

Winners and losers as North Shore's gambling policy takes shape

The North Shore City Council is looking at ways to combat problem gamblers. PHILIP HERMAN, JOSEPHINE KNOWLES, HALEY LYNCH and AMY LYONS investigate what this will mean.

It's 7pm on a typical Monday evening on the North Shore. Most people are at home with their feet up — the day's work behind them.

But in Belmont's Jolly Punter Bar people are still hard at work. The bar is full yet no one is drinking. Blue and white collar men sip free coffee while tirelessly feeding the gaming machines hoping for that next win. The noise is deafening but no one seems to notice.

At the same time at Windsor Park, rugby practice is about to begin. Dressed in their crisp new uniforms and playing with their new rugby ball, the kids don't give a second thought to where the money for their equipment comes from.

It comes from gaming machines.

Is North Shore gambling a help or a hindrance? Is it time to take action? The North Shore City Council certainly thinks so.

The council is in the drafting stages of a new gambling venue policy, in a bid to restrict the spread of gambling in the community.

The policy refers specifically to Class 4 gaming venues — non-casino venues such as bars, pubs and clubs.

Under the Gambling Act 2003 every territorial authority must adopt a policy on the location of these Class 4 venues.

Under the draft policy, venues licensed before October 17 2001 will not be able to increase the number of machines they already have.

Venues licensed after October 17, 2001, will have to slash their number of gaming machines in half — from 18 to nine. The North Shore City Council will not issue any more licences, capping the number of Class 4 venues at 50.

Electronic gaming is big business in

New Zealand. New Zealanders spend an estimated \$777 million a year on electronic gambling; \$219 million is spent in the Auckland region alone.

Auckland's North Shore City has a total of 667 gambling machines spread across 48 Class 4 venues.

According to the 2001 census, the population of North Shore City is 184,821. This equates to one machine per 267 residents.

Currently the average number of gambling machines per venue is eight, a figure that falls just under the proposed maximum of nine allowed in new venues under the new policy.

So where does all the money go? What many do not know, or choose not to acknowledge, is that a large percentage of gaming machine proceeds go to charities within the community.

According to the National

Gambling Machine Trust (NGMT), North Shore City receives \$4.2 million annually in community funding from gaming.

Funding for these community groups is controlled and distributed by various trusts and organisations. The National Gambling Machine Trust (NGMT) is the largest.

The NGMT comprises six main groups, the Lion Foundation, Community Grants Foundation Inc, Pub Charity Inc, the Southern Trust, The Scottwood Trust and The New Zealand Community Trust.

Last year 56% of community funding was awarded to sports and recreation activities.

North Shore City education organisations received 25% of the proceeds.

The remainder was distributed among nine other sectors in the community, including health, youth, arts, welfare and emergency.

The Environmental policy adviser for the North Shore City Council, Julie Francombe, says: "Gambling has various harmful effects on the community but at the same time the proceeds from these machines helps the community a great deal too."

"It's a balancing act between the two."

Since the 1996 census, the North Shore has experienced a population growth rate of 7%.

If the policy goes through revenues from a limited number of gaming machines will be spread amongst a growing population, resulting in less funding over time for each community group.

Lion Foundation spokesperson Ross Savage says,

"Potentially yes they will miss out, but raising gaming machine numbers is not the answer to increasing community funding."

"I guess there is a limit of money you can raise from gaming machines and I think we have reached that point," says Mr Savage.

The North Shore City Council has put forward several initiatives to the department of Internal Affairs to combat problem gamblers.

To ensure the proceeds of gaming machines benefit the community, the North Shore City Council has also submitted recommendations concerning gambling machine profit distribution and accountability.

The recommendations propose that community funding bodies, such as NGMT, submit audited annual reports of gaming machine profits.

In addition, clubs operating gaming machines from their club rooms must display a notice updated twice a year describing how they have applied the proceeds from their gaming machines.



PHOTO: PAUL ROSSER

GAMBLER: A punter tries his luck on one of the controversial gaming machines.

The gambling venue policy is nothing short of controversial and whether anything will actually change is debatable.

Bar staff are not betting on a reduction in gambling even if the council do go ahead with the new gaming venue policy.

Deborah Barlow, bar manager of The King's Shilling in Birkenhead, doesn't believe adopting the new policy will reduce the growth of gambling on the North Shore.

"To be honest — no I don't think it will because people are going to find other places to go to, like the casinos."

Glenfield Tavern bar manager Nicky Davis agrees.

"Gambling is a total and pure addiction, there is nothing that can be said or done; the only way you can't gamble is if you run out of money."

Gambling Crisis Hotline spokesperson Gary Clifford says the council is taking a responsible step towards gambling but is sceptical whether the policy will have any affect.

"It may have a limited value. A lot

more public information and education is what is really needed."

Smaller bars wanting to open in future may find it difficult to operate with the limited licences and number of machines.

Many bars in operation rely on the machines to pay fixed costs such as rent, wages and power.

Former Masonic Tavern duty manager Oliver Wigmore says plenty of smaller bars will struggle to stay open if the changes go through.

"Despite the small percentage we get to keep, one night's takings can pay a weeks' rent when the jackpot's up," says Mr Wigmore.

"As a big bar we are not worried about this policy change, we are more stressed about the new smoking laws as that is something that will actually deter our gamblers."

The North Shore, like any city in New Zealand, will always have gamblers despite policy and red tape.

The only people likely to be hurt by the changes are the bars and the recipient charities and community groups.

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Report looks at addicted gamblers on the North Shore

According to gambling helpline data featured in the North Shore City Council's gambling risk assessment, 582 callers (between November 1998 and November 2003) were identified as being located within North Shore City.

The report identifies one in every 318 residents on the North Shore as addicted to gambling.

With so many gambling machines in the area, damaging social consequences are inevitable.

Gambling addiction can have serious effects on relationships, mental and physical health and finances. Problem gamblers stand to lose everything.

A typical problem gambler on the North Shore is a Pakeha, aged between 30 and 34.

Maori are the next most likely ethnic group to form gambling problems on the North Shore.

Dave Living, bar tender at the Jolly Punter bar in Belmont, believes gamblers from different ethnic groups have different gambling patterns.

"When the jackpot hits \$900, without fail a group of people of Asian ethnicity will arrive and put in a lot of money into the machines very quickly to try and win it."

The Initiatives

The North Shore City Council has put forward several initiatives to the Department of Internal Affairs to combat problem gambling:

- Ensuring Class 4 venues, (such as bars, pubs and clubs) in particular those frequented by minors, are gaming machine free.
- Ensuring that any Class 4 venue operating gaming machines does not have gambling as their primary purpose. (i.e. that other social activities such as drinking and dining are emphasised)
- Requiring the staff of Class 4 venues to be trained in gambling awareness.
- Requiring gaming machine operators to provide brochures and notices informing players about the hazards of gambling, and where to seek gambling-problem assistance.
- Creating infringement offences for breaches of harm minimisation regulations.