Auckland Regional Public Health Service
Rātonga Haurora ā Iwi o Tamaki Makaurau

Working with the people of Auckland, Waitemata and Counties Manukau

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Commerce Committee
Parliament Buildings
Wellington 6160

Submission on the New Zealand International Convention Centre Bill

Thank you for the opportunity for the Auckland Regional Public Health Service (ARPHS) to provide a submission on the New Zealand International Convention Centre Bill.

The following submission represents the views of the Auckland Regional Public Health Service and does not necessarily reflect the views of the three District Health Boards it serves. Please refer to Appendix 1 for more information on ARPHS. Throughout this document where the term 'we' or 'our' has been used it is referring to ARPHS.

We understand that all submissions will be available under the Standing Orders for the House of Representatives.

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Yours sincerely,

Dr William Rainger
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1. Thank you for the opportunity to provide feedback on the New Zealand International Convention Centre Bill.

2. ARPHS has concerns some clauses in the Bill are likely to increase gambling opportunities and gambling related harm, worsening public health in the Auckland region. These concerns focus on the social, economic and public health issues that are associated with gaming machines, with particular regards to the impacts on Māori public health in the Auckland region. ARPHS expresses its support for the submission lodged by Hapai Te Hauora Tapui.

ARPHS recommendations on the New Zealand International Convention Centre Bill

3. ARPHS would like to see the maintenance of both section 11 of the Gambling Act 2003, which prevents an increase in Casino gambling, and maintaining the current territorial policy regarding a sinking lid on electronic coin operated gaming machines (EGMs) which are also known as 'pokie' machines in the Auckland Region. ARPHS does not support any measures that may lead to an increase in gambling related harm.

4. ARPHS also does not support any other measures in the Bill that may also result in an increase in problem gambling, including:
   - We do not support increasing the numbers of gaming machines (including single terminal gaming machines, automated table gaming machines and other gaming tables at the discretion of the operator).
   - Increasing the maximum allowable denominations for payment from $20 to $100 in some areas.
   - Increasing the licensing period for the Casino to 2048, which would exclude the usual processes for submissions from the community as well as the harm minimisation assessment and reporting associated with the usual, shorter, licensing terms and renewal procedures.
   - The proposal to use cashless card based technology to pay for gambling and the use of TITO (ticket in ticket out) technology for gaming machines. Research has indicated that gambling is more likely where gamblers do not have to interact with staff, and therefore is likely to further increase problem gambling[1].

5. ARPHS recommends that there should be no further increases in the allowable numbers of gaming machines and other measures that encourage gambling (as outlined above), with particular reference to the disproportionate impacts of gambling related harm on Maori. ARPHS has a memorandum of understanding (MOU) with Hapai Te Hauora Tapui to improve Maori health outcomes and through supporting the principles of the Treaty of Waitangi.

6. ARPHS also supports community led participation in decisions that affect public health, particularly with a view to reducing health inequalities as outlined in the World Health Organization Ottawa Charter. We therefore recommend that licensing period for the Casino not be increased to 2048, in order to maintain current community consultation conventions.

7. ARPHS recommends that the New Zealand Productivity Commission undertake a comprehensive report into the potential public health and social harms arising from this problem gambling.

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[1] Thomas. J., Mora. K., Rive. G. (2010). An Investigation of the Influence of Gambling Venue Characteristics on Gamblers' Behaviour. Opus International Consultants Limited. Pages 9-10.

Electronic gaming machines and problem gambling

8. While harm from many forms of gambling occurs in New Zealand, EGMs contribute the most gambling related harm. New Zealand research indicates that EGMs are by far, the most common source of gambling related harm. In 2011, the majority (82%) of calls to the Gambling Helpline were related to EGMS (casino and non casino)[2]. The expenditure by problem gamblers on EGMs is also very high, with problem gamblers contributing to about 20% of EGM expenditure[3].

Health impacts associated with problem gambling

9. The New Zealand Health Survey looked into the health issues associated with problem gambling[4]. In total, 1 in 58 adults (1.7%, or 54,000 adults) were experiencing either problem or moderate-risk gambling[5].

10. People living in more socioeconomically deprived areas are more affected by gambling-related harm.

Key findings of this study of the health effects of problem gambling

11. People experiencing gambling problems are more likely than other people to[6]:
    - Be current smokers (around 64% of problem gamblers smoke)[7].
    - Have hazardous drinking patterns (around 60% of problem gamblers have problems with alcohol use)[8].
    - Have worse self-rated health.
    - Psychological issues:
        - Have a high or very high probability of a mood or anxiety disorder. This has associated risks such as relationship breakdown, performance at school or work, care of dependants, self harm and suicide.
        - Around 48% of problem gamblers suffer from depression[9].

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[2] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University. Page 6.
[3] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University. Pg. 26.
[4] http://www.health.govt.nz/publication/focus-problem-gambling-results-2006-07-new-zealand-health-survey
[5] http://www.health.govt.nz/publication/focus-problem-gambling-results-2006-07-new-zealand-health-survey
[6] http://www.health.govt.nz/publication/focus-problem-gambling-results-2006-07-new-zealand-health-survey
[7] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University.
[8] Ibid.
[9] Ibid. Page 34.

Social and economic issues associated with problem gambling

12. Serious social issues are also associated with gambling affect individuals, wider society and families. These include[10]:
    - Neglect of children/elderly care giving responsibilities (due to time spent gambling).
    - Work related issues.
    - Educational attendance.
    - Crime (such as theft and violence)[11].
        - Increased family/domestic violence[12].
        - Crime associated with gambling venues (e.g. money laundering).
        - Theft to facilitate gambling (theft). Around 70% of problem gamblers admitted to 'borrowing money without permission (technically stealing) to finance their gambling[13].
        - Crime to finance a gambling habit (including drug running[14]).
        - Currently around 25% of male inmates in prison, and 33% of female prison inmates in New Zealand prisons had gambling problems[15].

    - Financial impacts, including poverty. Issues such as essential bills being unpaid, accumulated debts and the lack of money for basic necessities affect both the gambler and other family members[16]. The lack of disposable income impacts on the ability to pay for necessities, such as food. There is for example, around 30% of food bank users are by problem gamblers and those affected by problem gambling[17].

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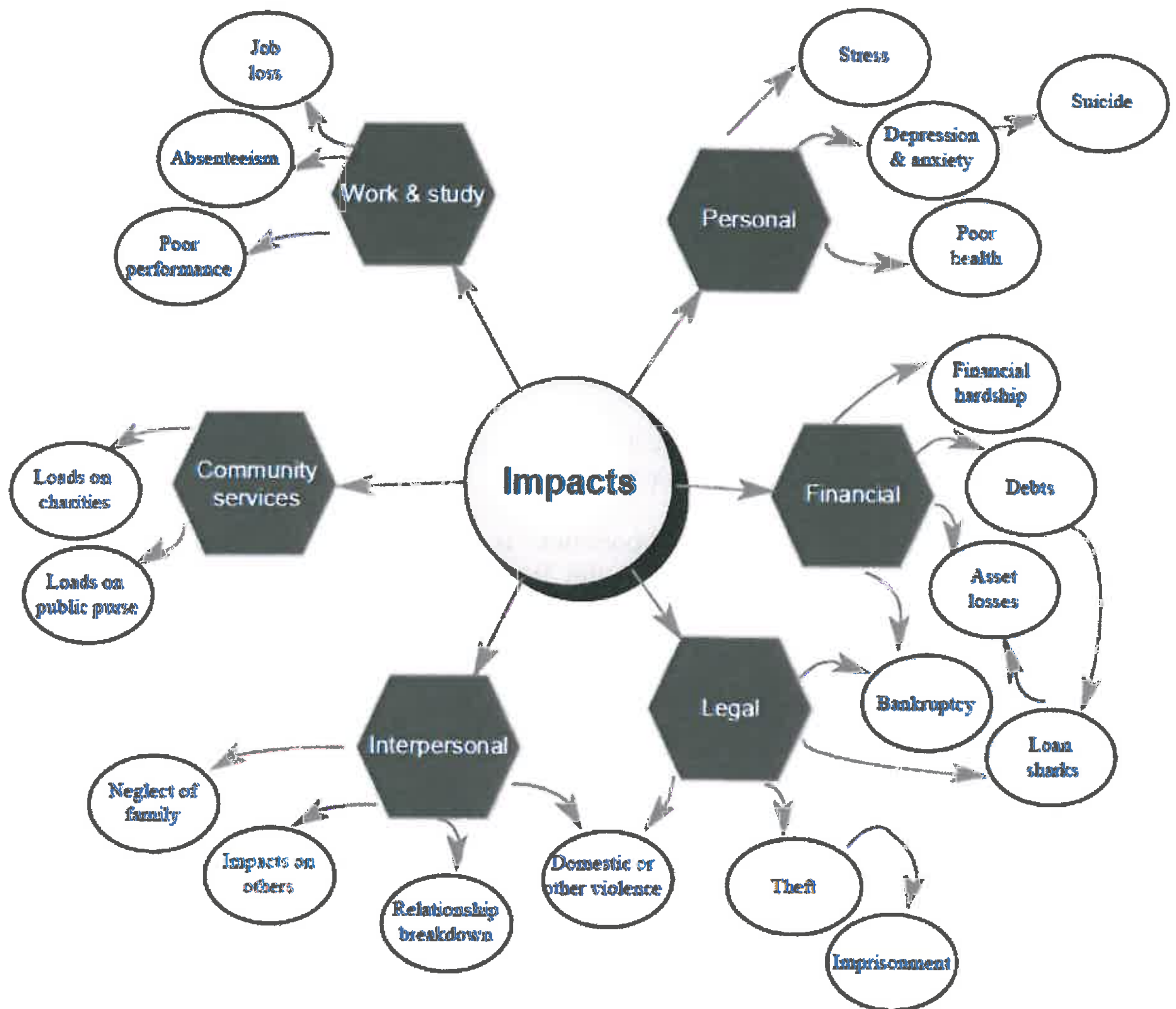
[10] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University.
[11] Ibid. Page 7.
[12] Ibid. Page 32.
[13] Ibid. Page 31.
[14] Ibid. Page 31.
[15] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University.. Page 32.
[16] Health Sponsorship Council (2007). *2006/2007 Gaming and Betting activities Survey: New Zealanders Knowledge, views and experience of gambling and gambling related-harm.* Auckland.
[17] Ibid.

Figure 1 Impacts of problem gambling on individuals and society[18].



[18] Productivity Commission (2010). Australia's gambling industries. Report No.10. Canberra: Ausinfo.

Problem gambling and poverty

13. Poverty is defined by the New Zealand Poverty Measurement Project[19] as follows:

    'Poverty is a lack of access to sufficient economic and social resources that would allow a minimum adequate standard of living and participation in that society.' [20]

14. The summary results of the New Zealand Poverty Measurement Project[21] 'Assessing the Progress on Poverty Reduction' outlined the impacts of housing cost on the rate of poverty in New Zealand. Poverty, by definition, impacts on the ability of individuals to meet costs[22] necessary to maintain good health. These include:
    - Nutritious food[23].
    - Appropriate housing.
    - Home heating – a lack of adequate access to home heating is also known as fuel poverty. This was found to be an issue for about 6-8% of the population of Auckland in 2001[24].
    - Medical care, including visits to doctors, dentists and prescription charges[25].
    - Adequate clothing[26].

15. Poverty is of significant importance to public health outcomes. Poverty, by definition, is where the ability to pay for the basic necessities needed to maintain good health is compromised.

16. A 2007 study found that 16% of households had experienced financial strain due to their or someone else's gambling[27]. Where a problem gambler is a parent, children are more likely to experience financial strain and poverty, family violence and neglect[28].

17. Where incomes are limited, for example, people on low incomes or beneficiaries, financial strain is more likely to result in negative health outcomes for both individuals and their families. A higher proportion low income people become problem gamblers[29].

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[19] http://www.msi.govt.nz/update-me/who-got-funded/show/288352
[20] Assessing the progress on poverty reduction. (2003). Waldegrave.C., Stephens. R., King. Peter., *Social Policy Journal of New Zealand.* Issue 20.
[21] Ibid.
[22] Ibid.
[23] Perry, B. (2012) Household Incomes in New Zealand: Trends in Indicators of Inequality and Hardship 1982 to 2011. Ministry of Social Development, Wellington.
[24] Fuel Poverty in New Zealand (2001). Lloyd. B. University of Otago. http://www.msd.govt.nz/about-msd-and-our-work/publications-resources/journals-and-magazines/social-policy-journal/spj27/fuel-poverty-on-new-zealand-27-pages142-155.html
[25] Assessing the progress on poverty reduction. (2003). Waldegrave.C., Stephens. R., King. Peter., *Social Policy Journal of New Zealand.* Issue 20.
[26] Perry, B. (2012) Household Incomes in New Zealand: Trends in Indicators of Inequality and Hardship 1982 to 2011. Ministry of Social Development, Wellington.
[27] Health Sponsorship Council (2007). *2006/2007 Gaming and Betting activities Survey: New Zealanders Knowledge, views and experience of gambling and gambling related-harm.* Auckland.
[28] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University.
[29] Ibid.

Gambling and sickness and unemployment beneficiaries

18. A study of gaming machine users found that a significant proportion of users in this study (13%) were beneficiaries (either unemployed or sickness beneficiaries)[30]. Benefits are not designed to provide leeway for any non essential spending, such as gambling.

19. Despite the low level of income of both sickness and unemployment beneficiaries, the average level of expenditure on gambling for beneficiaries in New Zealand is higher than the average for other New Zealanders[31].

20. Measures to reduce spending on gambling by beneficiaries may provide a targeted way to reduce the risk of problem gambling, and poverty for those on beneficiary incomes. As well as the risk of poverty related illness for individuals and whanau.

Poverty related illness

21. Poverty is closely linked with a number of communicable diseases, including Rheumatic fever[32]. Poverty related illnesses such as Rheumatic fever are often related to an ability to access primary care, with cost being the major obstacle to access[33]. Poverty related illnesses are also associated with an inability to pay for prescription costs[34,35].

22. Of concern is evidence of an increasing unmet need for primary health care[36,37].
    - In 2006, the reported unmet need for primary health care in children sat at 4% over a 12 month period. In 2011, this unmet need for primary health care sat at 20%. That is, 180,000 New Zealand children could not access care when they needed it. This unmet need was five times higher in children living in NZ's most deprived areas (vs those living in the least deprived areas).
    - The proportion of children for whom a prescription was not collected due to cost also increased from 1% to 7% between 2006 and 2011.

23. Poverty can be a significant barrier to accessing primary healthcare, including general practitioner visits, prescriptions, and dental care.[38] In New Zealand every year, nearly 20,000 children under 5 years old have an emergency department or hospital admission for a medical condition that is potentially preventable by timely access to primary healthcare (ambulatory sensitive).

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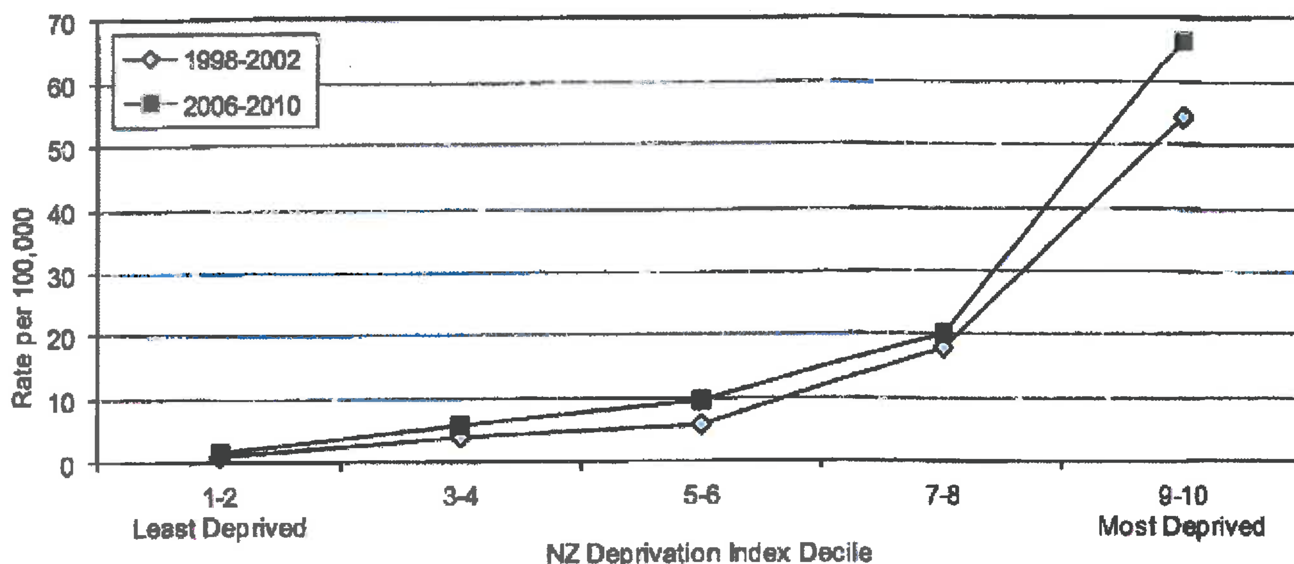
[30] Thomas. J., Mora. K., Rive. G. (2010). An Investigation of the Influence of Gambling Venue Characteristics on Gamblers' Behaviour. Opus International Consultants Limited. Page 34.
[31] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University. Page 18.
[32] Craig. E., Adams. J., Oben. G., Reddington. A. (2011) *The Health Status of Children and Young People in the Northern and District Health Boards.* New Zealand Child and Youth Epidemiology Service.
[33] Ministry of Health (2012). 'Barriers to Accessing Health Care'. *2011/2012 NZ Health Survey.* Pg.95.
[34] 2011/2012 NZ Health Survey. www.health.govt.nz/publication/health-new-zealand-children-2011-2012
[35] Ministry of Health (2008). *A portrait of health: Key Results of the 2006/2007 New Zealand Health Survey.* Wellington.
[36] 2011/2012 NZ Health Survey. http://www.health.govt.nz/publication/health-new-zealand-children-2011-12
[37] Ministry of Health. *A Portrait of Health: Key Results of the 2006/07 New Zealand Health Survey.* Wellington: Ministry of Health; 2008.
[38] The Health Status of Children and Young People in New Zealand (2013). Craig. E., Adams. J., Oben. G., Reddington. A. NZ Child and Youth Epidemiology Service.

24. The risk of such an admission is nearly three times higher in children living in New Zealand's most deprived areas. These types of hospital admission include serious illnesses such as acute rheumatic fever (preventable by antibiotic treatment of a sore throat), pneumonia and other serious lung conditions, severe tooth decay, and vaccine preventable infections.

Figure 2, Acute Rheumatic fever in Children Aged 5-14 years by New Zealand Deprivation Index, Auckland Region, 1998-2002 and 2006-2010[39].



Note: Excludes children presenting with chorea alone and recurrent cases. NZ Deprivation Index deciles are for 2006 and at census area unit level.

The potential impact of gambling related harms on the ability to meet 'Better Public Service targets'

25. Gambling related harms associated with an increase in problem gambling including poverty and poverty related illnesses may undermine the likelihood of achieving the government's high level 'Better Public Service' goals[40] that include:
    - Reducing the incidence of Rheumatic fever.
    - Increasing infant immunisation rates.
    - Increasing the participation in early childhood education.
    - Reducing the number of assaults on children.

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[39] Jackson. C., Lennon. D. (2011). Rheumatic fever in the Auckland region 1998-2010: Data from the Auckland Rheumatic fever register. Paediatric Infectious Diseases Starship Children's hospital, and Regional Public Health Service, Auckland. 2011.

[40] Ministry of Health. 'Better Public Services' Accessed from: http://www.health.govt.nz/about-ministry/strategic-direction/better-public-services

Māori health and problem gambling

26. The findings of a study into gambling related harm found that Māori and Pacific people are more likely to experience more gambling-related harm than other people[41] Māori are four times more likely to be problem gamblers than non-Māori[42]. For Māori, as well as the other social and health impacts of problem gambling, there were also difficulties with whanau values, such as mana and spirituality, stemming from a lack of participation in family responsibilities/care giving due to the amount of time and money spent on gambling. Māori and Pacific are also under-represented in intervention services[43].

27. ARPHS notes the disproportionate impacts of problem gambling on Māori. Due to the impact of problem gambling on health outcomes, this is of concern, as ARPHS has particular obligations to improve Māori Health outcomes. ARPHS supports the principles of the Treaty of Waitangi partnership with the crown and has signed a memorandum of understanding (MOU) with Hapai Te Hauora Tapui to improve Māori health outcomes within the Auckland region.

Pacific and Asian people and problem gambling.

28. Research on problem gambling has indicated a much higher incidence for Pacific people are between four[44] and six times[45] as likely to be problem gamblers than other ethnic groups. Asian researchers have found that Asian people have a higher incidence of problem gambling than the general population[46,47].

Gaming machine addiction and the inherently addictive nature of coin operated slot machines.

29. Research has also indicated that electronic gaming machines are designed to be addictive in nature[48], therefore increasing the numbers of electronic gaming machines increases the likelihood of creating greater numbers of problem gamblers.

30. Gaming machines are designed in order to gain the maximum amount of profit from gaming machine users. This has been achieved through extensive market research, focus groups of target gaming machine users.

31. Importantly, the use of player tracking, has been a significant part of tailoring machines to gain additional revenue from users. It is also a factor in creating new higher user gamblers

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[41] http://www.health.govt.nz/publication/focus-problem-gambling-results-2006-07-new-zealand-health-survey
[42] Abbott. M., Volberg. R. (2000). Taking the Pulse on Gambling and Problem Gambling in New Zealand: Phase One of the 1999 National Prevalence Survey: Report number three of the New Zealand Gaming Survey. Wellington: Department of Internal Affairs.
[43] http://www.health.govt.nz/publication/focus-problem-gambling-results-2006-07-new-zealand-health-survey
[44] http://www.health.govt.nz/publication/focus-problem-gambling-results-2006-07-new-zealand-health-survey
[45] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University. Pg. 53.
[46] Thorne. H., Bellringer. M., Abbott. M., Landon. J. (2012). Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland. Gambling and Addictions Research Centre. AUT University. Pg. 55.
[47] Chu. K., Wong. J. (2002). Asian Gambling Survey. Auckland: Asian Services, Problem Gambling Foundation of New Zealand.
[48] Dow Schull. N. (2012). Addiction by Design: machine gambling in Las Vegas. Princeton University Press.

that were previously 'low stakes' players. Machines are designed so that the personalised cards from users are used to reward players for spending more.

> *'a central database recorded the value of each bet they made, their wins and losses, the rate at which they pushed slot machine play buttons, when they took breaks, and what drinks and meals they purchased...players now earned points for the amount they wagered over time. In effect, tracking technology brought low stakes "repeat players" into the scopes of casino managers, where formerly only high rollers appeared.'* [49]

32. The design of the machines is such that they are designed to provide rewards at points where the player is likely to leave the machine, or to minimise the sense of loss when gamers lose large amounts of money.

> *'software feeds a players data through an algorithm that calculates how much that player can lose and still feel satisfied, thereby establishing personalized "pain points". When the software senses that a player is approaching the threshold of her pain point it dispatches...rewards such as meal coupons, tickets to shows or gaming vouchers'*[50].

33. The intention of these machines to maximise individual spend on machines is contrary to the expressed intentions of the current Gambling (Gambling Harm Reduction) Amendment Bill. This includes Clause 4 a) of the Bill 'to prevent and minimise the harm caused by gambling, including problem gambling'.

Inequalities and community participation in gaming machine policy

34. ARPHS recognises the disproportionate impacts of gambling related harm on disadvantaged communities, in particular Māori, Pacific and Asian communities. ARPHS notes that there is a particular correlation between areas of high deprivation and the use of electronic gaming machines.

35. ARPHS supports community led participation in decisions that affect public health, particularly with a view to reducing health inequalities as outlined in the World Health Organisation Ottawa Charter. One concern regarding the very long licensing period for the Casino to 2048 outlined in the Bill, is that such a long licensing period would exclude the usual processes for regular submissions from the community, as well as harm minimisation assessment and reporting associated with the usual, shorter licensing terms.

36. The longer licensing term is also contrary to the expressed purpose of the recent Gambling (Gambling Harm Reduction) Amendment Bill. One of the, in Clause 4 (c) of the Bill states that one the main purposes of the Bill is:

> *'to facilitate community involvement in decisions about the provision of gambling.'*

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[49] Dow Schüll. N. (2012). Addiction by Design: machine gambling in Las Vegas. Princeton University Press. Page 145.
[50] Dow Schüll. N. (2012). Addiction by Design: machine gambling in Las Vegas. Princeton University Press. Page 154.

The need for a comprehensive assessment of the impacts of problem gambling in New Zealand

37. ARPHS notes that the Australian Productivity Commission has undertaken previous inquiries into the impacts of gambling associated harm.

38. We would also like to see a comprehensive Productivity Commission report into the potential harms including public health impacts arising from this particular Bill. In particular, we would like to see a full assessment of the impact of any type of gambling on poverty thresholds (as this increases the incidence of poverty related illnesses), as well as the other health related impacts associated with gambling, such as the increased tobacco and alcohol use that is commonly associated with gambling.

Conclusion

39. ARPHS appreciates the opportunity to feedback on the New Zealand International Convention Centre Bill. While we believe that the intent of the Bill; to provide better facilities and to encourage economic growth is well intended, we see the externalities regarding social, economic and public health related costs of increased gambling facilities as issues within the Bill to be revised.

Appendix 1 - Auckland Regional Public Health Service

Auckland Regional Public Health Service (ARPHS) provides public health services for the three district health boards (DHBs) in the Auckland region (Auckland, Counties Manukau and Waitemata District Health Boards), with the primary governance mechanism for the Service resting with Auckland District Health Board.

ARPHS has a statutory obligation under the New Zealand Public Health and Disability Act 2000 to improve, promote and protect the health of people and communities in the Auckland region. The Medical Officer of Health has a delegated enforcement and regulatory role under the Health Act 1956 and other legislative designations to protect the health of the community.

ARPHS' primary role is to improve population health. It actively seeks to influence any initiatives or proposals that may affect population health in the Auckland region to maximise their positive impact and minimise possible negative effects on population health.

The Auckland region faces a number of public health challenges through changing demographics, increasingly diverse communities, increasing incidence of lifestyle-related health conditions such as obesity and type 2 diabetes, outstanding infrastructure needs, the balancing of transport needs, and the reconciliation of urban design and urban intensification issues.