

**The Problem Gambling Committee of New Zealand  
in association with  
The Gambling Studies Institute of New Zealand**

# **Gambling, Harm and Health**

**Two perspectives on ways to minimise harm  
and maximise health with regard to gambling  
in New Zealand**

**Robert Brown, PhD  
John Raeburn, PhD**

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# GAMBLING, HARM AND HEALTH

## **TWO COMPLEMENTARY PERSPECTIVES ON MINIMISING HARM AND INCREASING COMMUNITY RESILIENCE WITH REGARD TO GAMBLING**

In November 2000, the Problem Gambling Committee of New Zealand commissioned two documents from the Gambling Studies Institute of New Zealand to develop discussion documents relating to national policies in the areas of harm minimisation and public health/health promotion, as these relate to gambling in New Zealand. The two documents reached their final form in April, 2001, and are as follows:

### **Harm minimisation:**

Robert Brown, PhD (2001):

The harm minimisation strategy: A proposed national responsible gambling policy for New Zealand.

### **Public health/health promotion:**

John Raeburn, PhD (2001):

Towards healthy gambling: A health promotion approach to gambling in New Zealand.

These two documents are seen as addressing the same broad areas of concern – that is, how best to reduce the harm done by gambling in society, and to strengthen the community in terms of how gambling impacts on them. There is no question that gambling, given its huge growth over the last decade, has had a major impact on the lives of ordinary people in New Zealand, and this is likely to grow. Many of these impacts have not been positive, and there are clearly significant and growing costs associated with gambling in terms of social, health, economic and other domains of life. There is urgent need for government to address this reality, and to have cogent policies in place to serve us now and in the future. These policies are seen as being especially along the lines of those outlined in these two documents – one which emphasises appropriate regulation and treatment (harm minimisation), and one which emphasises the community dimension, in terms of building community resilience – that is knowledge, skills, and sense of control – with regard to gambling activities and issues (health promotion). Harm minimisation tends to be focused on the more immediate issues of containing and ameliorating damage. Health promotion has a longer term, developmental perspective, of building community capacity. **Both perspectives are seen as vital to a balanced approach to the issue of reducing the damage done by gambling in society, and strengthening community health and wellbeing with regard to gambling.**

This work has been undertaken within the context of the New Zealand Government's announcement of a major review of gambling as has happened in other jurisdictions around the world. Many countries in the western world are struggling to catch up with the impact of modern gambling on people and communities. The findings from these reviews being undertaken around the world, and in particular, the unequivocal findings of increasing harm from problem gambling associated with the expansion of high-intensity, continuous gambling products reported in the Australian Productivity Commission report, must have a significant effect on policy-makers.

Unlike previous reviews of 1995 and 1997 in New Zealand, the Problem Gambling Committee and the Government now wish for major reform in gambling policy and legislation. The Government has signalled that in this review there will be wide-ranging consultation and the opportunity for community input leading to comprehensive revision and reforms. To this end the Problem Gambling Committee has commissioned these documents to provide a basis for informed discussion of the issues surrounding the expansion of gambling in New Zealand and potential strategies for addressing these issues.

These documents together represent a balanced approach – both are necessary. We believe the perspectives and ideas they present are innovative, important and sensible. We believe they represent a good appraisal of what is urgently needed in terms of government and community action to contain a phenomenon that could challenge the whole underpinning of the wellbeing of our society. An illustration of the scale of gambling as a societal issue is that it is estimated that on present trends, by 2005 the turnover from gambling could equal the value of whole of New Zealand's export trade.

It is time for action. We trust these documents will help to make that action intelligent and of value to this country.

Robert A Brown

John Raeburn

## **Problem Gambling Committee**

### **Commission Documents**

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#### **THE HARM MINIMISATION STRATEGY**

**A Proposed National Responsible Gambling Policy for New Zealand**

**Robert Brown, PhD**

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#### **TOWARDS HEALTHY GAMBLING**

**A Health Promotion Approach to Gambling in New Zealand**

**John Raeburn, PhD**

**Problem Gambling Committee**

**Commission Documents**

**National Responsible Gambling Policy**

**THE HARM MINIMISATION STRATEGY**

**A Proposed National Responsible Gambling Policy  
for New Zealand**

**POLICY OVERVIEW - Dr Robert Brown**

**A harm minimisation policy proposal designed to incorporate a health promotion approach.**

**Based upon the existing national drug policy template**

**Proposed to be owned and monitored by the Social Policy and Health Cabinet Committee chaired by Hon Steve Maharey**

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## Proposed National Policy on Responsible Gambling

**The policy aims to develop responsible gambling that maximises the benefits and minimises the harms of gambling in a way that establishes a level of gambling that is economically and socially sustainable**

### EXECUTIVE SUMMARY

#### Introduction

New Zealand has a proud tradition of being in the forefront of nations that take positive action to protect and improve both the physical health and the mental well being of its citizens.

This submission to Government seeks to follow in this proud tradition of protecting New Zealanders' well being by proposing a national policy to minimise harm from gambling.

**The proposed policy is designed to minimise harm and retain the benefits of gambling by promoting responsible gambling at a level that is economically and socially sustainable for individuals, communities, and New Zealand.**

#### Harm from gambling

In some form or other, gambling is engaged in by more than 90% of the adult population in New Zealand. As with other potentially addictive products (eg alcohol, drugs) major harms can arise from problem gambling resulting in costs that are borne by problem gamblers, their families and the wider community.

Harm that results from gambling includes harm to health, as well as crime and social disruption.

The full extent of harm to New Zealanders resulting from gambling is currently unknown. Some indication is provided by the 5767 people presenting for help at specialist treatment agencies such as the Compulsive Gambling Society, the Problem Gambling Helpline and the Oasis Centre during 1999 (Problem Gambling Committee, 2000), the high level of suicide attempts among problem gamblers (Sullivan et al, 1994) and the 24% of people in prison who have gambling problems (Brown et al, 2000).

#### Responsible gambling

Responsible gambling occurs in a regulated environment where the potential for harm associated with gambling is minimised and people make informed decisions about their participation in gambling.

Responsible gambling occurs as a result of the collective actions and shared ownership by individuals, communities, the gambling industry and Government, to achieve outcomes that are socially responsible and responsive to community concerns.

The proposed **National Policy on Responsible Gambling** recognises a continuum of harm associated with gambling. No single approach can adequately address the range of harm. The proposed policy accommodates complementary approaches, targeting the range of gambling and continuum of harm. The policy aims to prevent harm from occurring through measures that on one hand control the availability of gambling and on the other reduce individual demand for gambling. These supply control and demand reduction measures complement more traditional problem limitation approaches wherein treatment and counselling are provided for those persons experiencing gambling problems.

In outlining this Policy on Responsible Gambling for Government our aim is not to prevent gambling, nor to reduce the enjoyment experienced by those who gamble responsibly but rather to minimise the harm that is associated with problem gambling, and thereby to set the scene for a level of gambling in New Zealand that is both economically and socially sustainable.

## **Vision**

Our vision is of a society that is healthy, well adjusted, informed, and chooses to gamble responsibly in a way that is sustainable for the community. Gambling blends into the social and cultural context of society at levels that are safe for the individual, their family and the community.

For the vision to be realised it is necessary that:

- Government develops a coherent responsible gambling policy that defines the role of gambling and recognises and addresses adequately the issue of harm arising from problem gambling.
- Gambling providers promote responsible gambling practices, which minimise the harm to problem gamblers, their families and the community.
- The public and gambling consumers are well informed about the risks of problem gambling.
- Communities have input through their local authority into local gambling provision and into distribution of community benefit funds.

It is our belief that our vision of responsible, sustainable gambling can be achieved through appropriate harm minimisation, health promotion and rehabilitation strategies. Together these strategies will regulate the supply, moderate consumer demand, and limit problems associated with gambling.

## **Principles for policy development**

Development of any social policy must be underpinned by a number of important principles relating to social justice and effectiveness.

Development of the responsible gambling policy is underpinned by policy principles of cultural appropriateness, effectiveness and efficiency in reducing harm, empowerment that enables people and communities to assume control and behave responsibly, and equity in addressing disproportionate levels of harm among vulnerable groups. Further, in accord with the principles underlying the Treaty of Waitangi it is proposed that Maori be encouraged to identify their own needs and determine appropriate and effective approaches for reducing the disproportionate harm experienced by Maori.

## **Policy objectives**

Identifying national objectives helps to provide a focus for co-ordinating a range of different strategies, programmes and activities to achieve the overall goal of the policy on responsible gambling.

The objectives proposed for the first five years of the national policy on responsible gambling are:

1. To enable New Zealanders to increase control over and improve their well being by limiting the harms and hazards associated with gambling.
2. To reduce the prevalence of problem and pathological gambling.
3. To reduce the health risks, crime and economic and social disruption associated with excessive gambling by promoting responsible gambling.

## Outcomes and indicators

The proposed policy on responsible gambling aims to provide a basis for making measurable progress toward achieving the priority policy objectives. For each priority, a set of desired outcomes has been defined.

Measurable progress towards these desired outcomes would indicate that the priority is being achieved. In some cases there are existing indicators to show whether the strategies being implemented and resources being deployed have made a difference. In other cases, the first step will be to develop indicators and capture baseline data. Targets will be set so that progress towards each outcome can be assessed. It is proposed that each relevant government agency will be responsible for including such performance indicators in their detailed implementation plans.

## Future directions

Any proposed policy, which extends over five years, must have the capacity to be flexible over time. Strategies that work towards achieving the desired outcomes of

the National Policy on Responsible Gambling will thus be adjusted as necessary, and as further information becomes available. These strategies will be cost-effective and should be consistent with the Government's overall strategic goals of "*building a better society by promoting opportunity for all*," (Hon. Steve Maharey, December 2000) and increasing "*social equity*" (Hon. Helen Clark, February, 2001) while taking account of the fiscal constraints under which it is operating.

## Strategies

We recognise that there is a continuum of harm associated with gambling, and that no single approach or limited set of strategies can adequately address the possible range of harms. Strategies need to take account of the three interacting components of gamblers, the gambling product and the gambling environment. Different strategies are required to target different population groups, different gambling products and different gambling environments.

The National Policy on Responsible Gambling seeks to minimise the harmful effects of gambling by using a balance of supply control, demand reduction and problem limitation strategies.

- Supply control strategies prevent gambling-related harm by placing restrictions on the availability of gambling and controlling the manner and environment in which gambling occurs.
- Demand reduction strategies are designed to prevent harm by moderating demand and ensuring that those who gamble do so responsibly.
- Traditionally, problem limitation strategies mean providing ready access to effective

assessment and treatment services. Even with supply control and demand reduction strategies in place, some people will still require help for problems with their gambling.

## **Government ownership of policy**

We believe that Government carries the primary responsibility for development and implementation of a responsible gambling policy, for two reasons:

- First, ultimately any social policy response is shaped by an enabling and controlling legislative framework and only government can establish this framework
- Secondly, Government has a responsibility to protect and act in the best interests of its citizens, hence it is appropriate that Government take the initiative in establishing the Social Policy Response framework and for ensuring its implementation

There are a number of critical requirements of Government that must be fulfilled as necessary prerequisites to implementing policy to encourage responsible gambling, ensure harm minimisation and establish a sustainable level of gambling:

- Government must lead with policy and legislation
- Gambling policy must accord with Government strategic objectives
- Government must establish an independent regulatory agency
- Government must require online monitoring of machines
- Government must provide for review of policy implementation
- Government must sponsor relevant research and evaluation

## **Specific recommendations**

A more extensive series of recommendations to minimise harm and facilitate responsible gambling as part of the development of the National Policy on Responsible Gambling is presented following this summary.

## RECOMMENDATIONS

**Our long-term vision is of a society that is healthy, well adjusted, informed, and chooses to gamble responsibly in a way that is sustainable for the community. Gambling blends into the social and cultural context of society at levels that are safe for the individual, their family and the community.**

Development of a well-defined National Policy on Responsible Gambling within a comprehensive regulatory framework will enable Government to manage gambling in a sustainable manner, to minimize the harm from problem gambling, and to promote responsible gambling among New Zealand communities.

It is our belief that our vision of responsible, sustainable gambling can be achieved through a balanced combination of treatment, harm minimisation and health promotion strategies. Together these will regulate the supply, moderate consumer demand, and limit the problems associated with gambling.

In order to attain the vision it is recommended that:

1. Government places a freeze on any further expansion of gambling until we have satisfactory policy and appropriate legislation in place. This means an indefinite moratorium on any further gambling products, including casinos, additional gambling machines and any new forms of gambling, including Internet and interactive television gambling.
2. Government commissions appropriate studies that validly measure the social and economic impacts of gambling and problem gambling. We determine what is a sustainable level of gambling in New Zealand.
3. Government commissions investigation of legislative and policy “*best practice*” models for responsible and sustainable gambling in Australia, North America, Britain and Europe.
4. Government develops a responsible gambling policy (incorporating treatment, harm minimisation and health promotion) that will result in responsible gambling that is sustainable for New Zealand. This approach will provide:
  - Treatment and rehabilitation based upon “*best practice*” for people already experiencing gambling problems
  - Harm minimisation protection measures for those groups who are vulnerable or at immediate risk of developing gambling problems
  - Health promotion initiatives that contribute to healthy communities and development of responsible gambling appropriate for each community.
5. Government develops legislation and regulations covering all forms of gambling within an all-encompassing framework designed to encourage responsible gambling in all modes and venues where gambling occurs.
6. Government establishes an independent Gambling Commission to oversee regulation across all gambling modes with principal operating criteria of consumer protection and the public interest.<sup>1</sup>

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<sup>1</sup> The increasing importance of gambling in New Zealand may justify the appointment of a “*Minister of Gaming*” with responsibility for all aspects of gambling in New Zealand.

7. Government co-ordinates inter-sectorial strategies across a range of government departments, gambling providers and treatment service providers, local authority and community groups. Foremost among government departments to be involved in developing initiatives will be:
  - Health
  - Internal Affairs
  - Social Services
  - Corrections
  - Consumer Affairs
  - Education
  - Gambling Commission (to be established)
8. Government establishes on-line monitoring of gaming machines to ensure proceeds are channelled into legitimate community and government bodies as specified in legislation.
9. Government provides for monitoring and periodic review of responsible gambling policy implementation and its effectiveness.
10. Government sponsors research and evaluation program relevant to problem gambling and responsible gambling policy.
11. Government imposes an additional tax on the gambling industry to cover all costs of addressing harm from gambling
12. A duty of care to consumers on the part of gambling providers is enshrined in statute.
13. All gambling providers are required to implement host responsibility and problem gambling prevention practices, which minimise the harm to problem gamblers and their families/whanau.
14. Gaming venues are re-designed to be safer for gamblers, with for example, clocks and natural lighting to denote passage of time and prohibition of ATMs, cheques cashing, or credit facilities.
15. Gaming products are modified to be safer for gambler, with for example, gaming machines having a limitation on rate of loss with prohibition of bill acceptors, linked jackpots and large cash payouts.
16. Readily understandable product information explaining how the game works, the odds of winning, and the cost of playing are displayed clearly on all gaming products.
17. The legislative code ensures that advertising and promotion of gambling is neither misleading nor exploitative. All advertising contains a warning about the risk of harm from gambling.
18. The public and gambling consumers are well informed about true costs of gambling and the risks of problem gambling through government-sponsored, population-based public health information campaigns, targeted awareness programs for high-risk groups, and educational programs.
19. Public and consumers are encouraged to have input into decisions about local gambling provision and into distribution of community benefit funds through public consultation, surveys and local authority input.

20. Local communities are empowered in making decisions about the extent and nature of gambling to be made available.
21. Local communities are empowered in determining how and where profits from gambling in their community are applied to community causes.
22. Nationwide high quality treatment services are available for problem gamblers and their families at no charge.
23. Gambling issues are integrated into health and social policies and their related services.

## INTRODUCTION

New Zealand has a proud tradition of being in the forefront of nations that take positive action to protect and improve both the physical health and the mental wellbeing of its citizens.

As early as 1994, Government had released its National Mental Health Strategy. As part of this strategy Government published a National Drug Policy in 1998. The document set out clearly its policy for improving the health and wellbeing of all New Zealanders by minimising harm caused by tobacco, alcohol and other illicit drugs to both individuals and the community.

The National Drug Policy emphasised the need for a coordinated approach that includes appropriate legislation and enforcement to control the supply of drugs, credible information about drug-related harm to reduce the demand for drugs, and effective intervention services to manage drug problems that still occur.

This inter-sectorial policy relies upon the efforts of different government and non-government agencies. It is in line with the *balanced* approach recommended by the United Nations and World Health Organization. The policy recognises the need for communities to be able to address drug-related issues at a local level and provides for a partnership between Government and community in minimising drug-related harm.

The role of Government is to encourage and support community involvement by providing leadership, information and resources within the appropriate legislative environment, and by ensuring that both community and governments efforts remain focused on a common goal and set of priorities.

This submission to Government seeks to follow in this proud tradition of protecting New Zealanders' wellbeing by proposing a national policy to minimise harm from gambling.

**This policy is designed to minimise harm and retain the benefits of gambling by promoting responsible gambling at a level that is economically and socially sustainable for individuals, communities, and New Zealand.**

## RESPONSIBLE GAMBLING

**Responsible gambling occurs in a regulated environment where the potential for harm associated with gambling is minimised and people make informed decisions about their participation in gambling.**

Responsible gambling occurs as a result of the collective actions and shared ownership by individuals, communities, the gambling industry and Government, to achieve outcomes that are socially responsible and responsive to community concerns.

**Problem gambling** exists when gambling activity results in a range of adverse consequences where:

- the safety and well-being of gambling customers and /or their families and friends are placed at risk; and
- negative impacts extend to the broader community.

The proposed **National Policy on Responsible Gambling** recognises a continuum of harm associated with gambling. No single approach can adequately address the range of harm. The proposed policy accommodates complementary approaches, targeting the range of gambling and continuum of harm. The policy aims to prevent harm from occurring through measures that on one hand control the availability of gambling and on the other reduce individual demand for gambling. These supply control and demand reduction measures complement more traditional problem limitation approaches wherein treatment and counselling are provided for those persons experiencing gambling problems.

The format and structure of the responsible gambling policy relies heavily on that developed for the National Drug Policy (1998). However in addition it incorporates a strong health promotion component that is made explicit in Professor Raeburn's paper. The overall aim of the policy is to minimise gambling-related harm and develop responsible gambling to such an extent that gambling is maintained at a sustainable level.

From the gambling provider perspective, we are convinced that for New Zealand to retain a viable and sustainable gambling industry in the long-term, Government must develop a coherent responsible gambling policy that defines the role of gambling and recognises and addresses adequately the issue of harm arising from problem gambling.

Ownership of the Responsible Gambling Policy by the Health and Social Policy Cabinet Committee will provide the "*whole of government*" approach necessary to ensure its effectiveness. In these circumstances, we believe that the Prime Minister's Department best undertakes the day-by-day direction and monitoring of the policy.

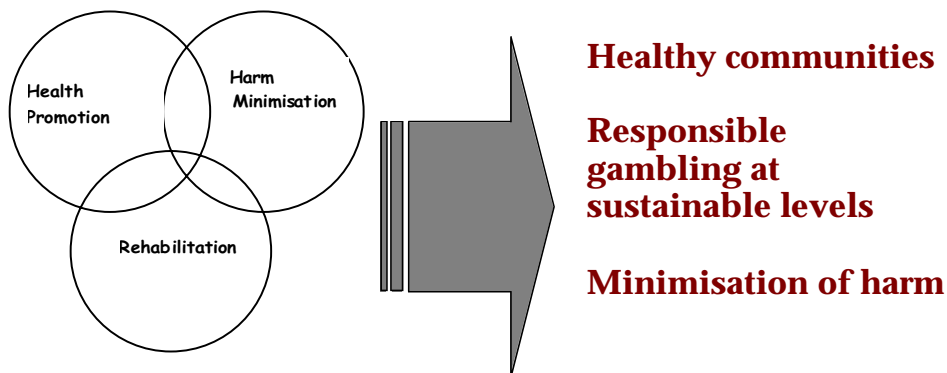
## VISION

**Our vision is of a society that is healthy, well adjusted, informed, and chooses to gamble responsibly in a way that is sustainable for the community. Gambling blends into the social and cultural context of society at levels that are safe for the individual, their family and the community.**

For the vision to be realised it is necessary that:

- Government develops a coherent responsible gambling policy that defines the role of gambling and recognises and addresses adequately the issue of harm arising from problem gambling.
- Gambling providers promote responsible gambling practices, which minimise the harm to problem gamblers, their families and the community.
- The public and gambling consumers are well informed about the risks of problem gambling.
- Communities have input through their local authority into local gambling provision and into distribution of community benefit funds (eg as in Hillary Commission or Creative Community Boards).

It is our belief that our vision of responsible, sustainable gambling can be achieved through appropriate harm minimisation, health promotion and rehabilitation strategies. Together these strategies will regulate the supply, moderate consumer demand, and limit problems associated with gambling.



## HARM FROM GAMBLING

In some form or other, gambling is engaged in by more than 90% of the adult population in New Zealand. When engaged in responsibly in non-hazardous situations, gambling provides enjoyment and entertainment for many consumers. As with other potentially addictive products (eg alcohol, drugs) major harms can arise from problem gambling resulting in costs that are borne by problem gamblers, their families and the wider community.

Harm that results from gambling includes harm to health, as well as crime and social disruption.

- **Harm to health:** Problem gamblers pose serious risks to their own health, through alcohol or drug abuse associated with their gambling, depression and even suicide. Injury from accidents and physical illness resulting from poor health care is common among those with serious gambling problems, and even malnutrition may occur among problem gamblers and their dependents, as a consequence of gambling losses.
- **Crime:** Crime is associated with problem gambling and this is reflected in the significant proportion of sentenced prisoners reporting histories of problem gambling. Problem gamblers frequently commit crimes to support their gambling habits. These crimes, ranging from theft to murder, harm other members of the community, and impose costs on the community for police, prosecution and corrections costs.
- **Social disruption:** Gambling problems affect the life of the family and the community in which the individual lives, as well as the gambler *per se*. Excessive gambling leads to reduced social functioning at home, with dysfunctional behaviour affecting the behaviour of other members of the family at school, at work, and in the community generally.

The full extent of harm to New Zealanders resulting from gambling is currently unknown. Some indication is provided by the 5767 people presenting for help at specialist treatment agencies such as the Compulsive Gambling Society, the Problem Gambling Helpline and the Oasis Centre during 1999 (Problem Gambling Committee, 2000), the high level of suicide attempts among problem gamblers (Sullivan et al, 1994) and the 24% of people in prison who have gambling problems (Brown et al, 2000).

In outlining this Policy on Responsible Gambling for Government our aim is not to prevent gambling, nor to reduce the enjoyment experienced by those who gamble responsibly but rather to minimise the harm that is associated with problem gambling, and thereby to set the scene for a level of gambling in New Zealand that is both economically and socially sustainable.

## **PRINCIPLES FOR POLICY DEVELOPMENT**

**Development of any social policy must be underpinned by a number of important principles relating to social justice and effectiveness.**

Development of the responsible gambling policy is underpinned by policy principles of cultural appropriateness, effectiveness and efficiency in reducing harm, empowerment that enables people and communities to assume control and behave responsibly, and equity in addressing disproportionate levels of harm among vulnerable groups. Further, in accord with the principles underlying the Treaty of Waitangi it is proposed that Maori be encouraged to identify their own needs and determine appropriate and effective approaches for reducing the disproportionate harm experienced by Maori.

### **Appropriateness**

Appropriateness means developing strategies that are consistent with people's culture, values and behaviour. Thus it is important to develop strategies that are consistent with Maori norms, values and beliefs and recognise Maori realities. In the case of Maori this requirement is enshrined in the Treaty. Likewise, although no comparable treaty rights exist, it is appropriate that strategies consistent with their culture are developed for Pacific and Asian people.

### **Effectiveness**

Effectiveness is achieved by employing strategies believed most likely to reduce harm associated with gambling. Effective strategies are those that are targeted, employ evidence-based practice, and have been soundly evaluated. Effectiveness may mean using alternative strategies to produce a reduction in gambling-related harm to non-mainstream groups, such as Maori, Pacific and Asian peoples.

### **Efficiency**

Efficiency recognises that resources are limited and that choices have to be made, based upon careful examination of costs and benefits. Thus the national priorities selected reflect evidence of where the most costly areas of harm can be effectively reduced with available resources.

Where research or evidence about the most cost effective strategies, or even the extent of harm is lacking, the policy recommends further research or evaluation programmes before policy decisions are made.

### **Empowerment**

Empowerment involves resourcing people in a way that enables them to assume greater control over their health and wellbeing. Empowering people enables them to behave more responsibly in their consumption and control of gambling. Often providing relevant information about gambling and its consequences will enable people to behave more responsibly. Generally, to be empowering, those at whom the strategies are targeted must have some input into their design.

### **Equity**

Equity means fairness. Equity may mean giving priority to reducing the disproportionate levels

of gambling-related harm in particular groups and communities (eg those at risk of suicide if they can be identified and those in populations with a high incidence of problem gambling, such as Maori and Pacific people). This may mean allocating resources so that services are readily accessible to everyone in need while directing more resources to areas of greatest need so that no one group suffers a disproportionate amount of gambling-related harm

## **Sustainable level of gambling**

To achieve a sustainable level of gambling requires that the contingent economic and social benefits are not exceeded by the harm and costs arising from gambling.

The Australian Productivity Commission (2000) identified that the net production-side benefits of gambling are relatively small when account is taken of substitution effects and the alternatives available for gambling spending. Benefits in terms of employment and activity in the gambling industries are largely offset by declines in industries that lose consumer dollars to gambling.

The major benefit lies in the enjoyment that consumers derive from gambling and this in turn must be offset against the costs associated with problem gambling. The Commission found that problem gamblers comprise 15% of regular (non-lottery) gamblers and account for approximately one-third of gambling expenditure. The costs associated with problem gambling include the negative health, financial and emotional impacts on gamblers and others, with at least five other people negatively affected by each problem gambler.

As with the consumption of other harmful products such as tobacco, the costs and negative social consequences of gambling tend to develop slowly over time, in contrast to immediately available benefits such as consumer enjoyment. Policy approaches for gambling need to be directed at reducing the extent and costs of gambling problems, through harm minimisation and prevention measures, while retaining as much of the benefit to recreational gamblers as possible.

## **Treaty of Waitangi principles**

Under the Treaty, Government has a particular responsibility to address the health needs of Maori. This principle establishes that Maori should have the opportunity to enjoy at least the same level of health as non-Maori.

Maori are known to be suffering disproportionate harm from gambling and strategies designed for the general population have to date had limited success in reducing harm among Maori. Gambling harm in Maori communities may be addressed more effectively when targeted approaches are developed by and for Maori. This is because of the need for in-depth knowledge of the Maori community, and of acceptable and effective approaches to use when advocating changes in behaviour and lifestyle.

It is important therefore to include specific desired outcomes for Maori within the National Policy on Responsible Gambling and to have Maori identify their own needs, and the most appropriate and effective interventions to reduce harm

## **Harm prevention and harm reduction strategies**

Harm minimisation allows for different approaches to be used. An effective national policy must do two things:

- Prevent harm from occurring, by preventing harmful use of gambling.
- Reduce harm that is already occurring.

Health promotion programmes that encourage people to gamble responsibly or not gamble at all are examples of harm prevention. Treatment services for existing problem gamblers are designed to reduce harm. Host responsibility codes that assist people gamble responsibly and refer gamblers experiencing problems to treatment agencies incorporate both prevention and reduction strategies as means for minimising harm from gambling.

## **Working together and whole of government approach**

Responding effectively to gambling-related harm requires a co-ordinated approach involving a range of participants.<sup>2</sup> The primary “*players*” who must each act responsibly for a national policy on responsible gambling to be effective are the Government, the regulatory agency, members of the gambling industry, communities and individual gambling consumers. Empowerment of communities and consumers to enable them to act responsibly is dependent upon responsible action by government, regulator and industry. Government in particular, has a responsibility for the effectiveness and ultimate success of the policy. It must frame the policy legislation, ensure the participation of the other players and make certain the policy is developed and implemented across all government departments rather than as a piecemeal exercise occurring within those few agencies that choose to participate.

In addition to legislators and regulators, workers in government and non-government agencies, in the gambling and related industries, together with communities and cultural groups must cooperate in developing, implementing and monitoring effective strategies if we are to minimise harm and establish responsible gambling at a level that is economically and socially sustainable for New Zealand.

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<sup>2</sup> See Meirs (1998) “*Responsible gambling is a game for 4 or more players*”

## POLICY OBJECTIVES

**Identifying national objectives helps to provide a focus for co-ordinating a range of different strategies, programmes and activities to achieve the overall goal of the policy on responsible gambling.**

The objectives proposed for the first five years of the national policy on responsible gambling are:

**Priority objective 1:** To enable New Zealanders to increase control over and improve their wellbeing by limiting the harms and hazards associated with gambling.

**Priority objective 2:** To reduce the prevalence of problem and pathological gambling.<sup>3</sup>

**Priority objective 3:** To reduce the health risks, crime and economic and social disruption associated with excessive gambling by promoting responsible gambling.

### Priority objective 1

**To enable New Zealanders to increase control over and improve their wellbeing by limiting the harms and hazards associated with gambling.**

Desired outcomes are:

- Acceptance by government agency staff of harm minimisation as an effective approach to reducing gambling-related harm; and ongoing co-operation and collaboration among agencies involved in gambling issues.
- Increased involvement of the community, and particular subgroups in the community in reducing gambling-related harm.
- More effective school policies and education in the school setting about gambling-related harm and responsible gambling.
- Reduction in loss of productivity in the workplace linked to gambling.
- Improved range, quality and accessibility of effective treatment options for people with gambling problems and their significant others.
- Improved expertise of workers in the problem gambling field.

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<sup>3</sup> Use of the term problem gamblers includes those who are classified as pathological gamblers

## Priority objective 2

### To reduce the prevalence of problem and pathological gambling.

Desired outcomes are:

- Reduction in the prevalence of problem gambling in the general population as measured by presentation rates.
- Reduction in the prevalence of problem gambling among young people as measured by presentation rates.
- Reduction in the prevalence of problem gambling among Maori as measured by presentation rates.
- Reduction in the prevalence of problem gambling among ethnic minorities as measured by presentation rates.

## Priority objective 3

### To reduce the health risks, crime and economic and social disruption associated with excessive gambling by increasing responsible gambling.

Desired outcomes are:

- Increase in the proportion of the population who gamble responsibly or do not gamble.
- Reduction in the prevalence of problem gamblers among those committing or attempting suicide.
- Reduction in the prevalence of problem gamblers among those presenting with drug or alcohol problems.
- Reduction in the prevalence of problem gamblers among those presenting with other mental health problems.
- Reduction in the prevalence of problem gamblers among those convicted of criminal offences.
- Reduction in the number of job losses and bankruptcies that involve problem gambling.
- Reduction in the prevalence of family break-ups involving problem gamblers.

## Outcomes and indicators

The proposed policy on responsible gambling aims to provide a basis for making measurable progress toward achieving the priority policy objectives. For each priority, a set of desired outcomes has been listed.

Measurable progress towards these desired outcomes would indicate that the priority is being achieved. In some cases there are existing indicators to show whether the strategies being implemented and resources being deployed have made a difference. In other cases, the first step will be to develop indicators and capture baseline data. Targets will be set so that progress towards each outcome can be assessed. It is proposed that each relevant government agency will be responsible for including such performance indicators in their detailed implementation plans.

## Future directions

Any proposed policy, which extends over five years, must have the capacity to be flexible over time. Strategies that work towards achieving the desired outcomes of the National Policy on Responsible Gambling will thus be adjusted as necessary, and as further information becomes available. These strategies will be cost-effective and should be consistent with the Government's overall strategic goal of "*building a better society by promoting opportunity for all*," (Hon. Steve Maharey, December 2000) and increasing "*social equity*" (Hon. Helen Clark, February, 2001) while taking account of the fiscal constraints under which it is operating.

## STRATEGIES

We recognise that there is a continuum of harm associated with gambling, and that no single approach or limited set of strategies can adequately address the possible range of harms. Strategies need to take account of the three interacting components of gamblers, the gambling product and the gambling environment. Different strategies are required to target different population groups, different gambling products and different gambling environments.

**The National Policy on Responsible Gambling seeks to minimise the harmful effects of gambling by using a balance of supply control, demand reduction and problem limitation strategies.**

Harm minimisation strategies need to take account of three interacting components of:

- Characteristics of gamblers (for example, age, gender, and ethnicity).
- Environments in which gambling occurs (for example, physical, social, and economic context).
- Characteristics of the gambling product (for example, its availability, continuous or discontinuous nature, its “*addiction*” potential).

Clearly, different strategies are needed to target:

- The whole population, or particular at-risk groups.
- All gambling, or specific gambling products such as gaming machines or Internet gambling.
- All settings, or particular environments where misuse occurs.

In the harm minimisation approach, strategies are required to operate in the three different areas of:

- Supply control (regulating the supply of gambling).
- Demand reduction (moderating individual demand for gambling).
- Problem limitation (limiting problems arising from consumption).

## SUPPLY CONTROL STRATEGIES

**Supply control strategies prevent gambling-related harm by placing restrictions on the availability of gambling and controlling the manner and environment in which gambling occurs.**

Restricting or prohibiting a potentially harmful product is often seen as the most obvious way of preventing harm. However, attempts to prohibit alcohol and use of illicit drugs have shown that supply control strategies may not be effective if used without accompanying demand reduction and problem limitation strategies.

### Policy and legislative development

Regulatory intervention is a powerful tool for setting a framework and for controlling the environment within which gambling occurs

For example, legislation can control the supply of gambling by prohibiting it altogether, or prohibiting it for some people (for example, those under a certain age) or for some people in some environments (for example, those with a criminal record on racecourses). Legislation can also be used in a more sophisticated way to protect the consumer than by blanket prohibitions as, for example, in the primary objective of the Sale of Liquor Act 1989 being expressed as:

*“...to establish a reasonable system of control over the sale and supply of liquor to the public with the aim of contributing to the reduction of liquor abuse, so far as this can be achieved by legislative means.”*

It is important to review the legislative framework for any policy from time to time, to ensure that it is working as intended and to identify amendments that could improve it. This is especially the case in the gambling area where currently the legislation is unsatisfactory and ineffective.

As the Minister of Internal Affairs noted in releasing terms of reference for the review of gaming and gambling (5 November 2000)

*“Existing gaming legislation has grown over the years on a piecemeal basis as new objectives and gaming activities have been recognised. As a result there are inconsistencies, both within specific statutes and between them”*

*“The gaming sector currently operates under a disparate regulatory structure. This structure has grown in an ad hoc fashion, in response to concerns arising at different times and in different parts of the gambling industry. There is little consistency between the different statutes which regulate the different sectors of gaming, and a variety of different bodies exercise regulatory and administrative functions, each with a different focus and different objectives. Moreover, different sectors of the industry are treated differently for tax purposes and make different contributions to the community.”*

*“As a result (of this and other factors of Government ownership and technological advances), there is a need to establish a clear view of the role of gaming in society and the role of the Government in regulating it.”*

This submission is a part of the whole policy development process designed to establish a more relevant and more effective legislative framework and national policy aimed at developing a culture of responsible gambling which minimises harm and is conducive to maintaining a sustainable level of gambling in New Zealand. As the primary player with both ownership and other interests in gambling (eg, Lotteries Commission, Lottery Grants Board and Casino Control Authority) Government has a responsibility to ascertain how New Zealanders want gaming activities to be run and to ensure that new legislation meets those expectations (Minister of Internal Affairs, Gaming Review Terms of Reference, 5 November 2000)

## Enforcement

Enforcement is an important part of the overall policy. Currently there are a number of different agencies, including the Department of Internal Affairs (DIA), Lotteries Commission, Racing Industry Board and Casino Control Authority, each of which has responsibility for administering or enforcing different pieces of gambling legislation. As the Minister of Internal Affairs has pointed out, there is little consistency among the different statutes that regulate the different sectors as administered and regulated by these agencies. The ineffectiveness of current enforcement procedures that confuse regulatory and enforcement responsibilities, for example in the case of the DIA its ineffectiveness in regulating and enforcing non-casino gaming machine operators, has been highlighted by:

- A lack of information about the ownership, location and operation of gaming machines outside of casinos
- A lack of electronic online monitoring of the operation and cash flows of gaming machines
- A lack of control and enforcement for non-compliance by gaming machine operators by the DIA evidenced by the approximately 79% of gaming machine operators found to be in breach of existing regulations (DIA report, November 2000).

It is proposed that New Zealand adopt the regulatory model described by the Australian Productivity Commission in its report last year (APC, 2000). This model presents a coherent regulatory structure that displays consistency across gambling sectors and provides for clear separation of policy-making, control and enforcement functions.

## DEMAND REDUCTION STRATEGIES

**Demand reduction strategies are designed to prevent harm by moderating demand and ensuring that those who gamble do so responsibly.**

These strategies include the provision of accurate information on the hazards and harms of gambling, and education programmes to encourage moderate and responsible consumption. Demand reduction strategies may also include initiatives to encourage responsible promotion and advertising of gambling, monitoring of new marketing strategies, and tax and pricing adjustments designed to moderate demand for the product

### Consumer Information

People need reliable information to develop the knowledge and skills they require for making responsible decisions about their use of gambling. They need to know for example, the consequences of excessive gambling upon their health and well being, to what extent it will affect their relationships with significant others in their life, and what safeguards they can employ to ensure they can gamble safely under varying circumstances.

### Health Promotion

Health promotion strategies cover a wide variety of interventions designed to facilitate change and improve the health and well being of the whole community and particular groups within it.

In the broadest sense health promotion strategies may include changes to pricing policy, tax rates, legislation, advertising and marketing of products, building of supportive and healthy environments, developing healthy public policy, community development, social marketing and education. Indeed any approach that encourages communities and individuals to improve their well being and responsible use of gambling might be included within a health promotion initiative.

Effective health promotion strategies usually include a combination of interventions from several of the areas described, introduced and implemented in an integrated manner, in order to achieve the desired goals.

Increasingly, health promotion is being initiated by and will be responsive to the needs of local communities and specific cultural and interest groups. To be effective health promotion strategies must be consistent with people's cultures, realities and behaviours, and those for whom the strategies are designed must have some input into their design. The *Ottawa Charter for Health Promotion* (1986) recognises strengthening community action as a major contributor to achieving equity. Different groups will address gambling related-harm differently, and will identify different priorities for action.

Effective health promotion will increase the resilience of the community in that individuals within the community behave more responsibly in respect of gambling and can better resist or avoid the potential hazards of problem gambling. Ultimately, effective health promotion may reduce the potential harm from gambling to a level that obviates the need for more traditional harm minimisation measures.

Within the responsible gambling policy arena, health promotion initiatives in the next five years will likely include, for example:

- Inclusion of hazard warnings and information on gambling products such as gaming machines.
- Mass media education campaigns, including:
  - Information about hazards and harms of gambling.

- Information about responsible gambling campaign.
  - Self-identification of problem gambling campaign.
  - Information about intervention and helping agencies available for problem gamblers and significant others.
- Health promotion in schools which more closely meets the need of particular school communities.
  - Targeted health promotion for at-risk and special interest groups such as:
    - Maori.
    - Pacific peoples.
    - Asian peoples.
    - Prison inmates.
    - Young people.
    - Older people.
  - Provision of host responsibility training for operators and people working in gambling venues.
  - Community development projects focused on preventing or minimising gambling-related harm.
  - Provision of training opportunities for health promotion workers.

## Responsible marketing

Unlike other entertainment (eg films) that it is often compared with, gambling has the capacity to cause consumers considerable harm. For this reason it is important that gambling is marketed responsibly and with an appreciation of its harm potential.

Promotion and marketing of gambling is generally designed to attract new consumers or to maintain or increase the frequency of gambling by existing consumers. Particular concern must be aroused by promotions that target vulnerable groups, such as young people and others who have had little opportunity to develop realistic expectations of the likelihood of their winning or losing. Of concern also are promotions that target high-risk groups, such as those who are already heavy gamblers or those who drink heavily when they gamble.

Persuasive advertising may present misleading information or set unrealistic expectations in naïve consumers who are relatively unaware of the potential costs and harm that may result from their engaging in uncontrolled gambling.

The presence of effective point of sale promotions, such as loyalty schemes and inducements to gamble, along with the ready availability of cash or credit through conveniently located ATMs add to the risk of gambling more than planned for both inexperienced and regular gamblers.

The Australian Productivity Commission (2000) reported that problem gamblers account for around one-third of total gambling expenditure. This has important policy implications because responsible gambling providers face mixed incentives for marketing to problem gamblers. Those providers who try to limit their marketing so as to minimise harm (eg to problem gamblers) may lose revenue as well as losing market share relative to those providers who engage in less responsible promotion and marketing. This issue may necessitate external regulation to ensure that consumers are protected from misleading advertising and harmful promotions.

## **Taxation and pricing**

Pricing has been shown to be an important influence on consumption patterns of other potentially harmful products such as alcohol. Other things being equal, a rise in price tends to lead to a drop in consumption. Hence price and taxation may have the potential to moderate the extent of consumption by individual consumers and thereby reduce harm from gambling. Currently consumers are poorly informed about the cost of gambling in terms, for example, of the likelihood of their winning or the hourly rate of expenditure required to play gaming machines.

Higher gambling prices (and taxes) along with clear allocation of costs and meaningful pricing schedules for each form of gambling would reduce demand and harm from gambling.

A secondary benefit from increasing excise tax on gambling is that the tax revenue can be applied to offset some of the costs of harm from gambling.

## PROBLEM LIMITATION STRATEGIES

**The concept of problem limitation acknowledges that gambling is increasingly a part of many people's lives and that strategies are needed to reduce problems that can result from its misuse.**

Traditionally, problem limitation strategies mean providing ready access to effective assessment and treatment services. Even with supply control and demand reduction strategies in place, some people will still require help for problems with their gambling.

In its wider sense, problem limitation may overlap with demand reduction strategies in encouraging those promoting and providing gambling products to do so responsibly, for example through introduction of host responsibility programs and safer gambling products. It also means ensuring that gambling environments, especially those known to be linked with gambling-related harm, are made as safe as possible.

### Assessment, advice and treatment

Treatment interventions are vital to limit the problems arising from gambling. This policy on responsible gambling emphasises the need for a variety of treatment services.

The current focus tends to be on specialist assessment and treatment services purchased by the Problem Gambling Committee and provided by a limited number of non-governmental agencies, specifically the Compulsive Gambling Society (CGS) and the Salvation Army, together with the voluntary self-help group Gamblers Anonymous. A Gambling Problem Helpline offers callers information and a first point of contact for advice and referral to treatment agencies.

- There needs to be a greater emphasis on primary care, with the screening and diagnosis of gambling problems occurring at an earlier stage and more advice and assistance on promotion of healthier lifestyles and development of responsible gambling practices by primary healthcare professionals and other primary care workers who need to be trained in detection and early intervention.
- There may be a rationale for incorporating gambling assessment and treatment services into existing alcohol and drug treatment services. In this case existing specialist problem gambling agencies such as CGS could provide training, quality assurance and consultative services to these agencies, which could then offer integrated alcohol, drug and problem gambling intervention services. Alternatively, existing problem gambling treatment agencies such as CGS could offer alcohol and drug treatment services to complement their problem gambling services.
- Specialist treatment programmes need to be further developed and provided for target groups that are proving difficult to access and treat within existing mainstream problem gambling services. In the next five years, assessment, advice and treatment services will, *inter alia*, focus on, for example:
  - Young people
  - Maori
  - Pacific peoples
  - Asian peoples
  - People with co-existing alcohol or drug problems
  - People with co-existing mental health problems
  - Justice system clients.

Development of specialist programmes in several of these areas is currently being investigated or already successfully underway, for example in the areas of services for young people and justice system clients and for Asian peoples respectively, through the efforts of management and staff at CGS.

There is also increasing need for:

- Advice and brief intervention by primary healthcare workers and other community workers especially for people with emerging gambling problems.
- Training for service providers with a focus on:
  - Training for primary health workers and community workers in brief assessment and intervention.
  - Training for mental health service workers in assessment and management of gambling problems.
  - Training for alcohol and drug specialist workers in assessment and management of gambling problems.
  - Training for community workers and school personnel in recognition of gambling-related problems, and how to manage and refer people at risk of harm.

## Environment and product safety

To develop safer gambling environments requires that members of the gambling industry, as with promotion and marketing, act responsibly in their provision of gambling and in their design and operation of gambling products and the environments in which they provide gambling. This entails developing and promoting **host responsibility programs** that include, for example, the following:

- Providing meaningful information about gambling products to consumers, for example, about:
  - The cost of playing gaming machines.
  - The odds of winning.
  - How the game works.
  - The amount spent in the session to date and in the last hour.
- Serving alcohol with care and responsibility.
- Identifying and taking responsible action in respect of gamblers displaying problem behaviour, including:
  - Referring problem gamblers to helping agencies wherever appropriate.
  - Supporting and maintaining self-exclusion by problem gamblers.
  - Ensuring all staff are aware and trained in host responsibility.
- Providing clocks and windows in gambling environments to denote passage of time.
- Prohibiting ATMs, EFTPOS and cheque cashing or credit facilities in gambling venues.
- Modifying gaming machines to limit the rate of loss.
- Removing bill acceptors from gaming machines.
- Prohibiting linked jackpots.
- Making payouts of over \$250 by cheque.

## GOVERNMENT OWNERSHIP OF POLICY

**There are a number of critical requirements of Government that must be fulfilled as necessary prerequisites to implementing policy to encourage responsible gambling, ensure harm minimisation and establish a sustainable level of gambling**

We believe that Government carries the primary responsibility for development and implementation of a responsible gambling policy, for two reasons:

- First, ultimately any social policy response is shaped by an enabling and controlling legislative framework and only government can set this framework and define the roles of the other players, including the role of the independent regulator.
- Secondly, Government has profited from and continues to profit from gambling. Yet Government has a responsibility to protect and act in the best interests of its citizens, hence it is appropriate that Government take the initiative in establishing the Social Policy Response framework and for ensuring its implementation. This is why we propose that implementation of the responsible gambling policy is undertaken as a whole of government initiative across all sectors and is monitored by the powerful Social Policy and Health Cabinet Committee that extends across all the relevant sectors.

### Government must lead with policy and legislation

Government must legislate to ensure that a duty of care to consumers by providers is enshrined in statute. As a first stage it is essential that Government take this opportunity to introduce legislation establishing a stronger consumer protection-oriented regulatory environment in respect of gambling, as per the **Victorian Responsible Gambling Bill 2000** designed to develop responsible gambling by, for example:

- Freezing the number of gaming machines in New Zealand.
- Making provision for local councils to have a say in number and placement of machines in their area.
- Limiting numbers of 24 hour gaming venues.
- Compelling gaming operators to provide meaningful information to players.
- Imposing standards and limits on advertising.
- Establishing independent panel to oversee research into gambling matters.
- Increase independence of the regulatory control authority.

Or as per the **NSW Liquor Amendment (Responsible Gambling) Regulation 2000** that establishes a set of initiatives to foster responsible gambling, as follows:

- Requires hoteliers to provide information to patrons on:
  - The use and operation of gaming machines.
  - The chances of winning and the problems caused from excessive gambling.
  - Availability of counselling services.
- Limits the cashing of cheques.

- Places limitations on the payment of prizes by cash.
- Requires cash dispensing facilities to be located away from gaming machine areas.
- Places limitations on gambling-related advertising.
- Prohibits the offering of inducements to gamble.
- Requires hoteliers and certain employees to undertake approved training in the responsible conduct of gambling (RGC).
- Specifies the minimum requirement for self-exclusion schemes.
- Makes other miscellaneous controls.

There are also recent Queensland and Canadian initiatives (circa 2000) to foster responsible gambling and thereby minimise harm and develop economically and socially sustainable gambling in their jurisdictions. Currently New Zealand lags far behind in enacting responsible gambling legislation and putting in place appropriate policies. We believe that this is what New Zealand should be aiming toward, with leadership and direction from Government through a coherent soundly-based social policy and establishment of an effective and transparent regulatory framework.

## **Policy must accord with Government strategic objectives**

We emphasise that policy objectives and strategies must be consistent with Government's overall strategic objectives and accord with the fundamental principles underpinning these.

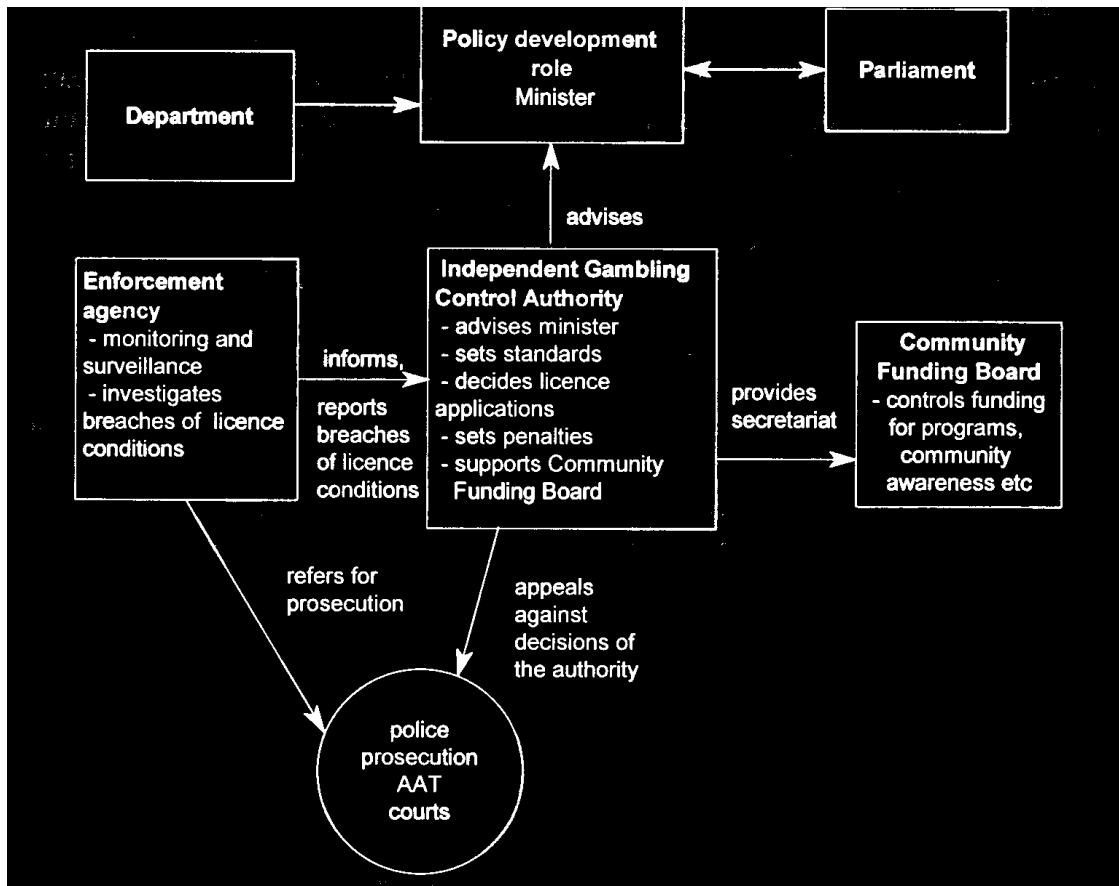
The Minister of Health has recently (21 December 2000) launched the New Zealand Health Strategy, which identifies seven fundamental principles and objectives designed to improve the overall health status of New Zealanders and reduce health inequalities of the population. Most pertinent here are the principles of:

- Good health and wellbeing for all New Zealanders throughout their lives.
- Collaborative health promotion and disease and injury prevention by all sectors.
- Active involvement of consumers and communities at all levels.

The Minister notes that, *“we must work across sectors, including health, education, housing and social welfare, in terms of health promotion and disease and injury prevention, if New Zealand is to become a healthier country.”*

## Government must establish independent regulatory agency

For the responsible gambling policy to be effective, Government must establish an independent regulatory agency, a Gambling Control Commission along the lines of the Australian Productivity Commission (2000) proposal with clear separation of policy-making, control and enforcement functions. This transparency and separation of functions will ensure a high standard of consumer protection within a regulatory process that is well informed, receptive to community input and fully aligned with the public interest.



*Reproduced from Australian Productivity Commission document, 2000*

## Government must require online monitoring of machines

For effective enforcement of regulations, Government must ensure that there is online electronic monitoring of all gaming machines by the enforcement agency, whether the machines are in Casinos or in pubs or clubs throughout New Zealand:

- This will reduce the opportunity for misappropriation of community and government revenue by gaming machine operators and provide the basis for more effective enforcement of regulations in this area. Currently non-compliance may be as high as 79% (DIA report to Parliament, November, 2000).
- This will provide an essential up-to-date record of number, ownership and cash flow of all gaming machines in New Zealand. This information is critical to effective implementation of any harm minimisation policy and is, sadly lacking under present regulation.

## **Government must provide for review of policy implementation**

Systems for collecting information needed to monitor and gauge the success of this policy have yet to be developed. Following collection of baseline information, implementation will be monitored through periodic review of progress within the priority areas in the following ways:

- Twice yearly review of progress by the Social Policy and Health Cabinet Committee which is chaired by the Minister for Social Services and includes the Ministers for Health, Economic Development, Finance, Local Government, Maori Affairs, Education, Justice, Corrections, Courts, Police, Pacific Island Affairs, Women's and Youth Affairs, and Consumer Affairs. This Cabinet Committee will decide which new policy initiatives should be recommended to the Government.
- A monitoring group, chaired by an official of the Prime Minister's Department and including representatives of the Ministries Finance, Economic Development, Education, Health, Justice, Local Government, Maori Affairs, Corrections, Courts, Police, Pacific Island Affairs, Women's and Youth Affairs, Consumer Affairs, the independent regulatory agency and the restructured Problem Gambling Committee will ensure that policies and programmes throughout Government, gambling industry, community and treatment agencies are consistent and mutually supportive. This monitoring group will receive reports from individual government agencies on progress made in implementing the policy, and will make recommendations to the Cabinet Committee on new policy initiatives. It will seek representations from other agencies and individuals, as it considers appropriate.
- Government agencies with responsibilities for policy initiatives in the harm minimisation and responsible gambling area will present six-monthly progress reports which outline progress within their areas of responsibility, provide an update of resources allocated to the area, and report on any other strategies or interventions developed to impact on the national priorities and desired outcomes.

## **Government must sponsor relevant research and evaluation**

In the next five years, research and evaluation will include emphasis on, eg:

- Accurately assessing prevalence of problem gambling, particularly in at-risk groups as existing telephone survey estimates are considered to be unreliable.
- More accurately determining the exact extent of harm to individuals, families and communities arising from gambling in New Zealand (see Australian Productivity Commission Report, 2000).
- Assessing environmental and predisposing factors to problem gambling.
- Assessing impact of legislative change.
- Assessing impact of law enforcement interventions.
- Developing evaluation techniques and performance indicators for service providers.

This research and evaluation program must be sponsored by Government. It is proposed that a Professorial Chair and a Centre for Gambling Studies be established within the Discipline of Applied Behavioural Science at the University of Auckland School of Medicine and charged with the brief of undertaking and updating the research programme outlined here.

## **Specific recommendations**

A more extensive series of recommendations to minimise harm and facilitate responsible gambling as part of the development of the National Policy on Responsible Gambling is presented following the conclusion.

## CONCLUSION

This draft National Policy on Responsible Gambling represents an important first step in the co-ordination of gambling policies and strategies across many government agencies that share responsibilities in the gambling field. It is expected that each agency will implement and manage the policies and programmes within its area of responsibility, although in some cases this area of responsibility may require clearer definition. This policy aims to set an overall direction, providing a framework for this work, and for resource allocation and co-ordination among government agencies.

To be successful, this policy needs to be owned and promoted by the Government and to obtain the active support and collaboration of the “*whole of government*” departments and agencies, in particular the independent agency responsible for regulation of gambling. The policy also needs the support and participation of non-governmental organizations, including local and voluntary groups, service providers, individuals, employer and industry groups, and the community at large. It is hoped that, by establishing a framework and a direction, this policy will assist them to participate in a coherent and comprehensive Government-led approach to minimising gambling-related harm. The policy is intended to reinforce and further develop strong inter-sectoral linkages at both a national and local level.

Given the requirement for wide-reaching participation across many sectors, in particular in the health, education, social policy and criminal justice areas, it seems appropriate that ownership and monitoring of the policy and its implementation reside with the Health and Social Policy Cabinet Committee chaired by the Hon. Steve Maharey. Ownership by the Health and Social Policy Cabinet Committee will ensure a “*whole of government*” approach and increase the effectiveness of the policy.

## RECOMMENDATIONS

**Our long-term vision is of a society that is healthy, well adjusted, informed, and chooses to gamble responsibly in a way that is sustainable for the community. Gambling blends into the social and cultural context of society at levels that are safe for the individual, their family and the community.**

Development of a well-defined National Policy on Responsible Gambling within a comprehensive regulatory framework will enable Government to manage gambling in a sustainable manner, to minimize the harm from problem gambling, and to promote responsible gambling among New Zealand communities.

It is our belief that our vision of responsible, sustainable gambling can be achieved through a balanced combination of treatment, harm minimisation and health promotion strategies. Together these will regulate the supply, moderate consumer demand, and limit the problems associated with gambling.

In order to attain the vision it is recommended that:

1. Government places a freeze on any further expansion of gambling until we have satisfactory policy and appropriate legislation in place. This means an indefinite moratorium on any further gambling products, including casinos, additional gambling machines and any new forms of gambling, including Internet and interactive television gambling.
2. Government commissions appropriate studies that validly measure the social and economic impacts of gambling and problem gambling. We determine what is a sustainable level of gambling in New Zealand.
3. Government commissions investigation of legislative and policy “*best practice*” models for responsible and sustainable gambling in Australia, North America, Britain and Europe.
4. Government develops a responsible gambling policy (incorporating treatment, harm minimisation and health promotion) that will result in responsible gambling that is sustainable for New Zealand. This approach will provide:
  - Treatment and rehabilitation based upon “*best practice*” for people already experiencing gambling problems
  - Harm minimisation protection measures for those groups who are vulnerable or at immediate risk of developing gambling problems
  - Health promotion initiatives that contribute to healthy communities and development of responsible gambling appropriate for each community.
5. Government develops legislation and regulations covering all forms of gambling within an all-encompassing framework designed to encourage responsible gambling in all modes and venues where gambling occurs.
6. Government establishes an independent Gambling Commission to oversee regulation across all gambling modes with principal operating criteria of consumer protection and the public interest.<sup>4</sup>

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<sup>4</sup> The increasing importance of gambling in New Zealand may justify the appointment of a “*Minister of Gaming*” with responsibility for all aspects of gambling in New Zealand.

7. Government co-ordinates inter-sectorial strategies across a range of government departments, gambling providers and treatment service providers, local authority and community groups. Foremost among government departments to be involved in developing initiatives will be:
  - Health
  - Internal Affairs
  - Social Services
  - Corrections
  - Consumer Affairs
  - Education
  - Gambling Commission (to be established)
8. Government establishes on-line monitoring of gaming machines to ensure proceeds are channelled into legitimate community and government bodies as specified in legislation.
9. Government provides for monitoring and periodic review of responsible gambling policy implementation and its effectiveness.
10. Government sponsors research and evaluation program relevant to problem gambling and responsible gambling policy.
11. Government imposes an additional tax on the gambling industry to cover all costs of addressing harm from gambling
12. A duty of care to consumers on the part of gambling providers is enshrined in statute.
13. All gambling providers are required to implement host responsibility and problem gambling prevention practices, which minimise the harm to problem gamblers and their families/whanau.
14. Gaming venues are re-designed to be safer for gamblers, with for example clocks and natural lighting to denote passage of time and prohibition of ATMs, cheques cashing, or credit facilities.
15. Gaming products are modified to be safer for gambler, with for example gaming machines having a limitation on rate of loss with prohibition of bill acceptors, linked jackpots and large cash payouts.
16. Readily understandable product information explaining how the game works, the odds of winning, and the cost of playing are displayed clearly on all gaming products.
17. The legislative code ensures that advertising and promotion of gambling is neither misleading nor exploitative. All advertising contains a warning about the risk of harm from gambling.
18. The public and gambling consumers are well informed about true costs of gambling and the risks of problem gambling through government-sponsored, population-based public health information campaigns, targeted awareness programs for high-risk groups, and educational programs.
19. Public and consumers are encouraged to have input into decisions about local gambling provision and into distribution of community benefit funds through public consultation, surveys and local authority input.

20. Local communities are empowered in making decisions about the extent and nature of gambling to be made available.
21. Local communities are empowered in determining how and where profits from gambling in their community are applied to community causes.
22. Nationwide high quality treatment services are available for problem gamblers and their families at no charge.
23. Gambling issues are integrated into health and social policies and their related services

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