



## CHiLD POVERTY ACTION GROUP

# Submission on the Gambling (Gambling Harm Reduction) Amendment Bill

To the **Government Administration** Committee

## Personal details

**This submission is from:**

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Child Poverty Action Group (Inc) (CPAG) is a non-profit group formed in 1994, and made up of academics, activists, practitioners and supporters. CPAG has a strong education and research role which enables it to contribute to better informed social policy to support children in Aotearoa New Zealand, specifically children who live in poverty.

## Submission

**We oppose the intent of this bill because:**

- If CPAG broadly supports the aim of this Bill to increase transparency of grant-making from the money lost to class 4 gambling, reduce potential conflicts of interest, and improve the transparency surrounding management companies that provide societies with services.
- CPAG strongly disagrees with the measures in the bill that would allow for a commission-based payment model for class 4 venues.
- CPAG submits that the Bill misses an opportunity to strengthen the harm prevention measures of the Gambling Act, and that the legislation could be improved by making

recommendations to reduce the harmfulness of class 4 machines (ex – audio ‘pop up’ messaging, pre-commitment, etc.).

- CPAG largely endorses the submission put forth by the Problem Gambling Foundation.

### **We wish to make the following comments**

CPAG welcomes this review of the Gambling Act 2003, and the chance to revisit the impact of class 4 gaming machines (‘pokies’) and venues.

CPAG takes interest in legislation that affects gambling, and especially class 4 gambling, which is the form of gambling most people seek help for. Gambling harm has significant negative impacts on children, and a disproportionate impact on children in low-income households or living in low-income areas.

For the most part, this bill does not examine gambling harm and focuses instead on the administration of venues and class 4 gambling expenditure. While most of these measures seem to prompt much-awaited reforms in transparency and accountability, we have major reservations about some aspects of the bill, particularly those aspects making provision for a commission-based payment system for class 4 venues.

## Clause 4

CPAG supports the new ‘key person’ definition as a step in reducing conflicts of interest.

## Clause 6

CPAG opposes the incorporation of any words that would allow for a commission- based system to be put into place. Thus, CPAG also opposes the new section 371 (1) (db), and also clauses 8-10, 13, and 18).

## Clause 7

CPAG opposes venue licenses being extended to include a 3-year option in addition to the current 18-month option. CPAG could perhaps support this measure in theory, but given the realities of abysmal host-responsibility practices at class 4 venues, exhibited in the Department of Internal Affairs’ recent “secret shopper” study, CPAG is not convinced any venues would be qualified for an extended license. The same applies to clause 9.

## Clause 11

CPAG supports the additional publication requirements (including potential conflict of interest).

## Clause 12

CPAG’s experience with publications of grants data has included exposure to multi-page newspaper advertising costing in excess of \$100,000. For this reason, CPAG is supportive of the removal of the obligation to publish in a newspaper, and would also be supportive of a further change that would ban newspaper publication. CPAG also supports the requirement for societies to publish data in a consistent format better suited for analysis.

## Clause 14

CPAG supports the Secretary being empowered to limit or exclude operating costs.

## Clause 15

CPAG supports the Secretary being empowered to investigate and audit management services; CPAG understands that the inability to do so has resulted in questionable practices.

## Clause 16

CPAG support the additions to this section, which strengthen the Act's ability to forbid receipt of gifts/benefits, particularly between class 4 venue license holders, operators, and key people.