.

Craig brings significant experience in regulation and compliance from the Department of Labour where he was Deputy Secretary of the Workplace Group. His responsibilities included policy and service delivery for employment relations, health and safety and labour market

regulation generally, policy for and monitoring of accident compensation, and managing relationships with both the Minister of Labour and the Minister for ACC. Prior to that he held a variety of general management positions including policy and research, service delivery, Crown entity monitoring and corporate and change management roles.

He holds an honours degree in Social Sciences (1990) from Massey University and completed further executive education at Cranfield Business School in the UK and the Harvard Kennedy School in the US.

PUBS AND CLUBS

Key person's track record relevant

The Gambling Commission gave some strong direction for assessing the suitability of key persons when it rejected Caversham Foundation Ltd's appeal against the loss of the Crossing on Kaiapoi's Class 4 venue licence.

The Secretary of Internal Affairs refused to renew the licence as he was not satisfied about the suitability of Stewart Turner, the venue manager and a "key person" under the Gambling Act 2003. The manager had been convicted for providing credit to a gambler and had a history of non-compliance — failing to supervise gambling at the venue leading to after-hours gambling, late banking and a failure to issue a self-exclusion order.

The Commission said the Act requires the Secretary to undertake investigations into the suitability of the venue manager and requires him to refuse to grant or refuse to renew the licence unless he is satisfied of, amongst other things, the venue manager's suitability.

"The Secretary's assessment of Mr Turner's suitability was based on a holistic assessment of all the breaches and incidents recorded in the Agreed Statement of Facts," the Commission said, "whereas Caversham sought to reduce the overall effect of the breaches by disaggregating them, arguing that each must be considered in its own right, rather than considered in combination with other breaches."

The Commission said Caversham's approach was incorrect and section 67(1) (c) of the Act allows the Secretary to consider the "profile of past compliance" by the key person.

"It follows that several individual breaches, none of which on their own would lead to a finding of unsuitability, may, when combined, suggest that a key person is unsuitable," the Commission said.

"To treat each licence period discretely, would be inconsistent with the Act's concern with the need to be positively satisfied about the suitability of key persons and its provision to consider that person's 'profile of past compliance'.

"Further, Caversham's argument impliedly reverses the relevant statutory test. The test is not whether the Secretary can show that he has adequate grounds for dissatisfaction; rather it requires him to be positively satisfied with the key person's suitability."

Gambling Compliance Director, Mike Hill, welcomed the Commission's decision to dismiss the appeal.

"Turner failed to heed the several warnings that he received. The previous renewal of the licence should have given him an opportunity to pay more attention to compliance with the Act; instead he offended in new ways," Mike Hill said.

"The Act sets out strict suitability requirements on key persons who are involved in the operation of gambling machines. The Department will not grant or re-issue a licence unless applicants can demonstrate that their gambling activity can comply with the legislation.

"As I've said previously, a gambling operator's licence is a privilege, not a right. The Gambling Commission's endorsement of the Secretary's decision is a timely reminder for gambling operators to meet high standards to justify remaining operational."

Publicans' conference pulled

The Department has welcomed NZCT's decision to drop plans for a publicans' conference this month.

Debbie Despard, National Manager Compliance, says it is an excellent example of voluntary compliance. NZCT made its decision after the Department referred it to conference expenses guidelines circulated to gambling societies in December 2007.

The trust had promised attendees an information-packed day and social evening for networking with industry advisors and peers and said it would cover delegates' flight costs, accommodation and food. The conference was expected to cost in the vicinity of \$195,000.

Societies are expected to minimise costs and maximise returns and this is achieved by incurring only those costs that are for the conduct of gambling or legal compliance.

When receivers are appointed...

Several venues with significant cashflow problems have recently been placed in receivership, often following the venue operator/manager vacating the business.

The appointment of receivers does not result in any change to the company itself apart from the fact that the term “in receivership” or “in rec” must henceforward appear after its name in all documentation. It remains the same company, owning the same assets and with the same liabilities to the same creditors. In particular, it does not preclude other creditors from pursuing their own claims for payment and having a liquidator appointed if a statutory demand for payment is not met.

If, at the time the receivers are appointed, there is outstanding gaming machine profit (GMP) to be banked by the venue, the gaming machines must be disconnected under section 104 (3) (a) of the Gambling Act 2003 (the Act). They may not be reconnected by the society, pursuant to section 104(3) (b) of the Act, until the outstanding GMP has been banked – regardless of whether the venue’s status has changed following the business being operated by a third party such as a receiver.

There is no statutory requirement placed on the receiver to recover the outstanding GMP. However, pursuant to condition 6 of the Class 4 Venue Licence Conditions, the society is required to use all reasonable endeavours, including civil or criminal proceedings, to recover the outstanding proceeds. Societies need to make sure that receivers are aware of their responsibilities in terms of GMP banking plus the fact that it is society money and does not form any part of the business assets/income.

The Department’s Licensing Unit’s involvement in this process is around the key person process and the subsequent suitability of that person(s) where the receivers become a key person for the venue operator company. In these cases, when receivers are appointed, a new venue agreement is not required. However, if the receivers appoint a new venue manager then a new venue manager schedule will need to be attached to the original venue agreement.

If, at the time the receivers are appointed, there is outstanding gaming machine profit (GMP) to be banked by the venue, the gaming machines must be disconnected under section 104 (3) (a) of the Gambling Act 2003 (the Act).

Licence surrendered

The Southern Trust’s (TST) decision to surrender its Class 4 venue licence for the Gladstone Grand Hotel, Fairlie, in the face of cancellation is another example of voluntary compliance.

The Department had decided to cancel the licence after a venue inspection showed 28 breaches of gambling law.

Many of these breaches had previously been identified by the society’s own field staff in visits between January 2008 and May 2009.

The society, despite blaming the venue manager for the non-compliance, is responsible for ensuring compliance with current legislation at all times and to remedy any non-compliance it becomes aware of.

TST is to be commended for accepting its responsibilities and not contesting the decision before the Gambling Commission.

PUBS AND CLUBS

GCG's strategic direction for Class 4 gambling

As part of its commitment to being a well-informed and professional regulator, the Department's Gambling Compliance Group (GCG) has developed a Strategic Plan for Class 4 gambling for 2010-2015. This is an overview of the plan's development and a summary of its contents.

GCG looked closely at its operating environment, including the wider gambling sector, government and community stakeholders. The group identified four key challenges and potential impacts before developing a strategic direction to inform GCG's operational work in the next five years.

The challenges that the group must address as an effective regulator in a complex operating environment are:

- **Changing sector** – this includes the changing size and scale of the gambling sector itself, its increasing complexity and the need to understand gambling participation and technologies
- **Change in Government focus** – this challenge recognises that the Government has key drivers around delivering better public services for less and government agencies working together to achieve outcomes from the gains made in cost, efficiency and consistency. Other aspects of this challenge involve GCG ensuring that ministers are provided with accurate information around sector compliance
- **Responding to a changing operating environment** – this recognises that GCG must be prepared to change the way it regulates as the operating environment changes. Its approaches to enforcement are informed by how the sector operates. The group identifies and addresses areas of non-compliance and applies the appropriate regulatory tools
- **Increased public awareness** – this area recognises that the New Zealand public and representative community groups will remain important stakeholders for GCG. This challenge acknowledges that there will be increasing pressure on a decreasing funding stream; that GCG must maintain an awareness of the community's continued focus on gambling-related harm and keep informed of the effect problem gambling has on New Zealand communities.

GCG's response to these challenges is to implement a strategic direction to both fulfil its role as a regulator and address the key challenges and impacts. The GCG strategic direction, which flows into the Department's Statement of Intent, is shown in the diagram below:

GAMBLING COMPLIANCE GROUP: STRATEGIC DIRECTION 2010-2015

OUR VISION Gambling in New Zealand is safe, fair, well-regulated and delivers community benefit.

OUR STRATEGIC GOALS

People are satisfied with the way gambling operates in New Zealand

A responsible, transparent and compliant sector

Government's trust and confidence in the way we regulate gambling

OUR STRATEGIC THEMES

Minimise cost

Maximise return to authorised purpose

Improve gambling transparency and integrity

Reduce gambling harm & crime

Inform, educate & engage stakeholders

Improve capability

OUR STRATEGIES

Regulatory Strategy

Stakeholder Management Strategy

Capability Strategy

GCG's vision is that:

Class 4 gambling in New Zealand is safe, fair, well regulated and delivers community benefit.

The vision aims to achieve key success areas as follows:

- **Safe** – the New Zealand public feels that they can gamble safely and that gambling-related harm and crime is identified and resolved
- **Fair** – gambling games themselves are fair, the gambling sector acts responsibly, grant funding processes are transparent and equitable and, as a regulator, GCG is impartial in the way it administers the Gambling Act 2003
- **Well regulated** – areas of significant non-compliance are identified and resolved, high-quality policy advice and information is provided to stakeholders and GCG recognises the importance of balancing community benefit and minimising harm with the financial viability of the sector
- **Delivering community benefit** – the Department's 'end game' is to minimise sector cost and maximise the amount that can be returned to authorised purposes by regulating efficiently and effectively.

Strategic goals

Underpinning the vision are the following strategic goals:

- People are satisfied with the way gambling operates in New Zealand
- Government has trust and confidence in the way the Department regulates gambling
- A responsible, transparent and compliant sector.

These goals are the measure by which GCG will know whether it is achieving its vision statement. The goals deliberately relate to key stakeholders – government, the gambling sector and wider communities.

Strategic themes and strategies

To achieve the strategic goals GCG has set six strategic themes to help guide its actions, initiatives and strategies in the years ahead:

- Reduce gambling-related harm and crime
- Improve gambling transparency and integrity
- Maximise return to authorised purpose
- Minimise cost
- Inform, educate and manage stakeholders
- Improve capability.

The strategic themes relate closely to broad strategy areas that will inform the GCG business plan at an operational tactical level in the next few years. In summary the strategies are:

Regulatory strategy: The aim is to incentivise compliance and identify and resolve areas of significant non-compliance.

Stakeholder management strategy: Engage, inform and educate stakeholders in such a way that supports the sector to comply with the law and informs the community so people can participate in the gambling environment safely and fairly.

Capability strategy: Develop GCG staff to respond to a complex environment innovatively, efficiently and effectively with policies, processes, procedures and information that enable them to make robust and fair decisions.

With this plan stakeholders can expect a regulator that takes a targeted approach to addressing non-compliance and recognises the importance of community benefit, engagement and the provision of information.

GAMBLING COMPLIANCE KEY CONTACTS

0800 257 887

PUBS AND CLUBS

Gaming Machine Proceeds of Non-Club Societies

1 April 2009 to
31 March 2010

SOCIETY	GMP
AHAURA/GREY VALLEY LIONS CLUB INC	\$193,905.00
AIR RESCUE SERVICES LIMITED	\$9,678,095.40
AOTEAROA SPORTS FOUNDATION LIMITED	\$126,432.64
ASHBURTON TRUST CHARITABLE FOUNDATION	\$2,220,907.65
AUCKLAND BOWLS TRUST	\$1,372,173.45
BLUEGRASS HOLDINGS LTD	\$406,146.80
BULLER COMMUNITY DEVELOPMENT COMPANY LIMITED	\$140,105.04
CAVERSHAM FOUNDATION LIMITED	\$4,589,876.36
CONSTELLATION COMMUNITIES TRUST INC	\$2,251,648.73
CUESPORTS FOUNDATION LIMITED	\$2,265,092.71
ENDEAVOUR COMMUNITY TRUST	\$19,180,892.34
EUREKA TRUST	\$16,998,875.25
FIRST SOVEREIGN TRUST	\$24,617,422.44
FOUR WINDS FOUNDATION LTD	\$8,878,659.30
GRASSROOTS TRUST	\$12,647,957.09
HOROWHENUA COMMUNITY TRUST LIMITED	\$2,709,773.45
HUCKLEBERRY'S SPORTS & CHARITABLE SOCIETY INC	\$719,209.10
ILT FOUNDATION	\$11,213,182.83
INFINITY FOUNDATION LTD	\$22,745,844.61
KAIWAKA SPORTS ASSOCIATION INCORPORATED	\$197,081.06
KIWI COMMUNITY TRUST LIMITED	\$252,553.84
LIONS CLUB OF OHAI-NIGHTCAPS INCORPORATED	\$188,427.58
MAINLAND FOUNDATION LIMITED	\$11,735,268.16
MANA COMMUNITY GRANTS FOUNDATION	\$4,890,350.77
MANUKAU COUNTIES COMMUNITY FACILITIES CHARITABLE TRUST	\$5,509,852.98
MT WELLINGTON FOUNDATION LTD	\$2,234,495.63
NAUTILUS FOUNDATION	\$4,826,974.60
NEW ZEALAND COMMUNITY TRUST	\$108,386,506.72
OTAUTAU COMBINED SPORTS COMPLEX INCORPORATED	\$31,405.48
OXFORD SPORTS TRUST INC	\$11,132,134.22
PACIFIC SPORTS & COMMUNITY TRUST	\$5,834,523.01
PELORUS TRUST	\$18,689,025.94
PERRY FOUNDATION LIMITED	\$47,551,538.24
PERRY FOUNDATION TRUST	\$29,950,896.02
PRIME COMMUNITY TRUST	\$2,078,490.40
PRODUCERS TRUST INC	\$3,440,763.41
PUB CHARITY	\$71,578,447.25
REDWOOD TRUST INCORPORATED	\$1,093,489.75
SOUTHERN VICTORIAN CHARITABLE TRUST INC	\$2,202,077.98
ST KILDA COMMUNITY SPORTS SOCIETY	\$1,714,200.61
THE BENDIGO VALLEY SPORTS AND CHARITY FOUNDATION	\$4,108,743.64
THE BRUNNER RUGBY LEAGUE CLUB INCORPORATED	\$123,011.20
THE LION FOUNDATION	\$101,126,990.60
THE LION FOUNDATION (2008)	\$2,712,559.82
THE RUNANGA COMMUNITY SWIMMING POOL TRUST	\$92,340.36
THE SOUTHERN TRUST	\$40,489,650.56
THE TRUSTS CHARITABLE FOUNDATION INCORPORATED	\$49,670,421.30
TRILLIAN TRUST	\$17,662,539.70
TRUST AORAKI LIMITED	\$2,002,988.11
TRUST HOUSE CHARITABLE TRUST	\$8,305,552.34
WATER SAFETY EDUCATION FOUNDATION	\$5,943,848.68
WHITEHOUSE TAVERN TRUST	\$1,565,037.97
YOUTHTOWN INCORPORATED	\$21,409,673.42
TOTAL	\$739,532,610.49

\$55m package for problem gambling

Internal Affairs Minister, Nathan Guy and Associate Health Minister, Peter Dunne announced a new funding package and plans to tackle problem gambling.

“The Problem Gambling Levy, which is imposed on gambling operators, has been set at 0.9 per cent of the forecast \$5.9 billion gross profits from gambling over the next three years,” Mr Guy said.

“This \$55m in funding goes to the Ministry of Health to fund problem gambling services and minimise the harm caused in communities. It will be used on frontline counselling, including dedicated services for Maori, Pacific and Asian communities.

“It will also be used on prevention activities that encourage safe gambling practices and on scientific research and evaluation.

“Cabinet has decided that the weighting formula will remain the same as for the previous three years. Pokie machine operators will continue to pay the highest share of the levy, as this is where most problem gambling is associated.”

Mr Dunne welcomed the release of the Ministry of Health’s *Preventing and Minimising Gambling Harm Strategic Plan 2010/11-2015/16*, and the *Preventing and Minimising Gambling Harm Service Plan 2010/11-2012/13*.

“Gambling harm continues to have a significant impact on New Zealand communities, but the funding package and measures announced today build on the Government’s commitment to address this issue,” Mr Dunne said.

“These strategies, along with the levy, will help us combat the harm caused in communities by problem gambling.”

The plans are available online at:
www.moh.govt.nz/problemgambling

The new Problem Gambling Levy regulations take effect on 1 July and are available on the Problem Gambling page at: www.dia.govt.nz

One-stop exclusion shop for Rotorua

A multi-venue exclusion order (MVEO) programme for problem gamblers will start in Rotorua and Ngongotaha on 1 July.

The Gambling Act 2003 provides for persons who recognise that they have a gambling problem to self-exclude from any venue for a maximum of two years. It can be daunting for someone to have to repeat the self-exclusion process at several venues and this is where the benefits of the programme come in.

The MVEO is essentially a ‘one-stop shop’ where a problem gambler registers for exclusion at one venue and selects the other venues to be notified of his/her decision. In Rotorua the Problem Gambling Foundation (PGF), in liaison with the Department, will coordinate the exclusion orders and send them to the individual venues. There are 28 Class 4 venues in Rotorua and Ngongotaha – including six clubs with gaming machines.

Auckland gambling inspectors organised a meeting about the MVEO in Rotorua last month, after the PGF and several other gambling service providers approached the Department. The meeting was attended by about 30 representatives of venue managers, societies, Maori health providers and councils.

HPM lapse brings suspension

The Horse and Hound of Petone has served a two-day suspension of its venue licence for failing to issue an exclusion order and failing to have a person trained in Harm Prevention and Minimisation (HPM) at the venue.

While the venue and its society, Pelorus, were able to show that an exclusion order had been written out they were unable to show that it was ever sent to the excluded person.

Also, although the society could show that they had very good training material and policies relating to Harm Prevention and Minimisation, there was little in place to check that venue staff actually got the training.

GAMING TECHNOLOGY

Missed or disputed jackpot wins

While downloadable systems are generally reliable, they are not infallible. Instances have occurred of:

- **Ghost jackpots** – jackpot wins indicated by the display but recorded nowhere else
- **Double-ups** – wins simultaneously awarded to two or more different machines and, more commonly,
- **Missed wins**
- **Wins struck but failing to download.**

As well as faults or issues with the jackpot system itself, problems can arise from faults on connected gaming machines, or the machines' configuration on the jackpot system.

These faults or errors may not be apparent from EMS reporting, but in most cases can be expected to be brought to venue staff members' attention by the player(s) concerned.

Some systems will indicate a failure to download by means of an alarm. If this occurs, the manufacturers' recommended procedure will need to be followed. This generally requires certain checks to be carried out, a 'reset' function to be performed and a 'hand pay' (manual pay out) of the jackpot win.

Where it is not simply a download failure that can be rectified in this way and a claimed jackpot win cannot be immediately verified, a **Gambling Equipment Fault/Player Dispute form** should always be completed and appropriate

follow-up action taken. This may include turning off the affected gaming machine, or the jackpot system itself if this is feasible, and calling in a technician qualified to work on the particular system.

If there is doubt as to whether or not a claimed jackpot win should be paid out:

- Payment should be **withheld** until the society concerned has had the opportunity to examine all the relevant information and make an informed decision
- Venue staff must ensure that an **Unpaid Prize Report** is completed in these circumstances
- The society is responsible for processing any **adjustments** that may be necessary to correct EMS reported "GMP" (Gaming Machine Profits) figures. This applies to both unpaid prizes and jackpot wins that have been paid out but not reported in EMS.

Game Rules 66 to 77 inclusive apply to the operation of linked jackpot systems generally and, in particular, what to do if there are unresolved variances, or faults or malfunctions.

Important: In cases where it is necessary for a technician to be called in, the attending technician should be asked to obtain and provide a copy of the **jackpot system win log**. This will assist materially in determining whether or not a valid win occurred. (This also applies to non-downloadable systems)

FUNDING FOR COMMUNITY GROUPS, VISIT

www.dia.govt.nz

The Department's website provides extensive information about the gambling sector, including details of gaming machine societies that make grants to community groups.

Click on "gambling"

- for funding for community groups • gambling statistics • relevant law
- application forms for licences, including housie and raffles • and much more.

Click on "resources" for press releases.

Click on "what's new"

for new additions to the website.

Operating downloadable jackpot systems

These are jackpot systems that operate by automatically downloading jackpot win data to the particular gaming machine on which the jackpot was struck. Examples are the Aristocrat Cashcade and Fortune Excite systems. All systems that have been approved to date use a protocol called SINFO to communicate with linked (contributing) gaming machines.

They differ from the currently more widespread type of non-downloadable system, which does not communicate jackpot wins to the winning machine. Wins on these systems are indicated by an audible alarm and announcement of the winning amount and JIN (Jackpot Identification Number) of the machine that struck the win on the jackpot display. This locks up the system and invariably requires venue staff to perform a 'hand pay' of the amount won, document the payment and then reset the jackpot system.

Downloadable systems automatically download wins to the winning machine and it is the player's option whether to cash out or continue playing with the credits won.

Downloadable systems are not monitored by EMS to the same extent that non-downloadable systems are. Specifically, EMS does not produce daily or weekly jackpot data and reconciliation reports as it does for the non-downloadable types.

The only visibility EMS has of downloadable systems is when a jackpot win is **successfully downloaded** to the connected gaming machines' own jackpot win meters. The amount of the win will be shown in the Jackpot Wins (D) column of the EMS Daily Gaming Machine Meter Totals Snapshot report for the business day on which it occurred. This report also shows accumulated jackpot win data for each machine by updating the gross meter value, and the same net and gross meter values will also appear in the Cashless credit in (14) column of the report.

Other jackpot issues

Another type of jackpot problem that can arise on both types of system and is particularly important from the player fairness aspect is machines not contributing to the jackpot.

Game Rule 119 applies to downloadable systems that collect gaming machine turnover data from connected gaming machines' electro-mechanical (hard) meter pulses. It requires venue managers to ensure that a **daily** reconciliation is carried out between the turnover recorded by the jackpot controller and that captured from the individual connected gaming machines.

If this is done, then the loss of communication between the jackpot controller and connected machines will be immediately apparent from examining the **Daily Jackpot Turnover Report**. This will show increases in the **gaming machine turnover meter** but none for the **jackpot system's internal "soft" turnover meter for the corresponding machine**. The report will also show up configuration issues, for example, machines assigned to incorrect jackpot ports.

Where any significant variances are shown by this report it is essential that they are acted upon promptly.

Loss of communication between a jackpot controller and a linked gaming machine can also be detected by the absence of an on-screen display (OSD) that most, if not all, downloadable systems employ instead of, or in addition to, a "main" or "overhead" type of jackpot display.

Even where problems of this kind have not occurred before, if any moves, additions or changes to gaming machine configuration have taken place, and a technician has not enabled the SINFO protocol by correctly setting or re-setting the SINFO address for the machine or machines on which work has been carried out, communication will be compromised to the extent that any wins subsequently struck on these machines will not register.

GAMING TECHNOLOGY

Currently approved downloadable jackpot systems

MANUFACTURER	NAME	APPROVAL NO	DAILY TURNOVER RECONCILIATION REQUIRED	COMMENTS
Aristocrat	Cashcade Mystery Jackpot Link	10514	Y	
Fortune	Excite Jackpot Controller (Upgrade)	1181100	Y	This enables non-downloadable Ezi Bucks jackpot systems to be converted to the downloadable type
Fortune	Updated Excite Jackpot Controller (Downloadable)	1181101	Y	
Fortune	Celebration Jackpot Controller	1181102	Y	
PGI	Mikohn Download Jackpot Mystery Link	1146100	Y	
Paltronics	QCOM Jackpot Controller	1901103	TBA	Currently under field testing, this system uses QCOM 'sniffer' technology as opposed to hard meter pulses to collect machine turnover information

Summary

- **DON'T** assume that because downloadable systems award wins without requiring attendant intervention (i.e. hand pays) whenever a win is struck, they will "look after themselves". They are subject to similar problems that are experienced with non-downloadable types and also failures to download
- **DO** carry out regular checks to ensure that all machines that are supposed to be contributing are contributing
- **DO** take player complaints seriously, and take immediate steps to investigate them
- **DO** take heed of any indications of jackpot malfunctions and take appropriate action. This may include shutting down the jackpot system or suspending all play until a technician can attend.

Consultation on jackpot standards

The Department has been considering the submissions received on the future of non-downloadable jackpot systems for the Class 4 sector and expects to be in a position soon to make a final determination. All interested parties will be notified of that decision in due course.

EMS Event Message report data

The EMS report Monthly Event Messages (7.2.11) is a summary report posted to each venue's web page. It lists the description and count of a limited number of events about gaming machine and site controller operation including security and advisory events such as door openings/closures, hopper refills and cancel credits. The events are listed against each gaming machine by serial number.

With cancel credits, it needs to be noted that different manufacturers have adopted slightly different ways of processing and recording these events. This may lead to confusion over how many of these events actually required action by a venue staff member.

The cancel credit event is generated when a player presses the collect button when the credits on the machine either:

- (a) exceed the pre-determined limit for a hopper pay-out, (\$200) or
- (b) are less than the value of one \$2 coin.

Generally, when this happens, a venue staff member needs to go to the machine and key off the cancel credit and pay the player the amount due.

However, some machines provide options by which a player is able exit the cancel credit lock-up condition and continue playing, without attendant intervention. These may include a residual credit gamble feature.

In the case of IGT machines where a player exercises this option, another event, Cancel Credit Cancelled, is logged. The player is then able to continue playing.

Stargames machines will record a Cancel credit event even where a player has opted to continue playing and no attendant action (in keying off the cancel credit) has been required.

The net result in both these cases is that the event report will show a number of cancel credit events, all of which will **not** have required attendant action.

Before April of this year, the EMS event reports did not include the Cancel Credit Cancelled event. The report has now been modified to include these. To establish the number of cancel credits that have required attendant action for IGT machines, the number of Cancel Credit Cancelled events should be subtracted from Cancel Credits.

With **Stargames** machines, the answer is not so clear cut. Not infrequently, a player, wanting to cash out, will have inadvertently pressed the Collect button a second or even a third time, before realising their mistake. In such situations, the event report count of Cancel Credits may include two or three each of these events when, in reality, there has been only one that has needed an attendant to key off the credits.

There are no known issues with other makes of machine in this regard. In all cases, the dollar amount of cancel credits that have actually incremented the machine's cancel credit meter will appear on the EMS Daily Gaming Machine Meter Totals Snapshot report for the particular business day; this will represent those that have required venue staff intervention.

More information for Department's website

Every year the Department receives numerous requests under the Official Information Act 1982. Many requestors ask for more detailed gaming machine profit (GMP) data than is currently published on the Department's website, for instance GMP for all venues in a specified area. The material requested is often likely to be of interest to a wider audience.

In order to increase the quantity of quality gambling information available to communities, the Department intends to increase the amount of quarterly data published

on our website. We anticipate that this will enable people to participate more in decision-making around gambling.

If this material is useful to the public and the sector, we will consider publishing even more. We plan to consult on the information we provide on the website in 2011.

This data will be published quarterly on the Department's Gaming Statistics web page, alongside the material we already publish.

MEDIA RELEASES

Pokie operators to suspend business

5 May 2010

Gaming machine societies in more than 1100 pubs across the country have been told clearly by the Gambling Commission they cannot use pokie money to compete with one another for desirable venues or for unnecessary entertainment expenditure, Internal Affairs Gambling Compliance Director, Mike Hill, said.

He welcomed the Commission's announcement that it upheld decisions by the Secretary of Internal Affairs to suspend the licence of The Southern Trust (TST) for five days and increased the licence suspension of The Trusts Charitable Foundation (TTCF) from two days to six. TST has 89 venues with 954 gaming machines and TTCF, 74 venues with 893 pokies. The suspensions must occur within a month of today's decision.

"Since the Act took effect in 2004 the Department has made strenuous efforts to change unlawful behaviour within the sector," Mike Hill said. "We have moved from education and persuasion to a more punitive approach with the sector challenging us all the way.

"As the Commission rightly points out, gambling societies are not commercial ventures but exist to hold licences and conduct gambling to raise money for distribution to community purposes. Many societies seem to have lost sight of the fact that that's why they exist in the first place and their boards are obliged to ensure that they comply with Act.

"It is gratifying that the Commission supports our decisions and expects us to 'diligently investigate' similar breaches by other societies and punish accordingly. We are meeting that expectation."

The Commission said that "consistency of enforcement and treatment is necessary both to do justice between societies and to bring the use of improper practices in a competitive environment to an end".

The conduct complained of in both appeals was widespread in the Class 4 sector and the decisions have significant implications for gambling operators, the Commission said.

The Trusts Charitable Foundation's suspension arose from the payment of about \$468,000 in fees and expenses to a company operated by one of the trustees to persuade desirable venues to sign with the Foundation rather than other societies.

This was in addition to the trustee's annual honorarium of \$20,250. Trustees also spent \$18,000 on entertainment over less than two years.

"Expenditure which has the purpose simply of securing new venues from other societies does not fall within what is excluded from net proceeds," the Commission said. "As a result, expenditure on competition for venues between societies cannot be funded by gambling machine proceeds and the scope of competitive activity by all societies is accordingly constrained.

"Entertainment expenditure is subject to the same restrictions and to the obligation to maximise net proceeds and minimise costs. In this case, the Foundation had wrongly proceeded on the basis that its spending was largely a matter of its own commercial discretion."

The Commission suspended TTCF's licence for six days to bring it into line with other suspensions involving considerably smaller amounts.

The Department suspended Southern Trust's licence for five days for spending approximately \$190,000 on four venues and for paying \$40,000 in brokerage fees for securing agreements with a venue operator covering two venues and for failing to take sufficient steps to disconnect machines after late banking.

The Commission did not uphold the ground related to late banking but found the expenditure on venue upgrades was both a breach of limits set by regulation and a failure to limit expenditure to what was reasonable and necessary and to minimise costs.

"Using gaming machine proceeds to carry out capital expenditure on venues owned by others confers a cash flow or interest benefit on venue operators at the expense of the community," the Commission commented.

Gambling raises concern

16 April 2010

The Department of Internal Affairs is concerned about the number of potentially illegal gambling activities being planned or underway in the Waikato, King Country and Bay of Plenty.

The Department's Director of Gambling Compliance Group, Mike Hill, says he has received a number of inquiries lately about pubs and clubs using gambling activities to prop up their business.

"The Department is aware that venues are making arrangements with specialist entrepreneurs, who offer to run gambling activities such as poker games with additional games of chance or lotteries for a fee," Mike Hill said.

"We would like to remind managers of pubs and clubs that if they want to run gambling activities they need to follow the relevant legislation and game rules. They risk heavy penalties if they breach the laws under the Gambling Act 2003."

As a general rule, gambling activities outside of casinos can only be conducted in New Zealand if the purpose is to raise funds for the community. There are some exceptions to this general rule for private or low-level gambling activity but there are strict rules associated with this.

"The bottom line for publicans is that they cannot receive any money from these activities. Any profit or commission

for the organisers conducting a gambling activity may amount to a criminal offence. In addition, revenue from a gambling activity cannot be used to support the venue's profit or operating expenditure," Mike Hill said.

Poker games with free entry may fall outside the definition of gambling and, therefore, allow organisers to be paid a fee to arrange the entertainment. However, any payment by participants may bring the event back inside the definition of gambling. If venues offer buy-in schemes or charge entry fees it will be gambling and subject to the legislation.

A gambling licence from the Department is not needed unless the total value of the prizes and/or the turnover exceeds certain limits - but it is best to check the rules for each gambling activity.

More information is available on the Department's website: www.dia.govt.nz (a range of *Gambling Fact Sheets* provide a good overview of the laws in New Zealand). Alternatively, free phone 0800 257 887 or email gaming.compliance@dia.govt.nz.

FUNDING FOR COMMUNITY GROUPS, VISIT

www.dia.govt.nz

The Department's website provides extensive information about the gambling sector, including details of gaming machine societies that make grants to community groups.

Click on "gambling"

- for funding for community groups • gambling statistics • relevant law
- application forms for licences, including housie and raffles • and much more.

Click on "resources" for press releases.

Click on "what's new"

for new additions to the website.

MEDIA RELEASES

Pokie expenditure down

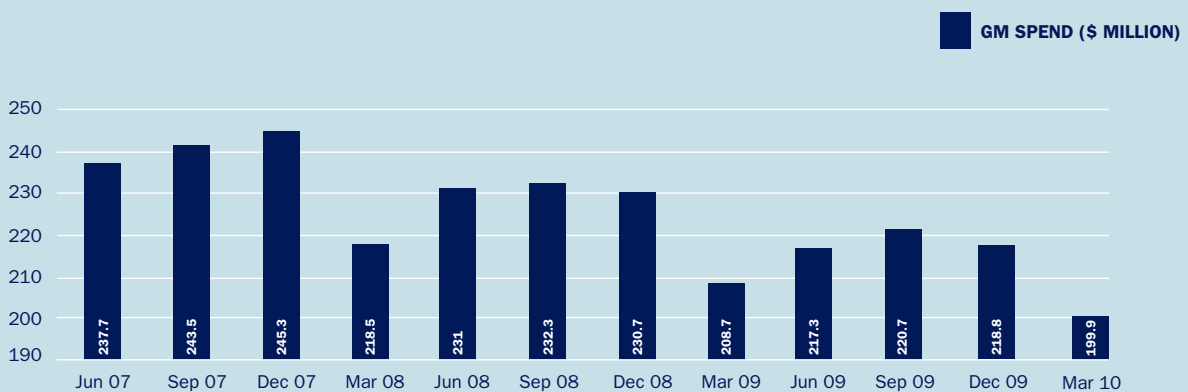
19 April 2010

Gaming machine expenditure in the country's 1470 pubs and clubs in the first three months of the year continued the trend of previous years, with a drop of almost nine per cent on the previous quarter. It was also four per cent down on the same period last year and five per cent down on an annual basis.

Spending dropped from \$218.8 million in the December 09 quarter to \$199.9 million at 31 March 2010 and was \$208.7m at 31 March 2009. The first quarter drop is similar to last year's of 9.5 per cent and 11 per cent in the first quarter of 2008.

QUARTERLY NON-CASINO GAMING MACHINE EXPENDITURE

JUNE 2007 – MARCH 2010



The Department tracks and monitors non-casino gaming machine operations and captures spending through electronic monitoring (EMS), ensuring the integrity of games and the accurate accounting of money. EMS became fully operational in March 2007.

GAMBLING COMPLIANCE KEY CONTACTS

0800 257 887

MEDIA RELEASES

NON-CASINO GM SPENDING BY SOCIETY TYPE – JANUARY TO MARCH 2010

SOCIETY TYPE	TOTAL GMP QUARTER	% OF TOTAL
NON-CLUB	\$173,162,412.26	86.6%
Sports Clubs	\$ 4,078,419.89	2.0%
Chartered Clubs	\$ 15,042,517.47	7.5%
RSAs	\$ 7,576,308.44	3.9%
TOTAL CLUB	\$ 26,697,245.80	13.4%
TOTAL ALL	\$199,859,658.06	100.0%

There were fewer licence holders, gambling venues and gaming machines at the end March 2010 compared with the December quarter.

LICENSED GAMBLING OPERATIONS IN PUBS AND CLUBS

DATE	LICENCE HOLDERS	VENUES	GAMING MACHINES
31 March 2010	374	1470	19,115
31 Dec 2009	378	1491	19,359
30 Sept 2009	377	1486	19,296
30 June 2009	384	1501	19,479
31 March 2009	394	1527	19,739
31 Dec 2008	399	1537	19,879
30 Sept 2008	405	1551	20,025
30 June 2008	415	1552	19,856
31 March 2008	421	1569	20,018
31 Dec 2007	428	1585	20,182
30 Sept 2007	435	1593	20,163
30 June 2007	439	1598	20,120
31 March 2007	444	1607	20,302

Further information, including numbers of venues, machines and expenditure by territorial authority and changes in the quarter, is available from the Department's Gaming Statistics web page at: www.dia.govt.nz.

Open 24 hours a day

0800 654 655

**Gambling
Helpline**
NEW ZEALAND

GM societies' contacts

The Department's gambling compliance and licensing inspectors each have responsibilities for liaising with gaming machine societies. If societies have issues to discuss, they may contact these inspectors first by phoning the Department's toll free number 0800 257 887.

SOCIETY	COMPLIANCE INSPECTOR	LICENSING INSPECTOR
AHAURA/GREY VALLEY LIONS CLUB INC	Mark Thomson ext 7341	Rochelle Goodwin-Kanara ext 5350
AIR RESCUE SERVICES LIMITED	Pete Collins ext 7043	Judy Rohloff ext 5466
BLUE WATERS COMMUNITY TRUST	Scott Carsons ext 7920	Jasmine Rangiwhehu ext 5491
BLUEGRASS TRUST	Dave Macdonald ext 7035	Niall Miller ext 5485
BULLER COMMUNITY DEVELOPMENT COY LTD	Pete Collins ext 7043	Craig Holmes ext 5486
CAVERSHAM FOUNDATION LTD	Ron Grob ext 6603	Craig Holmes ext 5486
CONSTELLATION COMMUNITIES TRUST INC	Scott Carsons ext 7920	Jasmine Rangiwhehu ext 5491
CUESPORTS FOUNDATION LTD	John Hennebry ext 7939	Jasmine Rangiwhehu ext 5491
ENDEAVOUR COMMUNITY TRUST	Garth Cherrington ext 5520	Judy Rohloff ext 5466
EUREKA TRUST	Greg Clark ext 7036	Judy Rohloff ext 5466
FIRST SOVEREIGN TRUST	David Batenburg ext 7922	Rochelle Goodwin-Kanara ext 5350
FOUR WINDS FOUNDATION LTD	David Batenburg ext 7922	Kahill Madden ext 5630
GRASSROOTS TRUST	Stephen Balmer ext 7923	Judy Rohloff ext 5466
HOROWHENUA COMMUNITY TRUST LTD	John Gualter ext 5614	Rochelle Goodwin-Kanara ext 5350
HUCKLEBERRYS SPORTS & CHARITABLE SOC INC	Peter O'Reilly ext 5569	Jasmine Rangiwhehu ext 5491
ILT FOUNDATION	Ron Grob ext 6603	Rochelle Goodwin-Kanara ext 5350
INFINITY FOUNDATION LTD	Daryl Watene ext 5667	Kahill Madden ext 5630
KAIWAKA SPORTS ASSOCIATION INC	Cliff Simpson ext 7937	Rochelle Goodwin-Kanara ext 5350
LIONS CLUB OF OHAI-NIGHTCAPS INC	Nicole Turvey ext 6611	Craig Holmes ext 5486
MAINLAND FOUNDATION LTD	Greg Clark ext 7036	Judy Rohloff ext 5466
MANA COMMUNITY GRANTS FOUNDATION	Garth Cherrington ext 5520	Kahill Madden ext 5630
MANUKAU COUNTIES COMMUNITY FACILITIES C T	Scott Carsons ext 7920	Kahill Madden ext 5630
MT WELLINGTON FOUNDATION LTD	David Batenburg ext 7922	Rochelle Goodwin-Kanara ext 5350
NAUTILUS FOUNDATION	Cliff Simpson ext 7937	Kahill Madden ext 5630
NEW ZEALAND COMMUNITY TRUST	Peter O'Reilly ext 5569	Rochelle Goodwin-Kanara ext 5350
OXFORD SPORTS TRUST INC	Cliff Simpson ext 7937	Anna Panchenko ext 5764
PELORUS TRUST	Daryl Watene ext 5667	Niall Miller ext 5485
PERRY FOUNDATION LTD	Stephen Balmer ext 7923	Judy Rohloff ext 5466
PERRY FOUNDATION TRUST	Stephen Balmer ext 7923	Judy Rohloff ext 5466
PRIME COMMUNITY TRUST	Daryl Watene ext 5667	Niall Miller ext 5485
PRODUCERS TRUST INC	Scott Carsons ext 7920	Jasmine Rangiwhehu ext 5491
PUB CHARITY	Peter O'Reilly ext 5569	Niall Miller ext 5485
REDWOOD TRUST INC	Dave Bermingham ext 7034	Rochelle Goodwin-Kanara ext 5350
SOUTHERN VICTORIAN CHARITABLE TRUST INC	Nicole Turvey ext 6611	Niall Miller ext 5485
ST KILDA COMMUNITY SPORTS SOCIETY	Nicole Turvey ext 6611	Rochelle Goodwin-Kanara ext 5350
THE AOTEAROA SPORTS FOUNDATION LTD	Stephen Balmer ext 7923	Niall Miller ext 5485
THE BENDIGO VALLEY SPORTS AND CHARITY FNDN	Nicole Turvey ext 6611	Jasmine Rangiwhehu ext 5491
THE BRUNNER RUGBY LEAGUE CLUB INCORPORATED	Mark Thomson ext 7341	Rochelle Goodwin-Kanara ext 5350
THE LION FOUNDATION	John Hennebry ext 7939	Craig Holmes ext 5486
THE LION FOUNDATION (2008)	John Hennebry ext 7939	Craig Holmes ext 5486
THE NORTH & SOUTH TRUST	Scott Carsons ext 7920	Jasmine Rangiwhehu ext 5491
THE RUNANGA COMMUNITY SWIMMING POOL TST	Dave Bermingham ext 7034	Jasmine Rangiwhehu ext 5491
THE SOUTHERN TRUST	Ron Grob ext 6603	Anna Panchenko ext 5764
THE TRUSTS CHARITABLE FOUNDATION INC	Dave Bermingham ext 7034	Niall Miller ext 5485
THE TRUSTS COMMUNITY FOUNDATION LTD	Dave Bermingham ext 7034	Niall Miller ext 5485
TRILLIAN TRUST	Lance Daly ext 7921	Kahill Madden ext 5630
TRUST AORAKI LIMITED	Dave Macdonald ext 7035	Jasmine Rangiwhehu ext 5491
TRUST HOUSE CHARITABLE TRUST	Peter O'Reilly ext 5569	Anna Panchenko ext 5764
WATER SAFETY EDUCATION FNDN	Garth Cherrington ext 5520	Judy Rohloff ext 5466
WHITEHOUSE TAVERN TRUST	David Batenburg ext 7922	Craig Holmes ext 5486
YOUTHTOWN INC	Lance Daly ext 7921	Judy Rohloff ext 5466

GAMBLING ISSUES KEY CONTACTS

0800 257 887

Craig Armitage

Acting Deputy Secretary, Regulation and Compliance Branch

The Regulation and Compliance Branch encompasses all the roles where the Department is, in effect, the regulator of a sector of the economy.

In addition to gambling, this includes censorship and anti-spam compliance, fire service policy, identity services policy, civil defence and emergency management policy and crown entity monitoring functions. For the sake of simplicity, the functions outside the gambling sector are not included on this page.

For gambling regulation this includes the management of Gambling, Censorship and Racing Policy and Gambling Compliance.

John Markland

Manager Gambling, Racing and Censorship Policy

This team is responsible for policy advice to the Government, especially in relation to Acts and Regulations. This Policy team is in the same branch as the Gambling Inspectors and other Gambling Compliance staff. This means that policy and operational staff can benefit from each other's knowledge and experience.

Mike Hill

Director Gambling Compliance

This position is responsible for the Inspectors and other staff working with the gambling sector to bring about compliance with the law. The Director works closely with the Manager Gambling, Racing and Censorship Policy so that there is a constant flow of information between the staff involved in applying the law and those who develop the law.

Debbie Despard

National Manager Compliance

This position is primarily responsible for delivering compliance and audit services as well as developing and implementing an integrated compliance strategy.

John Currie

National Manager Licensing

This position has prime responsibility for Class 4 licensing, championing a new electronic licensing regime and management oversight of the Electronic Monitoring System contract with Intralot.

Michael Cassidy

National Manager Gaming Technology

This position oversees the technical integrity of gaming issues across casino and all other classes of gambling.

Heather McShane

National Manager Operational Policy

Operational policy provides support and advice to the Gambling Inspectors and other staff working in the sector. It develops standards, game rules and other "deemed regulations". In broad terms, its role is to develop the Department's policies about how the law will be turned into the work done in the field.

Dave Sayers

Acting National Manager Investigations

The Investigations Unit is responsible for undertaking significant (complex, cross group, lengthy and sensitive) investigation projects involving criminal, legal and financial issues related to the governance and operation of gaming sector people and organisations. It also provides expertise and support to investigations and audits across the group.

Sanjay Sewambar

National Manager Performance Assurance

This unit focuses on ensuring that the Gambling Compliance Group achieves both its strategic objectives (short and long-term) and its business goals. It coordinates strategic and business planning for GCG as well as providing robust analysis, monitoring and reporting around performance.

Kate Reid

Manager Anti-Money Laundering/Countering Financial Terrorism

Under The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 this unit monitors casinos, non-deposit-taking lenders, money changers and reporting entities not covered by the other supervisors, The Reserve Bank and the Securities Commission.

CONTACTS

All gambling compliance staff can be contacted by phoning the Department's toll free number

0800 257 887

E-mail: gaming.compliance@dia.govt.nz
Web: www.dia.govt.nz

Postal address and fax numbers:

CASINO COMPLIANCE

PO Box 805, Wellington 6140, Fax: (04) 494 0624

GAMBLING LICENSING

PO Box 10-095, Wellington 6140, Fax: (04) 494 0656

GAMBLING COMPLIANCE

Auckland

PO Box 2220, Auckland 1140, Fax: (09) 362 7945

Wellington

PO Box 10-095, Wellington 6140, Fax: (04) 495 7214

Christchurch

PO Box 1308, Christchurch 8140, Fax: (03) 353 8309

GAMBITS

The Department of Internal Affairs produces Gambits quarterly. Copies are distributed in March, June, September and December.

Gambits provides information about the Department's recent work and significant issues in the gambling sector.

It is intended for sector organisations and the community in general, to increase understanding of and compliance with the law.

Editor: Trevor Henry

Telephone: (04) 495 7211, 0275 843 679

E-mail: trevor.henry@dia.govt.nz

Do you want to receive Departmental media releases and Gambits?

If you would like to have your organisation added to the Department's distribution list for media releases about gambling issues, or want to receive Gambits but are not currently on the mailing list, please fill out this form and return it, or e-mail the information to:

Department of Internal Affairs, PO Box 805, Wellington 6140. Communications Advisor Trevor Henry, telephone (04) 495 7211, fax (04) 495 7224, e-mail trevor.henry@dia.govt.nz

Organisation name: _____

Contact person: _____

Media releases: _____

e-mail: _____

Gambits postal address: _____

