

CHILD POVERTY ACTION GROUP INC.

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**SUBMISSION TO:
GAMING REVIEW TEAM
POLICY GROUP
DEPT INTERNAL AFFAIRS**

Child Poverty Action Group Inc was formed in 1994 to contribute to the available information and evidence about the causes and effects of poverty among children, young people and their families in Aotearoa-New Zealand. CPAG aims to widen the debate on solutions, with special emphasis on the contribution government policies can make to reduce poverty.

Child Poverty Action Group Inc applauds the Government's initiative to undertake a review of gaming, to overhaul existing legislation and develop better policies for the regulation of gaming in Aotearoa-New Zealand and welcomes this opportunity to make a submission. WE ALSO WISH TO BE HEARD ORALLY.

GENERAL.

- ◆ CPAG CONSIDERS THAT THE USE OF THE WORD *GAMING* IS A EUPHEMISM FOR *GAMBLING* AND THAT THE TWO WORDS ARE NOT INTERCHANGEABLE.
IN OUR SUBMISSION ONLY THE WORD *GAMBLING* WILL BE USED.

- ◆ Recently CPAG published a book entitled "Our Children – the priority for policy" enclosed with posted submission. In it, the disturbing fact was noted that "in official data, in formal statistics, and in policymaking of all kinds, children are remarkably invisible".
- ◆ The group is concerned that while children themselves cannot participate in gambling activities they are inevitably affected by the behaviour of adult caregivers who do engage in gambling.

- ◆ CPAG is alarmed that the money expended on gambling activities \$8.4 billion exceeds that of the total health budget \$7.3 and questions if these figures reflect the priorities of New Zealanders.

2.2 *Role of Gaming*

CPAG considers that gambling should be regulated from a community health perspective. The overriding principle must be to maximise the health of and minimise the harm to, the community. The generation of funds for community organisations or for entertainment or for local economic development must be secondary concerns.

2.3 *Role of Technology*

CPAG believes that the New Zealand should follow the Australian example and impose a one year moratorium on licences for Internet-based gambling in NZ while research is conducted into the possibility of preventing Internet-based gambling and interactive TV gambling.

2.4 *Particular Risks of Gambling*

GAMBLING IS QUALITATIVELY DIFFERENT TO OTHER FORMS OF ENTERTAINMENT AND MUST BE REGULATED.

Like other behaviours, which produce addictions, gambling can have harmful social consequences. Children are the most vulnerable family members affected and they must be protected from the injurious behaviour of caregivers who become addicted to gambling. It is imperative that the rights of children are balanced with the freedom of adults to be entertained.

It is noteworthy that recent studies on male [30%] & female [40%] prisoners, people who have been unable to conform to societal norms, demonstrate not only a high level of significant gambling problems but also co-addictions. Of the number of people seeking help through the Gambling Problem Helpline in 2000 48% of new callers were women- the adults most likely to be the primary caregivers to children.

2.6 *Managing Risk of Problem Gambling*

Figures quoted by the Problem Gambling Committee to 1999 show that people seeking help for problem gambling have doubled since 1997 and most of these people had very severe gambling-related problems.

It is of particular concern to CPAG that the social costs of the problem gamblers are borne by third parties, especially children and although the proportions of problem gamblers may be low, the impact on the people around them is profound and enduring.

Quote from Fancourt.... quoted in Our Children..

“ The development and organisation of the brain are directed by the day to day experiences of babies, infants and toddlers. Neglect of their needs is frequent in impoverished homes with this neglect seen in the failure of the brain to make vital connections and to form the pathways between the brain cells that are essential for communication. The myriad of disorders and disabilities seen later in adolescence and adulthood are already too expensive for the country to control or contain. For the nation there is more than this, as research and studies from many disciplines have recently shown that the physical and mental health of a population, its well-being, coping and competency skills is accurately indicated by the slope of the line between the most wealthy and the poorest.

A very steep slope, as New Zealand has acquired over the past 16 years, means the social and economic advantages for all levels of the community are affected, although it is seen at its worst in the lowest socio-economic level.

The challenges and opportunities presented by the disastrous effects of poverty on children need to be understood by the public and acted on by politicians and the powerful if the measures of our continuing slip of indicators of child care amongst industrialised countries is to stop and if the health and the wealth of this nation are to return. (Refer Fancourt, 2000)

Statistics relating to children are difficult to locate, and there are still many uncertainties in the poverty research of the last 25 years [*2, *3] but one result has persisted - children appear disproportionately among the poorest households. It is therefore of great concern to CPAG that recent evidence from Australia shows that 70% of money gambled there is by people earning less than A\$30,000 i.e. the impact of problem gamblers is greatest on the children of the poor. Further, the harm, which is caused by poverty, is magnified by the ways in which it intersects with all other aspects of the lives of children.

From OUR CHILDREN...

One of the strongest features of poverty is its pervasiveness. Housing, health, education, family relationships, peer relationships and recreational experiences are all significantly influenced by the experience of a period of poverty. Children have only one chance. Their growing experiences shape them for the rest of their lives. For example, the denial of educational opportunities because of poverty results in constrained employment options. Poor health as a result of impoverished living conditions leads to poor health as an adult, with the associated poverty that too often accompanies this. Because children have only one opportunity and because they are reliant on how well the society provides for them, there is a shared responsibility for ensuring that as a society, and a state, we provide all children with the best possible opportunities to develop and thrive.

Particular groups are at risk

Particular groups may appear more at risk of poverty. Globally, there is an association between minority populations and poverty, and this trend is evident in New Zealand. Maori children, Pacific children, Asian children, children in sole parent families, children without a parent in paid work, children in families of three or more children, children with a disability, and children of refugees are all over-represented in the poverty data.

CPAG

Figures on median income (table below) show that Asian Women, Pacific Island women and Maori women have personal gross incomes below the median for all women, which in turn is well below the median for all men. These groups, already poor and often with child responsibilities are most vulnerable.

Children may be ranked by household equivalised income. According to Statistics New Zealand in 1996, 13% of children of solely European descent were in the lowest income quintile of children, in contrast to 34% of Maori children, 34% of Pacific children and 28% of Asian children (Statistics New Zealand, Children New Zealand Now 1999).

Real median Personal Incomes by Gender and Ethnicity

	Annual Income 1996	Percentage of European men's incomes
European women	\$13,100	54.8
European men	\$23,900	100
Maori women	\$11,200	46.9
Maori men	\$16,100	67.4
Pacific Islands women	\$10,800	45.1
Pacific Islands men	\$15,300	64
Asian women	\$7,100	29.7
Asian men	\$12,100	50.6
Total women	\$12,600	52.7
Total men	\$22,000	92
Total adults	\$15,600	52.7

Source: derived from Statistics New Zealand, Women New Zealand Now 1998

CPAG believes:

- ◆ That all operators should be required by law to contribute financially to the work of the Problem Gambling Committee or similar body.
- ◆ That a percentage of the profit must be channelled into assisting with PGC work and mitigating the harm caused by their products.
- ◆ Public education programmes on the harm caused by gambling should be funded by operators
- ◆ That voluntary arrangements for the funding & provision of problem gambling services be encouraged and enhanced
- ◆ That research into the effects of problem gambling on families be funded by the PGC
- ◆

2.8 Regulating Entry of Gambling Operators

CPAG believes that

- ◆ all new casino licences be refused: a casino is not just another business venture.
- ◆ the sites at which poker machines are permitted and the numbers of machines at each site should be restricted, regulated and monitored.

2.9 Regulating Gambling Products

CPAG believes

that there should be an immediate freeze on new licences for non-casino gaming machines.

2.10 Regulating Access to Gambling

CPAG believes

there should be restrictions to entry and the evaluation of the contexts gambling takes place. Most urgent of these, is the settings, sites and numbers of ono-casino gambling machines which have fewer restrictions around their use than “housie” and yet account for 20 times the money gambled spent at housie sessions.

Gambling is a serious health issue and ways to minimise damage by restricting access to gambling opportunities should be sought.

2.11 Community Input

CPAG believes that the community must be listened.

Non- casino gambling machines are the voracious consumers of gambling money They are cited by Salvation Army Oasis Centre as the preferred methods of gambling by 60% to 80% of people seeking help for gambling problems yet communities have little control over the extent and type of gambling which is entitled to operate locally.

Local Councils must be given the power to manage, supervise and control gambling in their areas.

2.13 Role of Taxation

CPAG believes that the gambling sector which causes greatest harm should be taxed most heavily in order to reduce consumption and to provide rehabilitative services to those gamblers who become addicted. Govt has foregone some tax revenue in the case of reducing smoking addiction by subsidising smokers to quit. The same principled approach is required for gambling.

2.14 Distribution

As a general principle local, elected community boards (COGS?) could be responsible for the distribution of locally generated funds.

Site operators should not be able to influence who receives grants.

A HARDCOPY OF THIS DOCUMENT WITH OUR PUBLICATION WILL BE POSTED TO THE GAMING REVIEW TEAM

**CHILD POVERTY ACTION GROUP INC
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