

27 May 2022

Gambling Commission  
PO Box 137295  
AUCKLAND 1052

## **REVIEW BY THE GAMBLING COMMISSION OF THE CASH ACCESS LICENCE CONDITIONS FOR THE AUCKLAND, HAMILTON, CHRISTCHURCH, DUNEDIN, QUEENSTOWN AND WHARF CASINOS**

### *Asian Family Services*

1. Asian Family Services (AFS) has been providing support to Asian communities living in Aotearoa, New Zealand, since 1998. Our organisation is a charitable trust and is New Zealand's only service provider for people of Asian backgrounds affected by mental health issues and gambling harm. Our gambling harm minimisation services are delivered under a Ministry of Health contract and funded from the gambling levy. Our service operates in three areas: the Asian Helpline, clinical intervention, and public health work.

### *Harm Minimisation*

2. We appreciate that cashless gambling options are commonplace and are used widely. However, a **public health approach** should be taken to consider how this will impact gambling harm (especially for those who may be at a higher risk of gambling harm).
  - a. Delfabbro's report has confirmed that the evidence around cashless options and gambling harm is inconclusive. Therefore, it would be premature of the Commission to make a decision considering the lack of evidence suggesting that gambling harm will be reduced.
  - b. Further considerations around how casinos will mitigate gambling harm and their harm minimisation efforts needs to be considered.
3. If the Commission were to amend the cash access licence, we strongly urge the Commission to test and trial the cashless system first.
  - a. This would allow the Commission to determine how cashless options will be practiced in New Zealand. We note that no relevant studies on this subject matter have been based in New Zealand.
  - b. The trial should be conducted by an independent researcher based in New Zealand (i.e. someone who understands the Act and our gambling environment).
  - c. We also recommend a review of the trial results with relevant stakeholders (e.g. MoH, DIA, service providers).
4. We also recommend the Gambling Commission discuss with the DIA whether the changes being suggested in this review are in line with the Gambling Act 2003 and Gambling (Harm Prevention) Regulations 2004.
  - a. Refer to page 5 of the DIA's letter dated 4 February 2022.

- b. Point 10 – “any increase in cash availability in the gambling area may be inconsistent with the Gambling (Harm Prevention) Regulations 2004”.
- c. Point 12 – “The Act also prohibits any increase in casino gambling. Increasing access to cash or chips in the gambling area, specifically at tables, may constitute an increase in casino gambling opportunities”.

### *Asian Population*

5. Asian and migrant communities are the fastest-growing population group among Europeans, Māori, and Pasifika in New Zealand. The Asian population in New Zealand reached 707,598 according to a census count in 2018, which accounts for 15.1% of the total population. The Asian population is predicted to reach 900,000 to 1.2 million in 2025 and is expected to have the largest rise from 16% of the population in 2018 to 26% (about 1 in 4 residents) by 2043.

### *Gambling harm in Asian population*

6. In New Zealand, it is well established that Asian clients seeking help for their gambling cite casino-based gambling and, more particularly, table games as the primary mode of problematic gambling. From 2015 to 2020, Asian Family Services treated 5666 clients identified as Asian. Within that population, 63 per cent identified as Chinese, 16 per cent Korean, 9 per cent South Asian and 12 per cent other Asian. They presented with suicidal risk, financial hardship, and severe depressive and/or anxiety symptoms due to problem gambling. Unfortunately, due to being either new to the country or unfamiliar with the health system and services in New Zealand, many who have experienced gambling harm did not seek early intervention. The delay in seeking help was partially due to low health literacy. A lack of understanding of addiction was a contributing factor as often addiction is only thought of as a substance abuse issue..

### *Asian Gambling Behaviour*

7. In New Zealand, it is hypothesised that the acculturation process, lack of experience in New Zealand commercial gambling environments, significant spare cash and free time, limited English, difficulty gaining employment, and disconnection from family, all contribute to creating a negative cycle whereby stress leads to gambling to try to win money and escape pressures.
8. A research project conducted with stakeholders and individuals who experienced gambling harm across New Zealand’s Asian and Refugee communities found that problem gamblers employ dysfunctional coping strategies to deal with settlement adversities. This has negative effects on individuals’ mental health and social and financial wellbeing of individuals, families, and communities.
9. Sobrun-Maharaj, Rossen, and Wong (2012) identified that one of the contributing factors for mental health issues for Asian peoples is problem gambling.
10. Analysis of data from the Health and Lifestyles Survey over several years shows that, after adjusting for a range of socio-economic factors and gambling predictors, when compared to European/Other, Asian people’s risk for individual gambling harm was 9.5 times higher. Furthermore, pokie players were more than twice as likely to be at risk of some level of gambling-related harm compared to other gamblers.

11. Further research indicates that some aspects of Asian culture (e.g., *yin-yang* in Chinese culture) encourage Asian peoples to take greater risk on low-probability games compared to Europeans, which makes Asian peoples more susceptible to gambling harm (Dai, 2012).
12. According to the New Zealand Asian Responsible Gambling Report (2021) (Appendix 1) conducted by Asian Family Services, 74.7% of Asians engaged in some form of gambling activity in the last 12 months. Unfortunately, due to being either new to the country, or unfamiliar with the health system and services in New Zealand, many who experienced gambling harm did not seek early intervention. The delay in seeking help was partially due to a lack of understanding of behavioural addiction concepts. Often addiction is only understood as a substance abuse issue. The report also indicated that 78.7% of Asian gamblers identified stigma as one of the reasons that prevented them from early help-seeking.
13. In summary, gambling companies, such as casinos, benefit financially from gamblers' losses. The benefits are greater for casinos rather than gamblers because the mathematical expectation favours the casinos. Therefore, it is in the interest of gambling operators to market their products/venues and ensure that the games are easily accessible and readily available. The crucial issue is that a significant proportion of gambling revenue (between 15 and 40%) is derived from problem gamblers. The defining feature of a problem gambler is not only the emergence of adverse consequences but also the presence of a subjective sense of impaired control. A Canadian study found that casual players comprised 75 per cent of players but contributed only 4 per cent of net gambling revenue. The casinos' real money comes from problem gamblers. Numerous studies show that living close to a casino is a key factor in more frequent gambling. More frequent gambling increases the risk of serious problem gambling. Asian Family Services believe that the cashless gambling options will only exacerbate gambling harm experienced by Asians.

Thank you for the opportunity to submit.

Ngā mihi nui,



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