

GAMBLING IMPACT ASSESSMENT:
*For Auckland City Council, Manukau City
Council, North Shore City Council, Waitakere
City Council, Franklin District Council,
Papakura District Council, and Rodney District
Council*

Part Two: Rodney District data

16 January 2004

Presented by

Billie Harbidge
Auckland UniServices Limited
Private Bag 92019
AUCKLAND

Phone: +64 9 373 7522
Fax: +64 9 373 7412
Email: b.harbidge@auckland.ac.nz

Principle Investigator

Dr Peter Adams
Centre for Gambling Studies, University of
Auckland

**Contact for more
information**

Katherine Palmer
Community Policy Analyst
Rodney District Council
0800 426 5169
email: kpalmer@rodney.govt.nz



**IN ASSOCIATION WITH CENTRE FOR HEALTH
SERVICES RESEARCH AND POLICY, UNIVERSITY OF
AUCKLAND and MWH NEW ZEALAND LTD**



Prepared by:

Centre for Gambling Studies
Faculty of Medical and Health Sciences
University of Auckland
PO Box 26-533
Epsom Auckland
New Zealand

Disclaimer:

This report has been prepared solely for the benefit of Auckland City Council, Manukau City Council, North Shore City Council, Waitakere City Council, Franklin District Council, Papakura District Council, and Rodney District Council. No liability is accepted by Auckland UniServices Limited or any employee or sub-consultant of this organisation with respect to its use by any other person.

This disclaimer shall apply notwithstanding that the report may be made available to other persons for an application for permission or approval or to fulfil a legal requirement.

Table of contents

1. RODNEY TERRITORIAL AUTHORITY DATA.....	4
2. RODNEY DISTRICT	5
2.1 CENSUS UNIT ANALYSIS SUMMARY FOR RODNEY DISTRICT.....	6
2.2 GRANT DISTRIBUTION IN RODNEY DISTRICT.....	7
2.3 GAMBLING HELPLINE DATA FOR RODNEY DISTRICT.....	10
2.4 PERSONAL COUNSELLING DATA FOR RODNEY DISTRICT.....	14
2.5 SUMMARY OF WORKSHOP DATA FOR RODNEY DISTRICT.....	16
3. CONCLUSIONS FOR RODNEY DISTRICT.....	27

Table of figures and tables

TABLE 1: SUMMARY OF VENUES AND MACHINES FOR RODNEY DISTRICT.....	6
TABLE 2: SUMMARY OF GAMBLING MACHINE CONCENTRATIONS BY KEY VARIABLES FOR RODNEY DISTRICT	6
FIGURE 1: THE DISTRIBUTION OF FUNDS BY THE NATIONAL GAMBLING MACHINE TRUSTS WITHIN THE RODNEY DISTRICT AND THE REST OF NEW ZEALAND	7
FIGURE 2: FUNDING ALLOCATION TO THE DIFFERENT CATEGORIES BY EACH OF THE NATIONAL GAMBLING MACHINE TRUSTS OPERATING IN THE RODNEY DISTRICT	8
FIGURE 3: GAMBLING PROBLEM HELPLINE CLIENT TYPE DISTRIBUTION - NATIONAL AND RODNEY (N=20,202).....	10
FIGURE 4: GAMBLING PROBLEM HELPLINE CLIENT GENDER DISTRIBUTION - NATIONAL AND RODNEY (N=19,734).....	11
FIGURE 5: GAMBLING PROBLEM HELPLINE CLIENT AGE DISTRIBUTION - NATIONAL AND RODNEY (N=14,767).....	11
FIGURE 6: NATIONAL AND RODNEY ETHNIC DISTRIBUTION (N=20,202)	12
TABLE 3: GAMBLING PROBLEM HELPLINE CLIENT PROBLEM GAMBLING MODE DISTRIBUTION - NATIONAL AND RODNEY	13
FIGURE 7: PERSONAL COUNSELLING GENDER DISTRIBUTION - NATIONAL AND RODNEY (N=4,994)....	14
FIGURE 8: PERSONAL COUNSELLING ETHNIC DISTRIBUTION - NATIONAL AND RODNEY (N=4,992)	15
FIGURE 9: PERSONAL COUNSELLING AGE DISTRIBUTION - NATIONAL AND RODNEY (4,099)	15

1. Rodney Territorial Authority Data

Note: It is important to read this report in conjunction with the Introduction and Regional Overview report (Part 1).

The following report was commissioned by the seven territorial authorities within the Auckland region to inform the development of their local gambling venue policies required by the recently passed Gambling Act 2003. Under this new Act, territorial authorities have specific responsibilities in relation to consents for “Class 4” gambling venues, i.e. local venues providing either electronic gambling machines (EGMs) or race or sports betting. Prior to drafting their gambling venue policies, the Act requires territorial authorities to conduct an assessment of the social impacts of gambling on their communities.

The current sub-report (Part 2) collates information pertaining to the Rodney District alone. This information was collected from available sources over a six week period in November and December 2003. It collates information from databases on population characteristics, the allocation of community benefit funds by the six main EGM trusts, and trends in help-seeking for problem gambling within the district. It also summarises feedback from a workshop that sought public views on the future role of the Rodney District Council with respect to Class 4 gambling.

Information on population characteristics was derived from 2001 census information available on line from Statistics New Zealand in relation to the number of local gambling venues and the number of EGMs per “Census Area Unit” (CAU). These concentrations were analysed with respect to demographic variables that included ethnicity, deprivation indices and household income. Data on the distribution of community benefit funding was derived from the six National Gambling Machine Trusts (NGMTs). The systems for collecting data on the proceeds from gambling in Chartered Clubs and on the community benefits distributed from smaller localised societies are not available so the information collated represents only part of the funds distributed. Information on help-seeking for problem gambling was derived from two sources; client records from the Gambling Problem Helpline for the period November 1998 to November 2003 and from the Problem Gambling Committee database for personal (face-to-face) counselling for the period 1997 to 2002. Public feedback was collected from one two-hour facilitated workshop that incorporated five focus groups. Members in each focus group were asked discuss their views regarding a standard set of issues regarding the role of territorial authorities on their management of Class 4 gambling. The notes taken from each session were analysed according to themes then clustered into theme categories as presented in this report.

Note: For a fuller description of procedures and limitations to data collection methods, please consult the methodology section in the Introduction and Regional Overview Report (Part 1).

2. Rodney District

Rodney can be divided into 3 sub-areas. Western Ward includes Helensville, Kumeu/Huapai, Riverhead and Waimauku. The Eastern Ward covering the Hibiscus Coast was originally a holiday and retirement area and is now an established urban area that is developing rapidly. It continues to be popular with older people. Northern Ward includes Warkworth, Wellsford and various coastal settlements.

The population count of 76,182 reflected growth of 14.6% since the 1996 census, the highest growth rate in the Auckland Region. A higher proportion of people (14.9%) in the Rodney district is aged 65 and over compared to the Auckland Region as a whole (10%).

The population comprises 8.7% Maori compared to the Regional proportion of 11.6%. The proportions of Pacific Island (1.8%) and Asian people (2.2%) are lower than percentages for the Auckland Region as a whole (14% and 13.8% respectively).

The median income of people in the Rodney District is \$19,500, compared to \$21,100 for the Auckland Region.

Rodney District has 38 class 4 gambling venues and a total of 429 gambling machines. There is one machine per one hundred and seventy-eight Rodney District residents (all ages). There are thirteen club venues operating 110 machines in the District. Of the twenty-five non-club venues, seventeen operate 225 machines owned by the six national trusts that comprise the National Gaming Machine Trusts and eight operate 94 machines owned by other trusts. The average number of machines at club venues is eight, and at non-club venues thirteen machines. According to DIA, four venues (all non-club) were issued gambling licences after 17 October 2001. There is no standalone TAB agency in Rodney.

2.1 Census Unit Analysis Summary for Rodney District

Table 1 below provides overall data on the number of standalone TAB outlets, non-standalone TAB outlets and class 4 venues in Rodney District. It also provides the total number of gambling machines and the population per gambling machine.

Table 1: Summary of venues and machines for Rodney District

	Numbers
Standalone TAB Agencies	0
Non-Standalone TABs	8
Class 4 Venues	38
Gambling Machines	429
Population per Gambling Machine	178

Table 2 below gives a synopsis of the data analysis discussed above for Rodney District, with respect to the concentration of machines in more deprived areas (as measured by the NZDep index), household income, age and ethnicity.

Table 2: Summary of gambling machine concentrations by key variables for Rodney District

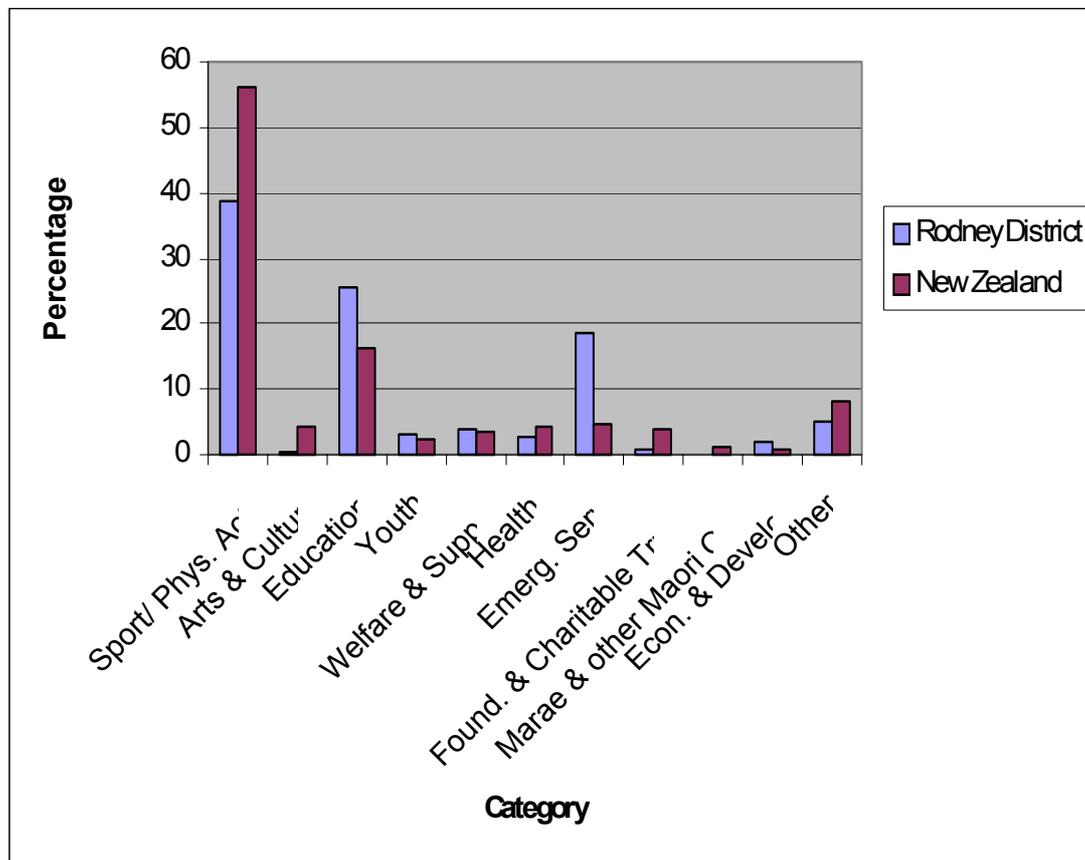
Concentration of Gambling Machines	Likelihood of having high concentrations of gambling machines
• Deprivation	• Clear gradient: Areas of high deprivation more likely
• Household Income	• Low income areas more likely
• Age	• Older areas more likely
• Maori	• Less likely
• Pacific	• More likely
• Asian	• No areas of high Asian concentration

2.2 Grant Distribution in Rodney District

It is estimated that of the \$777 million dollars spent nationally on EGMs, \$219 million is spent in the Auckland region. At least \$1.4 million of this money was returned to Rodney District as community funding (as a proportion of the \$28 million provided in grants to the region through the six trusts making up the NGMT).¹

In general, the Rodney District received more funds for Education and Emergency Services than the national average of all six trusts; less money was received for Sport & Physical Activities (Figure 1). Allocations by each trust are discussed below (Figure 2).

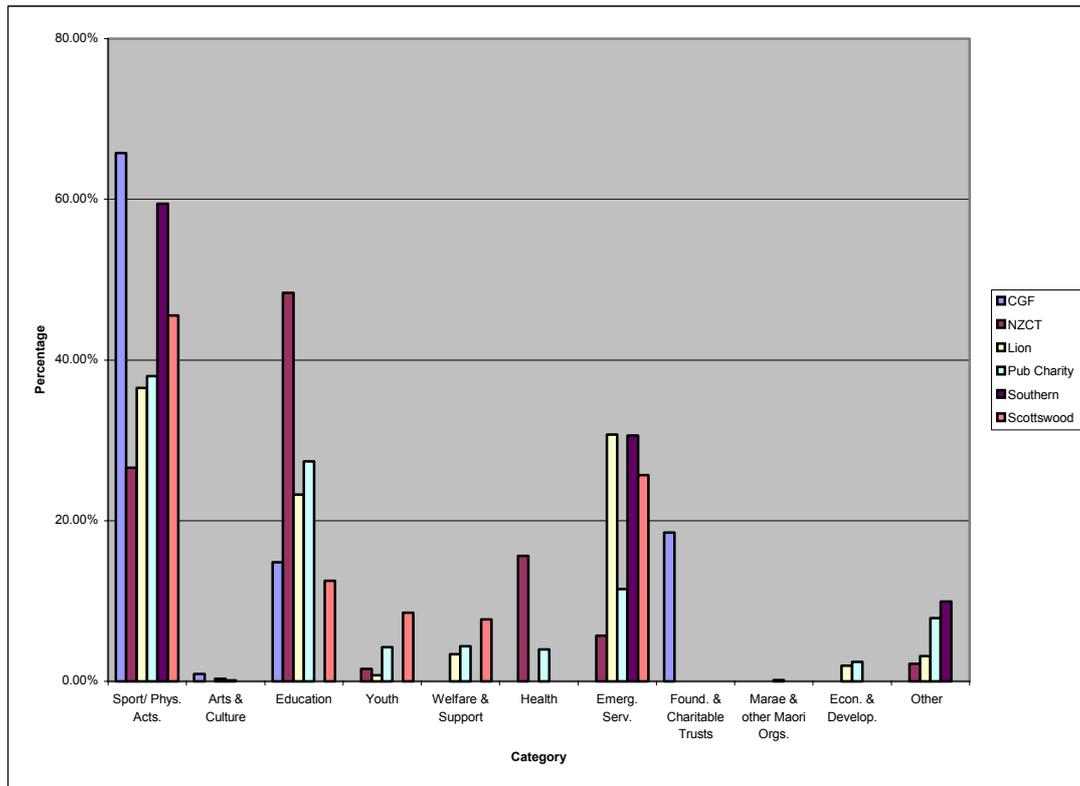
Figure 1: The distribution of funds by the National Gambling Machine Trusts within the Rodney District and the rest of New Zealand



¹ Rodney District would in addition have received a (similar) proportion of the estimated \$54 million provided in grants to the Auckland region by local gambling trusts.

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

Figure 2: Funding allocation to the different categories by each of the National Gambling Machine Trusts operating in the Rodney District



Community Grants Foundation Inc.

The Community Grants Foundation Inc gave a much higher allocation of funds to Foundations & Charitable Trusts in Rodney District (18.52 per cent vs. 3.79 per cent for all of New Zealand) and slightly more funds to Sport & Physical Activity than the national average (65.75 per cent vs. 55.98 per cent respectively). Educational organisations received less than the national average (14.82 per cent vs. 16.44 per cent).

Lion Foundation

The money allocated by the Lion Foundation to the Rodney District for Education (23.24 per cent) and Emergency Services (30.72 per cent) was higher than the national level (16.44 per cent and 4.67 per cent respectively). More money was also given to Economy & Development (1.95 per cent vs. 0.89 per cent). Less money was awarded to Sport & Physical Activities (36.50 per cent) than the national average (55.98 per cent) and Youth organisations (0.76 per cent vs. 2.32 per cent for all of New Zealand). No money was awarded to Health organisations.

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

New Zealand Community Trust

The New Zealand Community Trust allocated 48.37 per cent of the money given to the Rodney District to Education, compared with 16.44 per cent for all of New Zealand. More money was also awarded to Health organisations in the Rodney District (15.61 per cent vs. 4.16 per cent) and Emergency Services (5.68 per cent vs. 4.67 per cent). Fewer funds were given to Sport & Physical Activities (26.59 per cent compared with 55.98 for all of New Zealand) and Youth organisations (1.56 per cent compared to 2.32 per cent).

Pub Charity Inc.

Again Rodney District received more funding for its Educational organisations and Emergency Services than the national average (27.36 percent vs. 16.44 per cent; 11.48 vs. 4.67 per cent respectively). Pub Charity also allocated more funding for Youth (4.24 per cent compared with 2.32 per cent for all of New Zealand) but less money was distributed amongst Sport & Physical Activities (37.99 percent compared with 55.98 per cent for all of New Zealand).

The Southern Trust

The Southern Trust awarded 59.46 per cent of the money allotted to Rodney District to Sport & Physical Activities, more than the 55.98 per cent average for all of New Zealand. Again, Emergency Services received a larger allocation of funds than the rest of New Zealand (30.60 per cent vs. 4.67 per cent). Education, Youth, Welfare & Support, and Health received no money.

The Scottwood Trust

The Scottwood Trust allocated most of its funds to Sport & Physical Activities (45.55 per cent), which was less than the national average (55.98 per cent). More funds were given to Emergency Services (25.66 per cent), Youth (8.55 per cent) and Welfare & Support organisations (7.72 per cent) than the average for the rest of New Zealand. Educational groups received less funding than the national average (12.51 per cent vs. 16.44 per cent).

2.3 Gambling Helpline Data for Rodney District

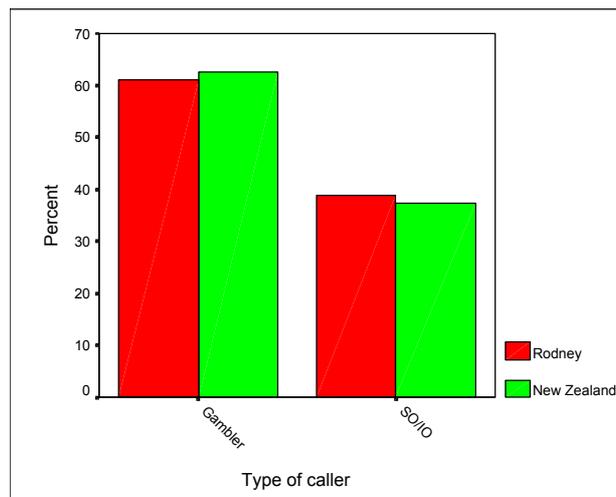
Note: To be read in conjunction with the copyright, limitations and disclaimer included in Appendix 1 of Part 1 of this report.

Overall, 221 callers (who had called during the operating period from November 1998 to November 2003) were identified as being primarily located within Rodney District². This equates to 1 in every 345 Rodney District residents. A further 19,981 clients were identified as having called from outside this district.

Type of Caller

Regardless of location, proportionally more gamblers than significant others/interested others called the Helpline. However, there was some variance in the distribution of caller type according to the origin of call: 61.1% of callers from Rodney were gamblers (compared with 62.6% nationwide) and 38.9% were significant others/interested others (compared with 37.4% nationwide). See Figure 3 for details.

Figure 3: Gambling Problem Helpline Client Type Distribution - National and Rodney (N=20,202)



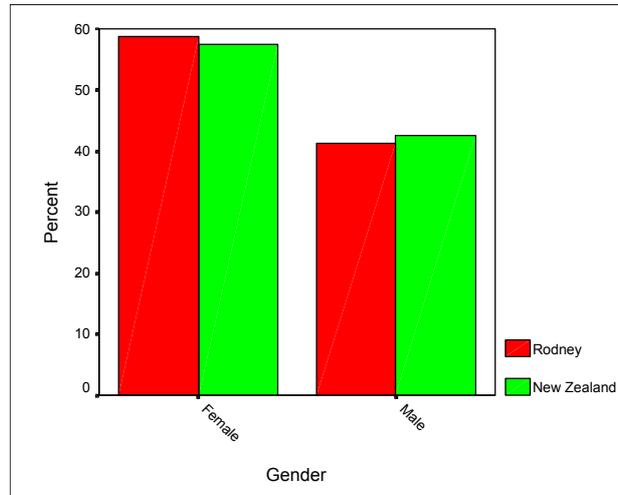
Gender

The gender distributions of Rodney and nationwide callers were very similar, with proportionally more female than male callers regardless of location. However there was some variation: 58.8% of Rodney callers were female, compared with 57.5% nationwide, and 41.2% of Rodney callers were male, compared with 42.5% nationwide. See Figure 4 for details. Data regarding gender were missing for 468 callers (5 from Rodney, 463 nationwide).

²When data was retrieved, callers were categorised as having called from one of two locations: 1. Within the Rodney District, or 2. Elsewhere in New Zealand (i.e. Outside of the Rodney District)².

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

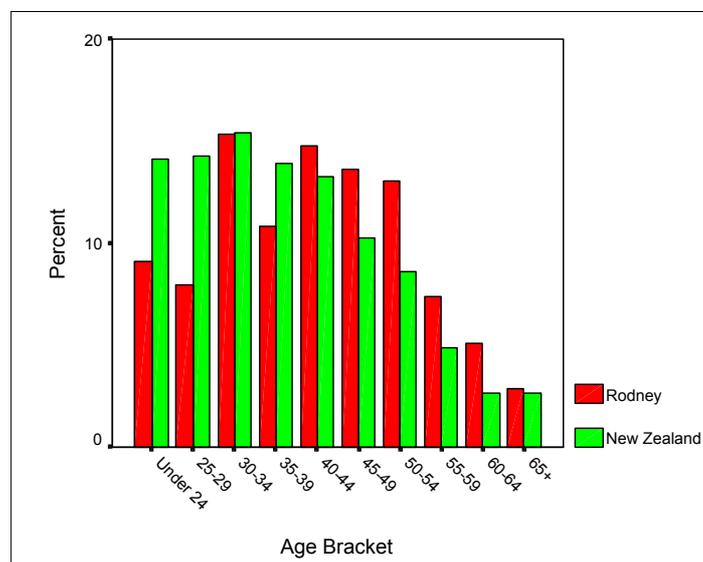
Figure 4: Gambling Problem Helpline Client Gender Distribution - National and Rodney (N=19,734)



Age

There were some very substantial differences between the age distributions of Rodney and nationwide callers. Overall, Rodney callers tended to be older, with proportionally more Rodney than nationwide callers in the following age brackets: 40-44 (13.3% nationwide, compared with 14.8% Rodney), 45-49 (10.3% nationwide, compared with 13.6% Rodney), 50-54 (8.6% nationwide, compared with 13.1% Rodney), 55-59 (4.9% nationwide, compared with 7.4% Rodney), and 60-64 (2.6% nationwide, compared with 5.1% Rodney). Conversely, there were proportionally more nationwide than Rodney callers in the younger age groups: Under 24 age bracket (9.1% in Rodney, compared with 14.1% nationwide), 25-29 age bracket (8% in Rodney, compared with 14.3% nationwide), and the 35-39 age bracket (10.8% in Rodney, compared with 13.9% nationwide). See Figure 5 for details. Data regarding age were unavailable for 5435 callers (45 Rodney, 5390 nationwide).

Figure 5 Gambling Problem Helpline Client Age Distribution - National and Rodney (N=14,767)

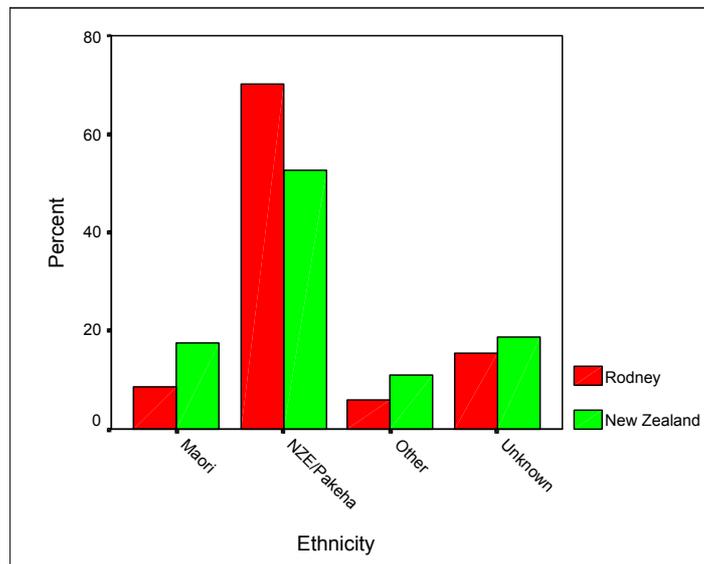


Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

Ethnicity

Regardless of location, Pakeha made up the majority of callers. However, a number of substantial differences were observed with regards to the ethnic distribution of nationwide and Rodney callers. Almost three quarters of the Rodney callers were Pakeha (70.1%), compared with just over half of the nationwide callers (52.7%). Proportionally, Maori accounted for approx half as many callers in Rodney (8.6%) than nationwide (17.4%) and fewer callers were classified as Other (5.9% in Rodney compared with 11.1% nationwide). Proportionally fewer Rodney than nationwide callers were classified as Unknown (15.4% in Rodney compared with 18.8% nationwide). See Figure 6 for details. Due to small numbers, some ethnic groups were combined for analysis.

Figure 6: National and Rodney Ethnic Distribution (N=20,202)



Problem Gambling Diagnostic Score

The DSM-IV provides a list of criteria for identifying problem and pathological gambling. Data regarding DSM-IV scores were available for 53 (39.3%) of the gamblers who had called the Helpline from within Rodney, and 4911 (39.3%) of nationwide callers. Overall, there were small differences between the distribution of Rodney and nationwide DSM-IV scores:

- 9.4% of Rodney callers could be classified as ‘problem gamblers’ (gained a score of 3 or 4), compared with 9.7% of nationwide callers; and,
- 86.8% of Rodney callers could be classified as ‘pathological gamblers’ (gained a score of 5 or more), compared with 86.1% of nationwide callers.

Suicidal Thinking

There were slight regional differences regarding suicidal thinking. For example, 89% of Rodney callers had not disclosed any suicidal ideation, compared with 87.9% of

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

nationwide callers. Due to small numbers, some categories were combined, however it was observed that more nationwide (12.1%) than Rodney (11%) callers had either thought about, planned, attempted in the last 12 months, or were currently at risk of committing suicide.

Problem Mode

Data regarding problem mode were not available for all gamblers who had contacted the Helpline, this information relates to 117 Rodney and 10,173 nationwide callers. Overall, gaming machines were the mode of gambling most frequently cited by callers as being the mode with which they were primarily experiencing problems. However, there was noticeable variance between the particular breakdown of gaming machine type. Of Rodney callers, 70.9% cited non-casino gaming machines as their problem mode, compared with 77.5% nationwide. Conversely, the proportion of Rodney callers citing Casino gaming machines (14.5%) was substantially greater than that of the nationwide proportion (10.5%). Furthermore, the proportion of Rodney callers citing Casino Tables (9.4%) was three times higher than the nationwide proportion (3.1%). Therefore, Casino based modes of gambling accounted for substantially more Rodney (23.9%) than nationwide (13.6%) callers.

Track betting accounted for the next highest proportion in Rodney (5.1%) although this was lower than the nationwide proportion (6.4%). See Table Six for details. Some modes of gambling were included within the Other & Multiple category due to small numbers.

Table 3: Gambling Problem Helpline Client Problem Gambling Mode Distribution - National and Rodney

	Rodney (%) N=117	New Zealand (%) N=10173
Non-Casino Gaming Machines	70.9	77.5
Casino Gaming Machines	14.5	10.5
Casino Tables	9.4	3.1
Track Betting	5.1	6.4
Sports Betting	0.0	0.7
Cards	0.0	0.4
Other & Multiple	0.0	0.5
Housie	0.0	0.2
Internet	0.0	0.1
Keno	0.0	0.1
Lotto	0.0	0.4

2.4 Personal Counselling Data for Rodney District

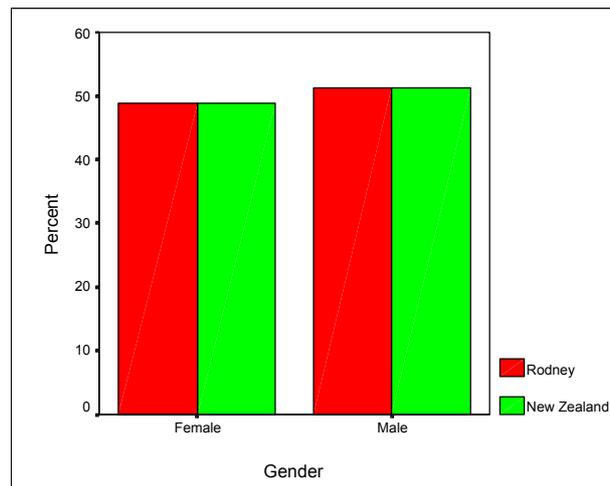
Note: to be read in conjunction with the limitations included in Section 4.7 of Part 1 of this report.

Overall, 4,996 records were accessed and analysed for people who attended face to face gambling counselling services between 1997 and 2002³, 86 of these clients resided in the Rodney District⁴.

Gender

The gender distributions of Rodney and nationwide clients were exactly the same: 48.8% female, 51.2% male. See Figure 7 for details. Data regarding gender were unavailable for two nationwide clients.

Figure 7: Personal Counselling Gender Distribution - National and Rodney (N=4,994)



Ethnicity

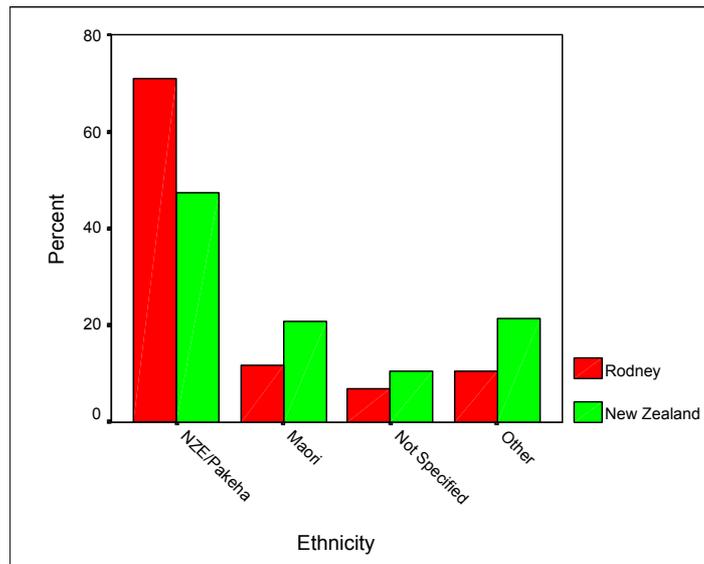
Regardless of location, Pakeha accounted for the majority of clients. However, the distributions varied greatly according to location: 70.9% Rodney, compared with 47.4% nationwide. Substantial differences were also observed between the proportions of Maori (11.6% in Rodney compared with 20.7% nationwide), Not specified (7%, compared with 10.4% nationwide) and Other (10.5% compared with 21.4% nationwide) clients. See Figure 8 for details. Data regarding ethnicity were unavailable for four nationwide clients.

³These represented approximately 50% of all the clients who received face-to-face gambling counselling during the 1997-2002 period

⁴ When data was retrieved, clients were categorised as residing in one of two locations: 1. Within the Rodney District, or 2. Elsewhere in New Zealand (i.e. Outside of the Rodney District)¹.

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

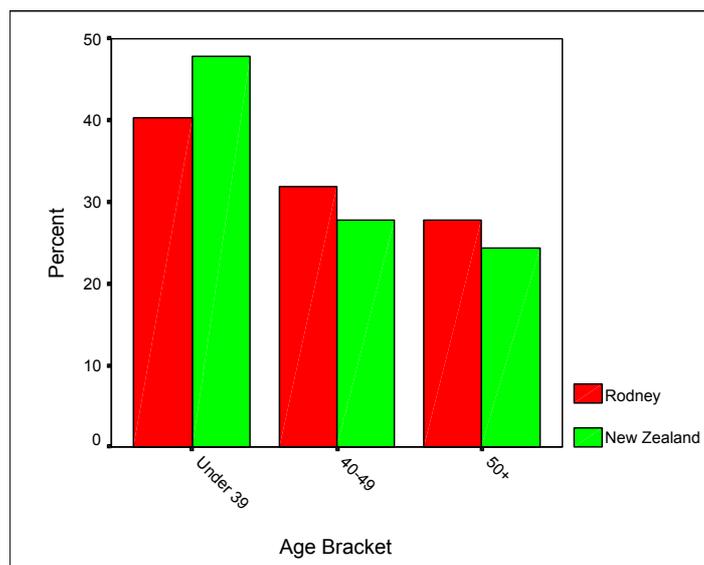
Figure 8: Personal Counselling Ethnic Distribution - National and Rodney (N=4,992)



Age

Overall, the age distributions were fairly similar regardless of location, with the majority of clients being relatively young. However, a large amount of variance was observed, particularly in the 39 or under age group (40.3% in Rodney, compared with 47.9% nationwide). There was also substantial variance with regards to the other age brackets: 40-49 (31.9% Rodney, compared with 27.7% nationwide) and 50+ (27.8% Rodney, 24.4% nationwide). See Figure 9 for details. Some age groups were combined due to small cell numbers and there were no available details regarding age for 14 Rodney and 883 nationwide clients.

Figure 9: Personal Counselling Age Distribution - National and Rodney (4,099)



2.5 Summary of Workshop Data for Rodney District

The following summarises data gathered from the workshop focus groups that were held in Rodney District.

A semi-structured discussion guideline utilising six open-ended questions was developed, to effectively facilitate discussion within the specified time frame.

Question 1: What are the positive aspects (benefits) and negative aspects (costs) of restricting the number of poker machines allowed in bars and clubs?

Community

Community felt that restricting the number of EGMs will counteract the normalization of gambling within the community, particularly during holiday season when influxes of people visit this district. It will restrict the accessibility and availability of gambling and ensure control.

However, decreasing community funding would require finding alternative funding schemes. More research is required to identify the impacts of the current number of EGMs and where the community funding is placed.

Industry

It was considered unnecessary for venues to have 18 EGMs as this impedes on early identification of problem gamblers. Limiting to nine EGMs per venue was sufficient to ensure control and may also increase the 'kudos' of particular businesses. Alternatively it was suggested that there be relativity between the number of customers and the number of EGMs. Market demand was also cited as being able to dictate the minimum amount and criteria for self-levelling. Main points included ensuring that gambling is not the primary business of an establishment, and that restrictions on EGMs would maintain ethical practice standards and host responsibility programmes.

On the negative aspects, it was cited that problem gamblers would move to other areas to play EGMs or participate in alternative forms of gambling such as TABs. This will reduce the community funding that supports a multitude of community groups who provide activities, care and the maintenance of well being in Rodney.

Furthermore, limiting to nine machines is adequate for venue operators, however it was specified that a differentiation between clubs and bars should be acknowledged and considered. Any further restrictions were not supported because it was felt that it would reduce the financial viability of establishments. It was felt that the primary business of venues should be determined and venue operators should be allowed to determine whether they require less machines.

Mixed

A positive aspect would be that restricting the number of EGMs decreases the accessibility and availability to lower socio-economic groups. However, community funding would be reduced

Tangata Whenua

Fewer EGMs means less access, particularly for lower socio-economic groups who were cited as less likely to travel to other areas. This may result in more time may spent with whanau and families.

On the other hand, there would be less community levy power within trusts although, it was noted that recent research identifies that not all money spent within TA regions remains within the region.

Summary Question 1a: What might be the (social, economic, cultural, environmental) impacts of more/fewer/same number of machines?

Social Impacts of the more EGMs

Community

Community thought that there may be an increased prevalence of problem gamblers and affected others. This will require the establishment of effective measures to address this situation such as increased services and support.

Industry

Increased numbers of EGMs will entice people to remain in the Rodney area to gamble rather than go to the Casino resulting in more community funding within this area.

Tangata Whenua

Increased accessibility would enhance negative gambling-related harms for individuals and their families.

Social Impacts of the same number of EGMs

Community

It was noted that Rodney currently has the lowest crime rate and the lowest number of sites and EGMs. In order to reduce the risk of jeopardising the quality of life for people in this community, status quo is supported.

Industry

Industry felt that status quo should remain and that nine machines is adequate. It was also noted that fewer percentages of those groups identified as 'at-risk' live in the Rodney area.

Social Impacts of fewer EGMs

Community

Community felt that fewer machines would result in less reliance and greater community control.

Industry

Industry think that there will be reduced financial viability for venue operators with an equal amount of paper work and less money for the community. Another point noted was the movement of people to other districts.

Tangata Whenua

Tangata whenua felt that fewer machines would reduce the normalization of gambling for Maori and New Zealand.

Cultural impacts of more EGMs

Tangata Whenua

If there were more machines the normalization and targeting of gambling venues would increase within communities.

Cultural Impacts of the same number of EGMs

Community

During the holiday season there is a large influx of people with accessibility to EGM venues which impacts on Rodney district culture. This may suffice as a leisurely activity but results in less time spent with families and lower levels of child supervision.

Industry

Industry noted that the Government should take less revenue

Cultural Impacts of fewer EGMs

Tangata Whenua

Tangata whenua noted a cultural shift of accepted ethnic values and behaviour.

Economic impacts of More EGMs

Community

Community felt that increasing the number of people requiring assistance with food parcels would ultimately lead to increased problems within Rodney.

Industry

Industry thought that funding distribution within Rodney community will increase.

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

Tangata Whenua

Tangata whenua noted that there would be increased funding to the community and Government.

Economic Impacts of the same number of EGMs

Community

The high percentage of funds distributed within communities requires accountability and transparency measures.

Industry

Industry thought that market demand sets restrictions on EGMs because of the level associated with expenses. There was ambivalence toward increasing numbers as more machines generate increased revenue but too many machines increases problems.

Tangata Whenua

Tangata whenua felt that communities would remain dependent on trust funding.

Economic Impacts of fewer EGMs

Industry

EGMs are a secondary form of entertainment within certain clubs and it was noted that the community funding generated help maintain local groups, so fewer numbers will reduce this funding.

Environmental impacts of more EGMs

Industry

Industry felt that increased numbers of EGMs will result in new venues operating in public areas that should not have gambling venues such as shopping centres which will increase accessibility to the community.

Tangata Whenua

It was felt that increased numbers of EGMs may lead to a 'ghetto' of gambling outlets.

Environmental Impacts of the same number of EGMs

Tangata Whenua

Tangata whenua felt that status quo should continue.

Question 1b: What are your views on restricting poker machines by location?

Community

EGMs should not be placed near schools, supermarkets, or on main streets within Rodney. Clustering of venues and increased signage should be avoided, particularly as a primary preventative measure of development of problem gambling and the primary business should be investigated. Furthermore, each ward should be considered separately. It was noted that education is necessary particularly for youth; this should be developed into a school curriculum.

Industry

Gambling venues should not be located near shopping centres and placed out of public view. The placement of EGMs near schools should adhere to liquor outlet regulations, furthermore, sites licenses should be granted on the basis of individual merit. Liquor licensing in venues provides adequate control of entry, particularly for youth. Alternatively, it was also noted that limits on locations should not apply, but there should be restrictions on advertising within the policy and it was important to ensure that compliance is monitored.

Mixed

It was cited that EGMs should be located within controlled, compliant environments, such as taverns and registered clubs. Their location should be restricted in regards to family camping grounds, schools and family areas. A contradictory issue arose regarding the location restriction near churches as some are perceived to be fund recipients.

Tangata Whenua

It is imperative that EGMs locations be restricted from at-risk groups such as children and youth.

Question 1c: What are your views on restricting poker machines per head of population in an area?

Community

Research is required to identify specific problems within each of the differential wards within Rodney, including the number of EGMs and EGMs per group. Most importantly, any ratio determined must consider the numbers of people in relation to the numbers of problems. It was recommended that the Council verify the lowest denominator for this area and consider restricting the number of people per area.

Industry

Industry felt that determining numbers requires further consultation and questioned how this would be achieved. Limiting the number of EGMs per head was not considered effective as people will gamble elsewhere and problem gambling will continue.

Mixed

It was cited that EGMs per head of population would be acceptable if Rodney remains constant with, and not above, the national average.

Tangata Whenua

It is critical that the formula/equation is carefully researched.

Question 1d: What are your views on placing restrictions on TAB locations?

There was general consensus amongst all Territorial Authority workshop groups that any restrictions placed on TABs should be the same as EGM venues, although some mentioned tighter controls were necessary if EGMs are introduced.

Diversity was apparent and although not everyone agreed, there was a general preference for TABs to not have EGMs and remain horse racing and sports betting venues. One of the major points associated with this question was the feeling that current TABs policing is inadequate and there are no restrictions placed on minors, some suggesting two separate entrances could be used. Furthermore, it was noted that TAB profits are currently sustainable and EGMs would increase profits, as TABs do not give funding back to the community. It was suggested that any policy should specify funds being returned to the community, with a 'By (specific district) For (specific district)' perspective.

TAB gambling was also seen to be a different form of gambling from EGMs, attracting different crowds of people and producing insignificant numbers of problem gamblers. It has been in the country for many years now and was not considered a major factor in the proliferation of gambling in New Zealand. There was concern that this form of gambling would fall under the auspices of gambling policy, and mention that it should be looked at separately.

Some felt that the placement of EGMs in TABs would make them appear 'shabby', and EGM use will be disguised. Concerns were raised that EGMs will eventually become the primary business for TABs, following on from comments made regarding the need for more research investigating other gambling forms such as Internet gambling that may be available in TABs, as it is uncertain what effects these forms will have on current TAB operations.

Finally, it was noted that a collaborative transparent process with a reference group within each council should be used to determine new licenses and renewals.

Question 2: What are the positive aspects (benefits) and negative aspects (costs) of restricting or keeping poker machines to/in particular types of venues?

Community

Community thought that EGMs should not be the primary purpose of any venue and should be restricted to gambling venues with liquor licenses only. It was felt that policing venues was difficult.

Industry

Liquor licensed venues currently have controlled age restrictions so EGMs should be restricted to these premises. Restricting EGMs to certain venues will prevent growth in other businesses such as hairdressers and chemists. It will also be more cost effective for Council funding to monitor of gambling if EGMs are maintained in licensed venues. It was stressed that venues, profitability and community funding should be transparent.

Mixed

The Mixed groups felt that restricting EGMs to particular venues controls and regulates environments and that they should be restricted to taverns or venues with liquor licenses to decrease the 'cow-boys'. It was noted that licensed venues do not necessarily have to have EGMs (for example, Ten Pin Bowling clubs, Valentine's restaurant), particularly since people under 18 years have access.

Tangata Whenua

Restrictions should remain status quo for control and compliance but EGMs should not be placed in family environments such as restaurants.

Summary Question 2a: What impacts (social, economic, cultural, environmental) might there be if machines were in other than licensed premises, e.g. an Internet café, dairy or petrol station?

Social Impacts

Community

It was cited that monitoring and policing should ensure that EGMs are not the primary purpose of any establishments. A negative social aspect was the loss of control for the industry and the community.

Industry

Industry noted that there would be less control and supervision and that there are issues around the inadequacy of security in other venues. Increased youth exposure was considered negative and the fact that crime may increase.

Tangata Whenua

Tangata whenua identified increased accessibility and normalization of gambling, particularly for youth, as negative aspects.

Economic Impacts

Industry

Industry felt that a positive aspect would be increased government benefits.

Tangata Whenua

This group thought a negative aspect of this would be increased accessibility resulting in more money being spent that could be better spent on other things.

Cultural Impacts

Most groups considered positive cultural impacts a non-issue.

Tangata Whenua

The ability to address issues through cultural systems and values for those influenced and focused erroneously on EGMs will be negatively affected.

Summary Question 2b: What impacts (social, economic, cultural and environmental) might there be if machines were restricted in their proximity to certain facilities such as schools, retirement homes, churches, marae etc?

Social Impacts

Community

Community felt that more information is needed for each of the Rodney wards, as these restrictions are dependent on each environment. In addition, more consultation is needed in regards to culture.

Industry

Industry thought that restrictions and limits on distance are difficult in smaller areas where everything is already based on proximity. EGMs should be restricted to licensed premises that are controlled and have restrictions in place already.

Tangata Whenua

Tangata whenua felt that increased access to EGMs would reduce 'at-risk' ethnic groups.

Economic Impacts

Tangata Whenua

Restricting the proximity of EGMs to high population facilities such as schools will reduce gambling involvement.

Cultural Impacts

Industry

The elderly people in retirement homes would have an alternative form of entertainment other than cards.

Tangata Whenua

It was noted that gambling and its associated harms and behaviours is 'anathema' to the activities undertaken in certain facilities and therefore offensive.

Question 3: What are the positive aspects (benefits) and negative aspects (costs) of recreational groups receiving funding from gambling?

Community

Positive aspects include the fact that Schools receive sports uniforms and travel. Negative aspects identified were the fact that groups working in the community will not receive the funds required and that there are few alternative funds to access.

Industry

Community funding enables employment opportunities, and contributes to maintenance of kindergartens, playgroups and buildings. The funding to sport reduces subscriptions and fees enabling more people to become involved. However, it was felt that a transparent grants process is essential and that funding from EGMs results in less motivation for groups to fundraise for themselves.

Mixed

The contradiction between churches against gambling and those receiving gambling funds was discussed and it was noted that there are no alternatives to funding.

Tangata Whenua

Tangata whenua thought receiving funding from gambling is an excellent idea, assuming that funds spent by gamblers in a TA remain within that area.

However, this does not motivate community groups to fundraise. Societal gatherings and participation in events such as galas, and fetes, are reducing in number, as is individual and familial input and participation, increasing community isolation.

Question 4: What are the positive aspects (benefits) and negative aspects (costs) of host responsibility programmes by venues?

Community

Community felt that a standardised programme is necessary and that training and host responsibility for gambling issues must be put into policy and incorporated throughout the district. More training for hosts is required so this is taken seriously

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

and the ability to revoke licenses or fine operators for non-compliance should be included.

Industry

Host responsibilities should be same as liquor license regulations, it is run under the auspices of liquor licensing anyway, to ensure staff awareness, and age monitoring. Information should be available to hand out to people such as brochures, leaflets, and treatment. The safety of patrons, particularly those with large amounts of cash must be considered. The owner/operator should be empowered to be able to explain rights to a problem gambler. It was noted that industry members do not consider themselves psychologists and thus may be unable to identify problem gamblers.

Mixed

Host responsibilities will result in better control and policing.

Tangata Whenua

Host responsibility programmes are imperative, as effective and accountable responsibilities will reduce the prevalence of problem gambling. Funding for these programmes should be from the industry, and the government could underwrite this with its bi-annual revision depending on problem gambling numbers.

Negative aspects identified were the expense and concerns regarding where the funding will come from. It was felt that this should be standardized and accountable.

Question 5: What is your vision (or future direction) for gambling in your City?

Community

The Rodney community emphasised the social responsibility of host programmes and felt that there should be a strong penalty for non-compliance with the law because people are playing around with other people's lives; the fines should be thousands of dollars rather than hundreds. They also felt that penalties should be combined with training, such as a training certificate, and more consumer information should be available. They would like gambling not to be obvious and accessible straight off the street

Industry

The Rodney Industry group felt that the economics of the business market regulates the gambling industry and that pokies should be kept within the liquor licenses. However, any policy development should ensure good standards, and licensing consistency among other venues such as the TABs. They would like to see Rodney District lead the way in its policy formation without letting one interest group dominate and ensure that facilities maximise returns with minimum harm to the community.

Mixed

The mixed group in Rodney felt that the money from EGMs should go back into community and where it comes from; council should make it their policy that money

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

raised in Rodney should be spent in Rodney. They also think that the money raised should go to education on gambling issues and harms.

They would like to see EGMs kept in controlled and licensed areas, not in dairies and petrol stations. The mixed group felt that the community should be involved in the location and number of EGMs (which should be kept with the legislation at nine), including the industry stakeholders. They would like to see a uniform host responsibility programme, transparency around where the money goes and the council monitoring statistics on gambling which are available to everyone.

Tangata Whenua

The Tangata Whenua group in Rodney thought that EGM outlets should be within designated safe areas, operating a vigilant, transparent and accountable responsible host programme and that trust funds remain within the community where the money was originally lost.

Question 6: What are your views on the following possible courses of action re: development of GVP?

Community

The Rodney community group felt that the policy development process had to be thorough and some time extension was tolerable. They suggested that new applications were put on hold until the new policy was in place but that this shouldn't go more than two months over the extended time.

Industry

The Rodney Industry felt that if the policy was too rushed it would not be right; it was acceptable to have it a few months late if it was done properly. Alternatively, some members would like Rodney District council to lead the way, even if this takes time, but not let one interest group take over.

Mixed

The mixed group wanted the policy done properly and completed on time, even if it means undertaking minimal consultation.

Tangata Whenua

The Tangata Whenua group want proper consultation with Tangata Whenua following the requirements of the Treaty of Waitangi

3. Conclusions for Rodney District

Note: A fuller description of conclusions and recommendations relevant to Rodney District is provided in Section 4 of the Introduction and Regional Overview Report (Part 1).

A major obstacle to forming a picture of gambling in Rodney District is the absence of data sources to monitor social and economic impacts. For example, while data is presented around distribution of grant money by the six large national trusts, it excludes a substantial (well over half of the overall total) amount of money that is distributed by local clubs and trusts. Furthermore there are no readily available sources to track expenditure on gambling within the district (i.e. the amount of money spent by gamblers in each territorial authority or regionally), there is no readily available data on economic benefits such as job creation, or data on negative impacts such as rates of bankruptcy or property crime. An appendix in Part 1 of this report (Introduction and Regional Overview) provides an indicator framework which details the types of information that should be routinely collected in the future.

The following lists key observations from the data that was available regarding gambling in Rodney District:

- The concentration of EGMs and EGM venues is consistently higher in areas of higher economic deprivation and lower household income.
- Higher concentrations of EGMs occur in areas of Rodney District with higher numbers of older and Pacific people. Fewer occur in areas with more Maori.
- Because of the wide range of organisations receiving funding, it is not possible to judge the equity of the distribution of community benefit funds from EGM gambling. However, analysis of grants by the six main national trusts suggest that of the \$1.4 million they distributed last year in Rodney District, just under 40 percent goes into sports and physical activities; and about 25 percent to education, with the remainder being distributed amongst 9 other categories, including an “other” category. The distribution to sports and physical activities is lower than averages across the whole of New Zealand and higher for education.
- Eighty five percent of first time callers to the Gambling Problem Helpline identified EGMs as their primary mode of gambling, and 24 percent identified casino tables or casino EGMs as their primary mode.
- The largest proportion of those seeking help for their gambling on either the Gambling Problem Helpline or face-to-face counselling services fell between the ages of 20 and 39. The gender ratio was about even.
- Views expressed during the workshops were divided between those who pointed out the benefits to community organisations from the proceeds from gambling versus those concerned about reducing the negative social and economic impacts of more gambling.

Part 2: Rodney District – January 2004
Gambling Impact Assessment for the seven Auckland territorial authorities

In the development of the Draft Gambling Venue Policy for Rodney District, the Territorial Authority needs to consider the following issues specific to the district:

That consideration is given to the impacts on special populations within Rodney District, particularly the specific needs and issues regarding the gambling of younger, older, Maori and Pacific peoples.

That consideration is given the likely negative and positive impacts of increasing, decreasing or maintaining the status quo of venues/machine numbers particularly in relation to their higher concentration in areas of higher economic deprivation.