Engaging the community on gambling issues

Effective regulation and enforcement is one of the ways the Department ensures that gambling is safe, fair, legal and honest and contributes directly to a safer community.

The Department’s strategy on gambling includes developing a community approach to monitoring. It will pilot this approach in 2008/09, engaging community interests to assess gambling in a specific community or region. In the past the Department has taken a top-down approach, involving auditing a charitable trust and then going down the chain to a selection of their venues through the audit and inspection process to assess gambling compliance in the community. The community model approach starts at the bottom by engaging various stakeholders, both internal and external, on the issues or general feedback of gambling in their community.

Gambling inspectors will perform an initial pre-visit “health check” of the community, engaging with a variety of organisations such as police, territorial authorities, liquor licensing officials, iwi, Pacific and Asian representatives, and problem gambling service providers. Information from these organisations will be combined with intelligence and information from the electronic monitoring of gaming machines to assess and target particular venues or activities for audit. Compliance with harm prevention and minimisation requirements will also be a focus of community visits.

The Department is working to build networks within local communities, taking a collaborative approach to addressing gambling-related issues at a local level. This will involve establishing cooperative relationships between gambling operators, community groups, problem gambling service providers, local government, and other government agencies.

The community engagement model will include presentations to interest groups on, for example, the grant distribution process and how exclusion orders work. A selection of grant recipients in the community will be checked to assess whether they have complied with legal requirements. Inspectors will also try to facilitate meetings between venue operators and problem gambling service providers, with the objective of both parties having a better understanding of each other’s roles and concerns.

The Department is working to build networks within local communities, taking a collaborative approach to addressing gambling-related issues at a local level.
Department outlines approach to gambling regulation

Five major goals, reflecting the Department’s principal areas of focus, are contained in a paper setting out its strategic approach to regulating gambling.

The paper was prepared in consultation with the Minister of Internal Affairs, Rick Barker, who says the regulatory framework must respond to prevailing societal attitudes. Gambling is a legal activity but the Department’s focus should be on working with communities and engaging them so they can contribute to the way gambling is regulated.

The Gambling Act 2003 significantly changed the gambling landscape in New Zealand, shifting the emphasis from entertainment and commercial benefit to public health, harm prevention and community involvement in decision making. As well as advising the government on gambling issues, the Department has a lead role in shaping the future of gambling to ensure that it operates in a way that is acceptable to the community.

The strategic goals, with objectives for achieving them, are:

**The benefits of gambling outweigh the costs**
- Benefits offset the costs and harms of gambling, both in a broad sense (looking at all forms of gambling activity and considering a wide range of harms and a wide range of benefits such as employment and community funding); and in a sector-specific sense (ensuring that benefits offset costs for specific forms of gambling)
- Policy reflects prevailing societal attitudes to gambling
- Funds from gambling go to appropriate community benefits (where applicable)
- The community is informed accurately about where gambling profits go
- Returns to community purposes are maximised
- Communities influence informed, accountable choices about where gambling profits go.

**Gambling is operated with integrity**
- Gambling operators behave with integrity
- Gambling is run fairly.

**Gambling related harm is prevented and minimised**
- The prevalence and incidence of gambling-related harm is reduced
- Government, the gambling industry, communities, families/whanau and individuals acknowledge and understand that harm from gambling is a public health issue (shared objective with the Ministry of Health)
- Gambling operators are responsible corporate citizens who voluntarily act to prevent and minimise harm
- Gambling environments support healthy choices to prevent and minimise gambling harm (shared objective with the Ministry of Health)
- Gambling products and technologies are designed to prevent and minimise harm.

**Gambling related crime is prevented and minimised**
- Gambling operators and their associates are not involved in crime
- Gambling operators take action to make gambling venues safe from crime.

The Department intends identifying and encouraging good practice among gambling operators to ensure not only that gambling operators meet minimum compliance rules, but that they increasingly adopt practices that exceed the minimum requirements. Good practice will not only enhance the quality, integrity and safety of gambling activities, but will assist operators to gain acceptance in their community.

The paper, *The Department’s Strategic Approach to Gambling*, is available on our website: [www.dia.govt.nz](http://www.dia.govt.nz)
Intelligence role in achieving compliance

The Department’s strategic approach to regulating gambling is based on the use of intelligence.

Intelligence information was used almost exclusively to detect and investigate alleged crimes. However, in 2007 we adopted a broader strategic focus aimed at preventing or reducing crime and criminality associated with gambling venues.

While casinos were the original focus of this work, over the next two years it will expand to address crime and criminality occurring in other gambling venues, enhancing our understanding of and shaping the Class 4 gambling environment through strategy, policy and the application of operational resources.

The work demands a collaborative, intelligence-led approach involving gambling operators, NZ Police, and a variety of government and community organisations.

Gambling conference planned

The Department is planning to hold a gambling conference next March, focused on the five strategic goals outlined on page two of Gambits.

The conference will concentrate on the situation in New Zealand, although the Department will invite some international guests. It will end with a debate on the costs and benefits of gambling, drawing conclusions on what might need to happen to ensure an effective future.

Deputy Secretary, Keith Manch said: “While a number of events relating to different aspects of gambling occur in New Zealand, they are often run separately. We will run this conference to ensure that a broad range of people who are interested or involved in gambling in our communities can come together and share their information, views and experiences.”

High Court application to proceed

The Department’s application for a declaratory judgement in relation to the Kilbirnie Tavern will proceed after the High Court rejected Lion Foundation arguments for the application to be struck out.

The Department wants the High Court to determine several questions under the Gambling Act 2003 after the Gambling Commission allowed the Kilbirnie Tavern to operate gaming machines in a courtyard smoking area. The Commission’s decision raised questions for the Department when it considers licence renewal applications and it is seeking clarity through the High Court.

The Lion Foundation said the Department’s application was an abuse of process by attempting to re-litigate a matter already determined by the Commission.

But Associate Judge D.J. Gendall accepted that the legislation is not clear and that this has created a real problem for the Department, given its statutory duty to refuse to renew venue licences in certain circumstances. He also accepted that it is the constitutional function of the High Court to determine the meaning to be given to the legislation and that it is reasonably arguable that the Court would be avoiding that function if it struck out the Department’s application for a declaratory judgment.

“There is a need for these proceedings and the issues they involve to be advanced with reasonable speed so that the difficulties the Secretary indicates he faces can be resolved,” Judge Gendall said.
Gambling compliance management team

The recent review of the Gambling Compliance Group produced a unified structure to facilitate a consistent approach to gambling regulation and clear alignment with the Department’s strategic goals for gambling. As a result, the GCG management team includes some new faces and, in some cases, changed roles:

Mike Hill, Director Gambling Compliance, 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, John Markland, so that there is a constant flow of information between the staff involved in applying the law and those who develop the law.

“The Department has taken on board feedback from the sector, stakeholders and our staff to determine how we can best deliver our gambling regulatory services,” Mike said.

“As a result, we have moved to a unified compliance structure nationally. We have also lifted our sights, intending to focus our efforts on compliance interventions that will make gambling safer, deliver more favourable and tangible outcomes to the community and be underpinned with integrity. Our expectation is that gambling operators will work with us and also lift their game to help achieve these outcomes. We will be particularly concerned that our interventions at community level reflect the level of regulation required to meet the safety and integrity outcomes of the Act. Working with key community stakeholders to inform our compliance approach will be part of the future.

“The team that the Department has put together demonstrates a new way of working with roles clearly defined to achieve the above goals. I personally have a lot of faith in the team that we have put together.”

Debbie Despard, formerly national manager casino compliance, is now National Manager Compliance, primarily responsible for delivering compliance and audit services as well as developing and implementing an integrated compliance strategy.

“The compliance team is responsible for ensuring the integrity of gambling across the whole New Zealand gambling environment,” Debbie said.

“We will prioritise our focus to ensure that we deal with the important issues to achieve maximum levels of safety in gambling and that gambling funding is maximised and supports community need. This will see us working in a collaborative, transparent and community-focused fashion. Our aim is to support and work collaboratively with willing and responsible operators and to deal effectively with non-compliance in the gambling sector.”

John Currie, National Manager Licensing, has prime responsibility for Class 4 licensing, championing a new electronic licensing regime and management oversight of the Electronic Monitoring System contract with Intralot.

“I want to ensure the licensing team has the support and capacity to manage its operational responsibilities,” John said. “The licensing team considers service delivery a key issue and has raised its level of capability with the appointment of staff to permanent roles. Licence renewals are an important component in the regulation of the sector and the licensing team will be increasingly proactive in raising awareness in the sector of everyone’s obligations and responsibilities under the Gambling Act 2003.”

The review raised National Licensing to a stand-alone unit, recognising its role as compliance gatekeeper. Previously GCG had a national manager in charge of both licensing and compliance of all non-casino gambling.

Michael Cassidy, National Manager Gaming Technology, oversees the development of technical standards and equipment approvals that contribute to ensuring the integrity of gaming equipment across casino and all other classes of gambling. The gaming technology team also plays an important role in developing Class 4 venue and casino processes and procedures.

“Over the coming months gaming technology has two main areas of focus – our responsibility to ensure the
suitability and integrity of new and existing gaming equipment and driving improvements in the systems and processes supporting gaming, such as EMS and reporting services in Class 4,” Mike said.

Like National Manager Licensing, this is a new position recognising the importance of gaming technology in contributing to the success of GCG and overseeing technical integrity of gaming issues across casino and all other classes of gambling.

Heather McShane, National Manager Operational Policy, provides support and advice to the Gambling Inspectors and other staff working in the sector. Operational policy 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.

“I am keen to ensure that the wealth of operational policy advice provided on the Gambling Act 2003 best serves the Gambling Compliance Group,” Heather said.

“The operational policy team will work closely with the licensing, compliance and gaming technology units and concentrate on work that helps facilitate a consistent approach to gambling regulation and achieve the strategic goals for gambling.

“With my previous experience in the gambling, racing and censorship policy team, I am looking forward to being more involved with how the Gambling Act 2003 works in the community.”

Heather succeeds Kate Reid who was appointed to another position in the Department last year.

Geoff Owen, National Manager Investigations 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. The unit also provides expertise and support to investigations across the group.

“My team will continue to concentrate foremost on resolving crime and dishonesty issues attracted to gambling,” Geoff said, “and, given the nature and impact of these types of activities, it could be expected that my approach should have an enforcement bias.

“Parallel to all of this, will be greater investigative support to the National Manager Licensing to ensure he has before him the correct information to be effective in his compliance ‘gatekeeper’ role. To increase our success in these endeavours, our recent review offered an opportunity to redefine some regional positions, allowing for the appointments of dedicated senior investigators in each of the Auckland and Christchurch offices.”

This position is unchanged.

Sanjay Sewambar, National Manager Performance Assurance. This is a new position and focuses on ensuring that the Gambling Compliance Group achieves both its strategic objectives (short and long-term) and its business goals. He coordinates strategic and business planning for GCG as well as providing robust analysis, monitoring and reporting around performance.

“Being the new kid on the block I am hoping to quickly set up a high performing unit that is able to support management, staff and the sector achieve positive outcomes for our communities,” Sanjay said. “I strongly believe that a key component of a high performing team is strong working relationships and understanding between strategic management and operational delivery. I look forward to forging strong relationships with my management team, operational staff and relevant stakeholders within the sector.”
Gambling behaviour linked to venue accessibility

A new study has found there were significant associations between gambling behaviour and neighbourhood access to gambling venues. In particular, problem gambling was found to be significantly associated with living closer to a gambling venue.

The report, “Raising the Odds? Gambling behaviour and neighbourhood access to gambling venues in New Zealand” is a joint project between Public Health Intelligence (PHI), the epidemiology group of the Ministry of Health, and the GeoHealth Laboratory, a partnership between PHI and the University of Canterbury.

Using a population-based approach, the study analysed the 2002-03 New Zealand Health Survey, investigating whether the gambling behaviour of individuals in New Zealand is associated with how accessible gambling venues are from their neighbourhood.

In its conclusions the study shows that gambling behaviour in New Zealand is significantly associated with the accessibility of gambling venues.

In particular, the results suggest that living in a neighbourhood close to a gambling venue increased the odds that a person had gambled at a gambling venue and was a problem gambler. Furthermore, people who had more gambling venues within 5 km of their neighbourhood centre may have been more likely to have gambled at a gambling venue in the past year.

The report says this is one of the first national studies to clearly show these associations. The findings are broadly consistent with previous research results that have suggested possible associations between gambling accessibility and gambling behaviour.

These findings suggest that policies aimed at preventing and minimising gambling-related harm could focus on environmental modifications that increase people’s distance to gambling venues. Examples of such modifications include limiting the number of gambling venues in areas, in particular in vulnerable communities, and reducing the geographical dispersal of gambling venues in the community.

This study also lends support to policies that attempt to control the expansion of gambling.

These results will be of interest to local authorities, who are responsible for policies on Class 4 gambling venues (non-casino gaming machine venues) in their area and for urban planning and zoning issues.

The report is available at [http://www.moh.govt.nz/moh.nsf](http://www.moh.govt.nz/moh.nsf) and comments should be sent to Public Health Intelligence, Ministry of Health, PO Box 5013, Wellington.

The study shows that gambling behaviour in New Zealand is significantly associated with the accessibility of gambling venues.
Queensland gambling study confirms NZ research

A new gambling survey has confirmed recent New Zealand research results, including the relationship between regular gaming machine gambling and problem gambling, and the relationship between smoking and problem gambling.

The Queensland Household Gambling Survey 2006-07, conducted for the Queensland Government, is one of the largest surveys of gambling activity undertaken anywhere in the world, with over 30,000 respondents.

The survey found that, with the exception of lottery products (which almost two-thirds of adults purchase at least once a year), only a minority of adults participate even occasionally in any one form of gambling. It also found that only a tiny percentage of adults gambled more than once a week (again, with the exception of lottery products), or gambled for long periods at a time. These patterns of gambling participation are similar to those found in recent New Zealand research, such as the Department’s 2005 Participation and Attitudes Survey and the Health Sponsorship Council’s 2006/07 Gaming and Betting Activities Survey.

When it looked at problem gambling, the survey estimated that 24.7 per cent of Queensland adults do not gamble, 67.3 per cent are recreational gamblers, 5.7 per cent are low risk, 1.8 per cent are moderate risk, and 0.5 per cent are problem gamblers. However, it also found that problems were more often associated with some forms of gambling (particularly gaming machines), and with frequent play and long gambling sessions. For example, 94 per cent of problem gamblers played gaming machines at least once in the year before being surveyed compared with 35 per cent of recreational gamblers and 36 per cent of the problem gambling group played gaming machines more than 52 times a year compared with only 3 per cent of the recreational group. Similarly, over half the problem gambling group played gaming machines for more than two hours at a time in a typical session, compared with only 4 per cent of the recreational group. These patterns are also found in New Zealand research.

In relation to smoking, the survey found that almost two-thirds of problem gamblers (64 per cent) were smokers, the highest proportion of any gambling group. The proportions of smokers among moderate risk and low risk gamblers were similar, at 44 per cent and 36 per cent respectively. There were comparatively low proportions of smokers among recreational gamblers (22 per cent) and non-gamblers (14 per cent). This clear relationship between smoking and problem gambling also emerges from New Zealand research, such as the Ministry of Health’s 2002/03 New Zealand Health Survey.

In the Queensland survey, respondents who had gambled in the last 12 months were also asked about the smoking ban in gambling venues. Almost all recreational gamblers (92 per cent) stated that the smoking ban had not changed their expenditure on gambling and approximately 5 per cent stated they spent less. In contrast, some 16 per cent of low risk gamblers, 26 per cent of moderate risk gamblers and 35 per cent of problem gamblers stated that they were spending either a little less or a lot less on gambling since the smoking ban. In New Zealand, gambling expenditure (particularly gaming machine expenditure) also dropped in 2005 after smoking was effectively banned in all gambling venues. Some in the sector had argued that this reduction was a result of recreational gamblers spending less. In fact, data from New Zealand’s problem gambling intervention services and the results of the Queensland survey strongly suggest that the reduction in gambling expenditure was a result of at-risk and problem gamblers reducing their spending.

The survey also showed that problem gamblers were more likely than low risk gamblers to have a family history of alcohol, drug or gambling problems. Fifty-one per cent of problem gamblers had an immediate family member who had experienced a gambling problem, compared with 17 per cent of low risk gamblers.

The survey is available at: www.responsiblegambling.qld.gov.au
HARM MINIMISATION

HELP at hand

Business–sized ‘HELP’ cards with contact details for both local and national problem gambling support services will be within arms’ reach of people playing gaming machines in the 12 Invercargill Licensing Trust’s venues.

The cards are a joint initiative between Southland’s Ngā Kete Mātāuranga Pounamu Trust (NKMP) and the Invercargill Licensing Trust (ILT) Foundation and will be attached to the side of the Trust’s 189 pokie machines.

NKMP health promotion worker, Eru Loach, said some people feel uncomfortable in seeking problem gambling support material from the ILT designated area in gaming machine venues. They can now access the business sized ‘HELP’ card on the machine they are playing and put it in their pocket.

ILT Foundation manager, Ann Eustace, said people rarely uplift the current support pamphlets. Having business-sized support cards within reach of individuals on each of the machines will hopefully encourage people to take one.

“The ILT Foundation is taking an active approach to encourage harm minimisation for problem gamblers, over and above what is obligated under the Gambling Act 2003,” Ann Eustace said.

Some people feel uncomfortable in seeking problem gambling support material from the ILT designated area in gaming machine venues. They can now access the business–sized ‘HELP’ card on the machine they are playing and put it in their pocket.
Improved information collection system coming

A better system for collecting and distributing consistent information from the Class 4 gambling sector will be developed by the Department after consulting a wide range of stakeholders.

The Class 4 Information Project identified that information is lacking in two areas, in particular the allocation of gaming machine proceeds to authorised purposes and information about exclusion orders.

Regular, accurate and detailed information on Class 4 gambling is essential to evaluate the outcomes of the Gambling Act, provide information on community funding trends and ensure that gambling operators are accountable to the public for the impact of their operations.

Territorial authorities need regular, accurate information on the distribution of gaming machine funds within their communities to feed into their regular reviews of Class 4 gambling venue policies.

Communities, which have a say in TA gambling policies, and gambling sector groups also want better information to gauge and balance the harm and benefits created by gambling.

The Department has conducted three detailed surveys on the allocation of funds to authorised purposes – *Where Do Gaming Machine Profits Go?*— between 1996 and 2005. While they give an accurate overview, the surveys have their limitations and represent a significant compliance burden for some operators; nor do they meet the Department’s or stakeholders’ information needs and they cannot be relied on long-term as the only source of information in this area.

The gaming profits survey will be repeated for the 2009 calendar year while the Department finalises and consults on the operational requirements of the new information collection system.

The final report of the Class 4 Information Project is available on the Gambling page (News, Press Releases and Consultation) at: [www.dia.govt.nz](http://www.dia.govt.nz)

Territorial authorities need regular, accurate information on the distribution of gaming machine funds within their communities to feed into their regular reviews of Class 4 gambling venue policies.
Care needed with hopper refills

Since the introduction of EMS, incorrectly recorded hopper refills have caused excessive meter values to be reported and machines automatically disabled as a result. Examples, which are almost invariably due to “operator error”, are:

- Meter increases of between $10,200.00 and $300,200.00 for one hopper refill
- Single hopper refills being registered 10 or more times, within minutes of each other.

EMS implemented a default hopper refill value of $200. However the software of some types of gaming machine allows this default to be over-ridden. In these cases venue staff can change the hopper refill amount by following on-screen instructions or other information provided by the manufacturer. In most cases, an option is provided for the staff member to cancel the process and start again if incorrect information has been entered.

It is recognised that refilling hoppers during busy periods or with impatient and demanding players waiting can be quite stressful. Despite this pressure, it is essential to always follow the manufacturer’s instructions, checking each step before moving on to the next one. In particular, always ensure that the “current refill value” correctly reflects the amount about to be put into the hopper, before moving on to the next step.

Refer also to Game Rules 39 to 42, which set out the legal requirements for carrying out hopper refills.

In short:
- Don’t be hurried
- Be aware of and always follow the manufacturer’s recommended procedures
- Complete the process methodically, checking each step as it is performed
- If you do make a mistake, and it is not possible to correct it, always note and record it on the appropriate form (Cancelled Credit, Short Pays and Refills report) and report it to the venue manager and/or society.

While incorrect hopper refill meter values will not affect the calculation of GMP banking, they will create variances that need to be investigated and explained when completing Gaming Machine Analyses. They will also impact on float reconciliation and may lead to opportunities for theft or misappropriation.

Clarifications

Competition by societies for venues
In the December 07 issue of Gambits the Department indicated that financial inducements and overpayments of expenses to venues who switch societies would become a matter of focus. The article suggested that one course of action might be to require societies’ auditors or other members of the Institute of Chartered Accountants to provide assurance to the Department that no financial inducements or overpayment of expenses occurred when societies attracted new venues.

Subsequent discussions with members of the Institute indicated that this form of assurance would create a conflict of interest for society auditors. Accordingly the Department will not require a society’s auditor to report directly on the integrity of venue payments. But it does not discount investigating other ways that provide assurances to the Department that all payments to venues are within the intentions of the Gambling Act.

Archiving of EMS reports
The March issue of Gambits incorrectly stated that EMS weekly/monthly reports more than three months old would be archived. Archiving will actually cover reports more than two months old, as stated on the EMS website.
Funders’ forums

Philanthropy New Zealand, the Office for the Community and Voluntary Sector and the Department of Internal Affairs are co-ordinating a series of national funding forums.

The forums are an opportunity for philanthropists and grant makers to get together for networking, discussion and inspiration and to hear from J Courtney Bourns, programme director for the US-based Grantmakers for Effective Organizations, about what GEO has been doing to improve processes for grant seekers.

These are free networking events for those who provide funding to communities and are an opportunity to learn about a project that is helping to lead change in grant maker practices that improve community and voluntary sector results; to network with colleagues and jointly reflect on grant making practices; and to imagine ways of developing grant maker practice to lead to even greater impact for the community and voluntary sector in your region.

Forum venues and dates

<table>
<thead>
<tr>
<th>DATE</th>
<th>VENUE</th>
<th>CONTACT</th>
<th>TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday 23 June</td>
<td>Northland Forum</td>
<td>Carol Barnet</td>
<td>9.30am – 12.30pm followed by lunch</td>
</tr>
<tr>
<td></td>
<td>Whangarei To be confirmed</td>
<td><a href="mailto:Carol.barnet002@msd.govt.nz">Carol.barnet002@msd.govt.nz</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ministry of Social Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuesday 24 June</td>
<td>Waikato Forum</td>
<td>Ihhsana Ageel</td>
<td>9.30am – 12.30pm followed by lunch</td>
</tr>
<tr>
<td></td>
<td>Chartwell Room Hamilton Pavilion</td>
<td><a href="mailto:Ihhsana.Ageel@hcc.govt.nz">Ihhsana.Ageel@hcc.govt.nz</a> Hamilton City Council</td>
<td></td>
</tr>
<tr>
<td>Thursday 26 June</td>
<td>Bay of Plenty Forum</td>
<td>Bruce Cronin</td>
<td>9.30am – 12.30pm followed by lunch</td>
</tr>
<tr>
<td></td>
<td>Sudima Hotel 1000 Erura Street</td>
<td><a href="mailto:Bruce@baytrust.org.nz">Bruce@baytrust.org.nz</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rotorua</td>
<td>The Bay Trust</td>
<td></td>
</tr>
<tr>
<td>Friday 27 June</td>
<td>Auckland Network</td>
<td>Robyn Scott</td>
<td>9.30am – 12.30pm followed by lunch</td>
</tr>
<tr>
<td></td>
<td>Lincoln Green Hotel 159 Lincoln Road</td>
<td><a href="mailto:info@philanthropy.org.nz">info@philanthropy.org.nz</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Henderson</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuesday 1 July</td>
<td>Otago and Southland</td>
<td>Carol Melville, CT Otago</td>
<td>Noon – 4pm</td>
</tr>
<tr>
<td></td>
<td>Dunedin</td>
<td>03 479 0994</td>
<td></td>
</tr>
<tr>
<td>Thursday 3 July</td>
<td>Canterbury Funders Network</td>
<td>Robyn Scott</td>
<td>3.30pm – 7.00pm</td>
</tr>
<tr>
<td></td>
<td>Latimer Hotel Christchurch</td>
<td><a href="mailto:info@philanthropy.org.nz">info@philanthropy.org.nz</a></td>
<td></td>
</tr>
</tbody>
</table>

The Department encourages gambling trusts (who provide 36 per cent of the grants made by trusts and foundations to the community) to attend forums and events that will support a strategic, well-informed approach to grant making creating maximum community benefit.

¹ “Giving New Zealand, Philanthropic Funding 2006”
Pokie spend drops

30 April 2008

Gaming machine expenditure in almost 1600 pubs and clubs around the country fell by just under 11 per cent to $218.5 million in the three months to March 31, 2008, reversing the trend of the previous three quarters. Expenditure was $245.3 million in the December quarter, $243.5 million in the September quarter and $237.7 million in the June quarter.

The electronic monitoring of 20,000 non-casino gaming machines became fully operational in March 2007, enabling the Department to track and monitor operations, ensuring the integrity of games and the accurate accounting of money.

Spending was down in 68 of the 73 districts. The biggest spending areas in the March quarter were Christchurch City, down by $2.9 million to $20.7 million, and Auckland City, down by $3.6 million to $21.6 million (9.9 per cent of the total) from 1607 machines, Christchurch City, down by $2.9 million to $20.7 million (9.5 per cent) from 1890 machines and Manukau City, down by $3 million to $17.1 million (7.8 per cent) from 1014 machines.

Non-club venues accounted for 86 per cent of the expenditure at $188.6 million, with chartered clubs registering 7.8 per cent ($17 million), RSA's four per cent ($8.8 million) and sports clubs ($4.1 million) the remainder.

The March quarter gaming machine statistics were all down on the December 07 quarter. Licence holders dropped, from 428 to 421, venues from 1585 to 1569 and gaming machines from 20,182 to 20,018.

The statistics were also down on 12 months ago, when there were 444 societies operating 20,302 machines at 1607 venues.

The electronic monitoring of 20,000 non-casino gaming machines became fully operational in March 2007, enabling the Department to track and monitor operations, ensuring the integrity of games and the accurate accounting of money.

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

Ph: (04) 495 7211 or 0275 843 679
E-mail: trevor.henry@dia.govt.nz
MEDIA RELEASES

LICENSED GAMBLING OPERATIONS IN PUBS AND CLUBS

<table>
<thead>
<tr>
<th>DATE</th>
<th>LICENCE HOLDERS</th>
<th>VENUES</th>
<th>GAMING MACHINES</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 MARCH 2008</td>
<td>421</td>
<td>1569</td>
<td>20,018</td>
</tr>
<tr>
<td>31 DECEMBER 2007</td>
<td>428</td>
<td>1585</td>
<td>20,182</td>
</tr>
<tr>
<td>30 SEPTEMBER 2007</td>
<td>435</td>
<td>1593</td>
<td>20,163</td>
</tr>
<tr>
<td>30 JUNE 2007</td>
<td>439</td>
<td>1598</td>
<td>20,120</td>
</tr>
<tr>
<td>31 MARCH 2007</td>
<td>444</td>
<td>1607</td>
<td>20,302</td>
</tr>
</tbody>
</table>

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

GM SPENDING BY SOCIETY TYPE – JANUARY TO MARCH 2008

<table>
<thead>
<tr>
<th>SOCIETY TYPE</th>
<th>TOTAL GMP QUARTER</th>
<th>% OF TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-CLUB</td>
<td>$188,633,431.15</td>
<td>86.3%</td>
</tr>
<tr>
<td>SPORTS CLUBS</td>
<td>$4,081,460.72</td>
<td>1.9%</td>
</tr>
<tr>
<td>CHARTERED CLUBS</td>
<td>$16,983,450.88</td>
<td>7.8%</td>
</tr>
<tr>
<td>RSAs</td>
<td>$8,787,142.45</td>
<td>4.0%</td>
</tr>
<tr>
<td>TOTAL CLUB</td>
<td>$29,852,054.05</td>
<td>13.7%</td>
</tr>
<tr>
<td>TOTAL ALL</td>
<td>$218,485,485.20</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

GAMBLING COMPLIANCE KEY CONTACTS

0800 257 887
MEDIA RELEASES

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.

Open every day

0800 654 655

Gambling Helpline
NEW ZEALAND
GAMBLING ISSUES KEY CONTACTS

0800 257 887

Keith Manch
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, local government services, 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.

Geoff Owen
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 GCC as well as providing robust analysis, monitoring and reporting around performance.
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. 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: ____________________________
_________________________________________________