

# Gambling in New Zealand

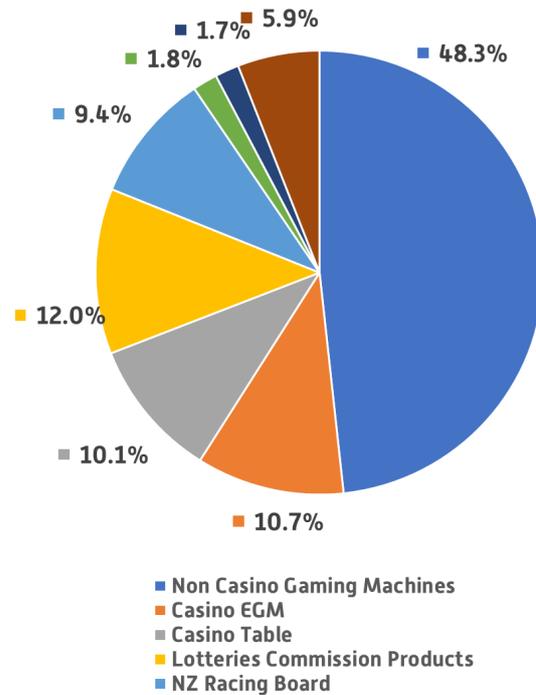
## New Zealand's gambling outlook

The amount spent on all forms of gambling in New Zealand in the 2017/18 financial year was \$2.383 billion. This is \$49 million more than 2016/17, continuing a trend of increases since 2009/10.<sup>1</sup>

The National Gambling Study (NGS) found 75% of the adult population take part in at least one form of gambling annually, with Lotto (56%), raffles or lotteries (45%), and Instant Kiwi or other scratch tickets (30%) being the most common forms.<sup>2</sup>

However, Electronic Gaming Machines (EGMs) known as 'pokies', cause the most harm. Pokies are licenced to operate in casinos as well as in pubs and clubs (for charitable purposes only) in the community. Non-casino pokies account for almost 50% of people who seek help about their gambling; adding casino pokies takes this figure to 60%.<sup>3</sup>

PRIMARY GAMBLING MODE FOR CLIENTS 2017/18



### Why are pokies so harmful?

#### Design/Location/Funding

Non-casino pokies make up 37.5% of gambling losses, costing New Zealanders \$895 million in the financial year 2017/18.

Pokies give players unrealistic impressions of their odds of winning, confuse people about how much money they have lost, and encourage sustained periods of gambling – often in the hope of recovering losses.

Pokies can be played at various betting amounts, when played at high intensity it is easy to lose \$1,500 an hour.<sup>4</sup>

**There are five times as many pokies in the most deprived areas of New Zealand as the least deprived areas.**

**Over 50% of pokie losses are generated by venues located in areas with the highest average deciles of deprivation.<sup>5</sup>**

Over \$300 million a year from non-casino pokies is distributed in funding, however this return was only 43.5% of the loss in 2018, and there are questions around the integrity of this funding model:

*“Gambling tends to be more prevalent in lower income households and, the concentration of gambling venues tends to be higher in areas of high deprivation.*

*This means that gambling taxation and redistribution to community purposes tends to be regressive, i.e., placing a higher burden on the less-well-off. Some organisations take an ethical stance to not receive funds from gambling*

## The outcomes of gambling

The latest NGS estimates 2% of NZ adults could be problem or moderate-risk gamblers<sup>7</sup> and every problem gambler, on average, affects six other people.<sup>8</sup>

Gambling problems inflict harm on partners, children, parents, siblings and grandparents, and there is consistent evidence linking harmful gambling and family violence.<sup>9</sup>

There are six main harms associated with gambling in NZ:

- Decreased health
- Emotional or psychological distress
- Financial harm
- Reduced performance at work or education
- Relationship disruption, conflict or breakdown
- Criminal activity<sup>10</sup>

These harms have a wide-ranging effect on communities and the country as a whole, a 2017 report prepared for the Ministry of Health found that:

*“gambling causes over twice the amount of harm than chronic conditions such as osteoarthritis (2.1x) and diabetes (2.5x), and three times the amount of harm from drug use disorders.”<sup>11</sup>*

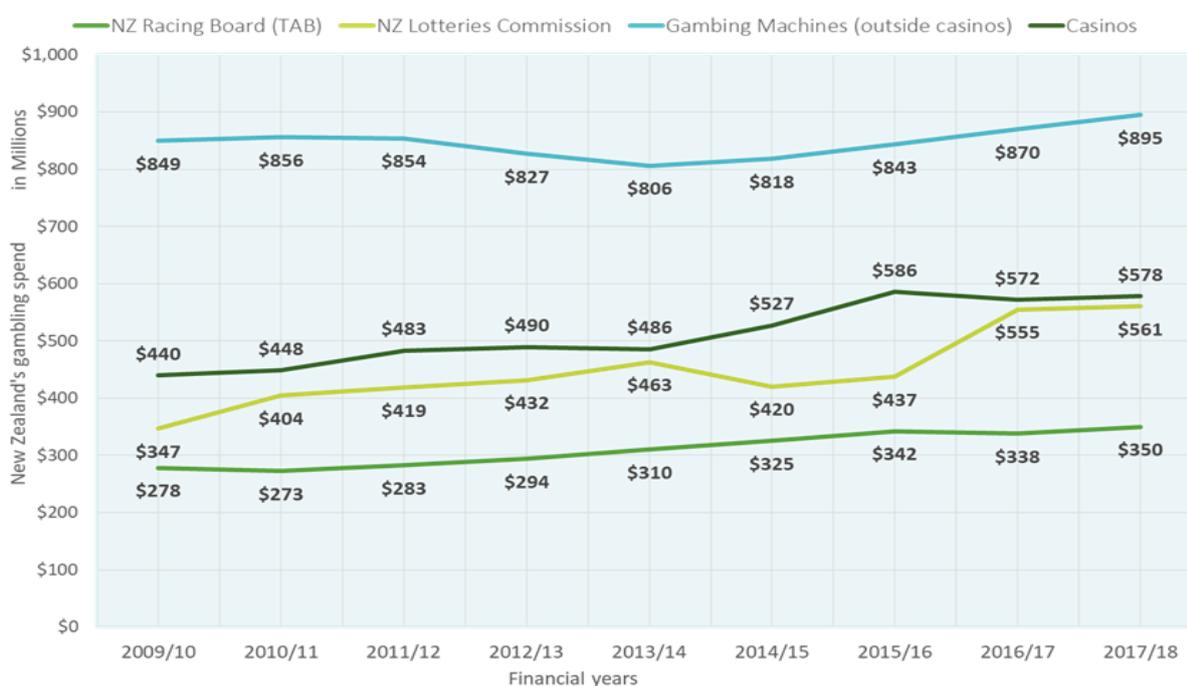
## The accessibility of gambling in New Zealand in 2019

1,094 class 4 gambling venues • 15,007 non-casino pokies  
6 casinos • 239 casino gambling tables • 3,056 casino pokie machines

## The cost of gambling in New Zealand

\$2.383 billion was lost to gambling in 2017/18,  
that's \$6.5 million per day, with \$2.45 million lost **a day** on non-casino pokies.

### GAMBLING EXPENDITURE IN NEW ZEALAND 2009/10–2017/18



Based on data from the Department of Internal Affairs. Years indicate end of financial year.

<sup>1</sup> Department of Internal Affairs. (2019). *Gambling expenditure statistics*. Retrieved from [www.dia.govt.nz/diawebsite.nsf/wpg\\_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics)

<sup>2</sup> Abbott, M., Bellringer, M., & Garrett, N. (2018). *New Zealand National Gambling Study: Wave 4 (2015). Report number 6*. Auckland: Auckland University of Technology, Gambling and Addictions Research Centre.

<sup>3</sup> Ministry of Health Manatū Hauora. (2019). *Intervention client data*. Retrieved from [www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/intervention-client-data](http://www.health.govt.nz/our-work/mental-health-and-addictions/problem-gambling/service-user-data/intervention-client-data)

<sup>4</sup> Productivity Commission 2010, *Gambling*, Report no. 50, Canberra.

<sup>5</sup> Allen & Clarke. (2015). *Informing the 2015 Gambling Harm Needs Assessment*. Report for the Ministry of Health, Wellington: Allen & Clarke Policy and Regulatory Specialists Ltd.

<sup>6</sup> Sapere Research Group. (2018). *Gambling Harm Reduction Needs Assessment*. Wellington: Ministry of Health.

<sup>7</sup> Abbott, M., Bellringer, M., & Garrett, N. (2018). *New Zealand National Gambling Study: Wave 4 (2015). Report number 6*.

<sup>8</sup> Goodwin, B., Browne, M., Rockloff, M. & Rose, J. (2017). A typical problem gambler affects six others, *International Gambling Studies*, 17:2, 276-289, DOI: 10.1080/14459795.2017.1331252

<sup>9</sup> Dowling, N. (2014). *The impact of gambling problems on families* (AGRC Discussion Paper No. 1). Melbourne: Australian Gambling Research Centre.

<sup>10</sup> Central Queensland University and Auckland University of Technology. (2017). *Measuring the Burden of Gambling Harm in New Zealand*. Wellington: Ministry of Health.

<sup>11</sup> As above.

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