

Department of Internal Affairs' Online Gambling in New Zealand Public Discussion Document

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Submitter details

1. Nelson Marlborough Health (Nelson Marlborough District Health Board) (NMH) is a key organisation involved in the health and wellbeing of the people within Te Tau Ihu. NMH appreciates the opportunity to comment from a public health perspective on the Department of Internal Affairs' Online Gambling in New Zealand.
2. NMH makes this submission in recognition of its responsibilities to improve, promote and protect the health of people and communities under the New Zealand Public Health and Disability Act 2000 and the Health Act 1956.
3. This submission sets out particular matters of interest and concern to NMH.

General Comments

4. NMH welcomes this consultation into Online Gambling in New Zealand which looks at revising the Gambling Act in relation to accessing gambling sites in New Zealand and offshore.

Specific Comments

5. NMH considers minimising online gambling-related harm as "Very important" (Rank 5). Gambling is a public health concern: Gambling harms includes depression, suicide, emotional and psychological distress, job losses, bankruptcy, reduced work or educational performance, relationship breakdowns and crime including theft from family members, theft from businesses and theft from communities¹. Harm from problem gambling affects many people other than the gambler in particular children who may be exposed to crime, household stress and poverty. Gambling has a major impact on the wellbeing of children and young people. The impact of indebtedness, criminality, poor physical and mental health, family violence, and household stress all have a significant and lasting impact on children. The harm done to the children of problem gamblers can be severe and long-lasting.
6. Ministry of Health research shows that 50% of problem gamblers experience family violence.² In order reduce family violence and child abuse, we need to

¹ Ministry of Health (2015) Strategy to Prevent and Minimise Gambling Harm 2016/17 to 2018/19

² Ministry of Health (2017) Problem Gambling and Family Violence in Health-Seeking Populations: Co-occurrence, impact and coping

address the drivers for the abuse and address child poverty and this includes looking at the correlation between gambling, poverty and children.

7. NMH also considers that the operators of online gambling pay for harm associated with their products (important = 4), otherwise costs would fall onto social services and health.
8. Access to a variety of gambling products is also a concern. Research shows that increased availability and accessibility of gambling in general leads to an increase in problem gambling.^{3,4,5} Therefore it is important that access to online gambling is reduced in order to minimise harm. NMH is advocating that the Status Quo is retained where only Lotto and TAB offer existing gambling products.

Minimising harm from online gambling

9. NMH would like to see the following options used to minimise harm for online gambling:
 - a. Option 1: Educate and influence
 - b. Option 2: Industry funds services to address harms of online gambling
 - c. Option 4: Prohibition of online gambling-related advertising
 - d. Option 5: Government regulates industry conduct of harmful online gambling behaviour
 - e. Option 6: Regulators get powers to enforce law and licence conditions relating to online gambling.
10. It is important that the public are educated about the potential dangers and harms from online gambling. Research has shown that educational-based problem gambling prevention programs are important in targeting at-risk behaviours among adolescents to prevent an escalation of problematic behaviours into adulthood⁶. This is especially important as internationally the number of child problem gamblers has increased. In the UK, the National Health Service is now offering specific gambling clinics for children as a result of the rise of online gaming sites and targeted adverts.⁷ NMH supports such programs being delivered by the likes of Health Promotion Agency and Problem Gambling Foundation. NMH supports the option of the government more actively influencing

³ Ministry of Health 2015 Strategy to Prevent and Minimise Gambling Harm 2016/17 to 2018/19

⁴ Orme, C. (2008). *Problem Gambling: The Hidden Disorder*. Mindnet: Mental Health Foundation of New Zealand. <http://www.mentalhealth.org.nz/newsletters/view/article/4/33>

⁵ Abbott, M. (2001). *What Do We Know About Gambling and Problem Gambling in New Zealand?* The Department of Internal Affairs: Wellington

⁶ Oh, B. C., Ong, Y. J., & Loo, J. (2017). *A review of educational-based gambling prevention programs for adolescents*. Asian journal of gambling issues and public health, 7(1), 4. doi:10.1186/s40405-017-0024-5 Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5488130/>

⁷ <https://www.theguardian.com/society/2019/jun/24/nhs-to-open-first-ever-gambling-clinic-for-children>

overseas gambling operators in terms of ensuring direct compliance with New Zealand requirements around harm minimisation.

11. NMH advocates for the prohibition of online gambling-related advertising, as stated in the consultation document that gambling increases with greater visibility.
12. The Advertising Standards Association has revised its Gambling Advertising Code but these codes have been developed by an industry body and they are voluntary. Voluntary codes have been shown to be ineffective in restricting alcohol marketing⁸ and it may be that voluntary codes have been ineffective for gambling. Given that online gambling is increasing and corresponding harm has increased, including with harm to children, NMH recommends no advertising is allowed.
13. NMH notes that the revised Gambling Advertising Code makes no reference to direct-to customer marketing. NMH recommends that the prohibition of advertising also includes this type of advertising.
14. "Gateway" gambling (e.g. free-play websites) advertising should also be prohibited. Any "gateway gambling" sites should include warnings about gambling.
15. NMH supports host responsibility rules for all online operators including Lotto and TAB which require the operator to automatically stop a person gambling where harmful conduct was detected, or after a specified event (such as a specific period of time gambling or at a spending ceiling).
16. NMH supports the introduction of tools to manage online operator behaviour and breaches of licence conditions such as infringement and compliance notices, including license suspension.

Online gambling operators and products

17. NMH supports the Option One - Status quo. NMH does not advocate for the extension of any gambling products because there is no evidence shown in the consultation document that there would be a decrease in harm as a result to creating an expanded New Zealand market. There could, in fact, be an increase in harm especially as participation in multiple gambling activities can be a risk factor for problem gambling as noted in the document.

Restrictions from accessing online gambling websites.

⁸ (Noel, J. K., & Babor, T. F. (2017a). Does industry self-regulation protect young people from exposure to alcohol marketing? A review of compliance and complaint studies: Self-regulation complaint process. *Addiction*, 112, 51–56. <https://doi.org/10.1111/add.13432>).

18. New Zealand has very few restrictions on accessing overseas websites. From a public health perspective, there may be a range of website that it would be beneficial to block but are currently unblocked. It is noted that DIA maintains a list of child pornography websites that it has asked internet service providers to block but this is a voluntary agreement, there are no restrictions in place limiting access⁹. NMH considers the question of placing restrictions on accessing online gambling websites part of a much broader conversation about website access.

Support for gambling tools

19. NMH recommends that gambling operators are mandated to include tools that self-exclude gamblers from using particular gambling products.
20. NMH supports the restrictions on credit card use on gambling sites and notes that the UK Gambling Commission are also considering this option. The Commission noted that “gambling with borrowed money is known to be a risk factor for consumers”.¹⁰
21. NMH supports restricting use of free public wifi so as to exclude online gambling websites.
22. NMH also recommends that an education campaign is also launched to encouraging employers to develop policies around the use of work and non-work technology devices to access gambling sites while on work time. Employers could also offer opportunities for assistance should employees have gambling problems.
23. NMH supports the requirement for warnings on online games that include gambling-like elements.
24. NMH supports banning of games which demonstrate the characteristics of gambling. This is because international evidence suggests that some young people have become involved in three main gambling products, including (1) ‘skin gambling’, an online gambling activity that is facilitated by transferable monetised virtual content obtained in online games; (2) ‘fantasy sports’, an online sports-based tournament that involves prize pools; and (3) ‘online casino practice modes’, the free play versions of online gambling products¹¹

⁹ <https://www.newsroom.co.nz/2019/08/26/770209/dia-floats-online-gambling-censorship#>

¹⁰ <http://www.gamblingcommission.gov.uk/news-action-and-statistics/News/gambling-online-with-credit-cards>

¹¹ Victoria Responsible Gambling Foundation (2018) *Online gaming and gambling in children and adolescents – Normalising gambling in cyber places* Retrieved from <https://responsiblegambling.vic.gov.au/documents/479/Online-gaming-and-gambling-in-children-and-adolescents .pdf>

Conclusion

25. NMH acknowledges the Department of Internal Affairs statement that this review is not about outlawing online gambling however given the range of harms that could occur, NMH advocates for Option 1: status quo in order that no further harm occurs from additional types of gambling within New Zealand.

26. NMH thanks the Department of Internal Affairs for the opportunity to comment on the Online Gambling in New Zealand.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Peter Bramley', with a long horizontal flourish extending to the right.

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