

The future of pokie community funding in New Zealand

Introduction

Community fundraising utilising gaming machines outside casinos in New Zealand is at a crossroads. Gaming machines make the single largest philanthropic contribution in New Zealand amounting to \$894 million in 2009/10. After peaking at \$1.035 billion in 2003/04 the contribution to the community is declining. It is expected to continue to do so under the current regulatory and economic model.

This paper sets out to;

- a) outline the gaming model in New Zealand and contextualise it with the gaming machine environment in Australia, the United Kingdom, Nova Scotia and Italy and benchmarking New Zealand against those environments,
- b) discuss the issues driving the continuing decline in community funding, and
- c) provide options to either close the industry down or ensure it continues to be viable while protecting those who have a gambling addiction.

HOW GAMING MACHINES OPERATE IN NEW ZEALAND

Gambling has long been known as a form of entertainment providing recreation, community benefits. Electronic gaming machines (EGMs) are subject to government regulation, and are a form of gambling that contributes significantly to the financial needs of the community. The main government body responsible for regulating gambling is the Department of Internal Affairs (DIA), responsible for gambling legislation, licensing machine operators and venues, setting regulations, and ensuring compliance with these laws. The history of gaming regulation in New Zealand can be found in the Racing Act 1971, the Gaming and Lotteries Act 1977 and the Casino Control Act 1990. The Gambling Act was introduced in 2003 and provides the legislative impetus for the operation of electronic gaming machines. The Gambling Act combines the regulatory frameworks provided by previous legislation and endeavours to cover all gambling forms in New Zealand.

The purpose of the Act is to:

- “control the growth of gambling
- prevent and minimise the harm caused by gambling including problem gambling
- authorise some gambling and prohibit the rest
- facilitate responsible gambling
- ensure the fairness and integrity of games
- limit opportunities for crime and dishonesty associated with gambling
- ensure that money from gambling benefits the community
- facilitate community involvement in decisions about the provision of gambling.”¹

Gaming machines fall under the Class 4 category of gambling. Prize value influences distinction, and Class 4 gambling legislation dictates that pokies can be operated by societies that operate them at pubs and by clubs. A club is understood as an organisation that is not solely a commercial enterprise, such as a sports or community group. Territorial authority refers to the local government, classified by district. District councils are responsible for implementing regional policy on EGMs, and so there is variation in the statistics for EGMs around the country, with higher concentration of machines in particular areas. For the purposes of this discussion, New Zealand as a whole will be considered.

Gaming machines were legalized in New Zealand in 1991². Since then, there have been varying levels of popularity and return. There was significant growth in electronic gaming machines from

¹ <http://www.dia.govt.nz/Services-Casino-and-Non-Casino-Gaming-Index>

the mid 1990s to early 2000s, as Markland explains in his report on Gaming In New Zealand (31), with the number of gaming machines reaching a peak in 2003³. Recent downturns in popularity signal the relevance of this research; these down turns will be further investigated and contextualized later in this paper.

While there is ongoing debate about the function of gambling in society, both locally and globally, the key to the importance of the operation of EGMs in New Zealand is the subsequent distribution of funds to community causes and the revenue generated for the government. Money from public societies is distributed to pokies trusts, located around the country, as a funding mechanism. After actual, reasonable and necessary costs have been met, profits are allocated to authorised purposes. Should societies exceed the standard threshold they must also pay GST. Under the Gambling Act, authorised purposes from EGMs are defined as a charitable purpose or a non-commercial purpose that is beneficial to the whole or a section of the community. These profits are at least 37.12% of GST-exclusive revenue from electronic gaming machines.

The government receives a 20% duty and there is a dedicated levy for problem gambling set at 1.48%. As at December 31st 2010, the total number of approved venues with gaming machines in operation was 1443 and the number of machines in operation in approved venues was 18681⁴. Relative to the Statistics New Zealand population estimate⁵, this evidences that the amount of machines per 1000 in New Zealand is 4.27.

² *A Database on Australia's Gambling Industry 2009/10* Australasian Gaming Council (2)

³ Non-Casino gaming machine numbers - June 1994 to September 2006 www.dia.govt.nz

⁴ Gaming Machine venues and numbers by region at 31 December 2010 [DIA.govt.nz](http://www.dia.govt.nz)

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http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/NationalPopulationEstimates_HOTPSep10qtr.aspx

AN INTERNATIONAL COMPARISON

Examples can be drawn from four other perspectives. These offer a demonstration of trends and issues in different contexts and serve to help position the future of pokie community funding in New Zealand. These four perspectives are Australia, Nova Scotia, United Kingdom, and Italy. These countries are under different government structures, and thus there is variation in regulatory intervention between states and territories. This information is compiled from the most recent statistics available, and is on non-casino gaming machines. It serves to contextualize regulatory interventions taken by the New Zealand government, and statistics on problem gambling and profit redistribution exemplify similarities and differences within the New Zealand system.

	Australia	United Kingdom	Nova Scotia	Italy	New Zealand
Return to Government	Varies from state to state	20% Value Added Tax (VAT)	15% Harmonized Sales Tax (HST)	12.6%	20% Gaming Machine Duty and Problem Gambling Levy
Return to Community	Varies from state to state, <10% of revenue. No national system in place.	Three groups that focus on problem gambling	Small grants to research on gambling, alongside intent to keep revenue in the province	No dedicated system in place	At least 37.12% distributed to authorized purposes
Return to Operator	Varies from state to state, commission based	Commission based	Scaled between 15-25% commission rate.	13.4% of revenue divided between bar and machine operators	Actual, necessary, and reasonable costs are met. Must be minimized.

AUSTRALIA

In Australia gambling bodies and legislation differs from state to state. For example, Australian Capital Territory and Western Australia only have electronic gaming machines in casinos. A recent report on gambling by the Independent Gambling Authority in South Australia stated that there were 10.6 electronic gaming machines (EGMs) per 1000 adults in SA as at June 2006, while there were 6.9 machines per 1000 adults in Victoria. These statistics show that there is strong variation between territories in the prevalence of EGMs, and similarly tax distribution on gambling differs from state to state. According to the Gambling Inquiry report, there were 185514 non-casino electronic gaming machines in Australia as of 2009. Relative to the population statistics released by the Australian Bureau of Statistics, there are 8.44 machines per 1000 citizens. This report also highlights that there are differing caps on the number of machines permitted to operate in different states. The Gambling Inquiry report released by the Productivity Commission in 2010 outlines that for the 2008-9 period 10 469 (\$m) was generated by electronic gaming machines in clubs and hotels. The report explains that EGMs make up the largest share of government tax revenue for forms of gambling in the Australian states that they operate.

In Victoria, as Fabiansson (100) outlines, income received by the government is 24.24 percent, GST is 9.09, and the remaining 66.6 percent is split evenly between the venue and gaming operator. A levy is also applied to each gaming machine. As outlined in the Gambling Inquiry report, fees and levies are in place to offer financial assistance to community groups. However, these do not rise above 10% as a proportion of gambling revenue, with all states offering around 2%, aside from the Northern Territory (10%). Return to operator also varies by state, and in New South Wales clubs are treated with more favour due to their alignment with community objectives. These Australian examples show a system that has a minor commitment to community, instead operating as a system that offers venues and operators the most financial benefit, as well as government.

UNITED KINGDOM

Gambling in the United Kingdom is regulated by the Gambling Commission. The United Kingdom presents a complex set of statistics, with a high number of different categories of machines. These include amusement games that are framed in terms of entertainment, rather than for gaming purposes (Fabiansson 47). These machines are common in Italy as well. In 2006 there were 269616 machines in the United Kingdom (Fabiansson 47), with a population of 60587000 published in the UK National Statistics News Release, and so there were 4.45 machines per 1000.

A recent review by the HM Treasury looked at taxing relative to a machine's gross profit, in order to account for the variations in profit of high and low earning operators. Currently machines are subject to the Value Added Tax (VAT). This tax rate is 20%, and machine operators must also pay an Amusement License Machine Duty (ALMD). According to the Gambling Commission's most recent Annual Report, there are three bodies with community imperatives in place. These are the Great Foundation, which takes voluntary donations from the gambling industry, the Responsible Gaming Strategy Board (RGSB) and the Responsible Gambling Fund (RGF). These groups are all concerned with education and treatment surrounding gambling and problem gambling.

NOVA SCOTIA

While the Canadian provinces of British Columbia and Ontario do not operate electronic gaming machines, Nova Scotia provides a useful point of comparison. Within Nova Scotia there are slot machines and video lottery terminals (VLTs). Statistics Canada states that the population of Nova Scotia in 2009 was 939100. A fact sheet released by the Nova Scotia Gaming Corporation in July 2009 that offers statistics on VLT (including First Nations) and slot machine numbers. Using these statistics, there were 3773 machines available, and thus 4.02 machines per 1000 citizens. Nova Scotia retailers are rewarded by commission. As the Nova Scotia Gaming Corporation (NGSC) outlines, retailers receive a gross commission rate of 25% for receipts up to \$400,000 and 15% on those over \$400,000. Net commission (after paying HST and a contribution to the Nova Scotia Gambling Foundation (NSGF)) is 21.5% up to \$400,000 and then 12.9% thereafter.⁶ According to the NSGF Annual Report (2009-2010), \$709,985 was received in revenue, while only \$194,783 was returned to the community through grants. These include funding for Community Projects problem gambling assistance and recovery and Research Studentships to explore gambling in the province. The NGSC outlines their intent to keep profits within the province, and so some revenue goes towards sports and community programs.

ITALY

Electronic gaming machines are a relatively new form of recreation in Italy, with legislation coming about in 2002 and 2003. In 2006 there were 410,000 machines (Fabiansson 2010). The population was 58,941,499 according to World Bank Development Indicators, which indicates that per 1000 there were 6.96 machines. Operating under quite a liberalized market, the AAMS (State monopolies and gambling authority) is the government body responsible for operative legislation. AAMS (State monopolies and gambling authority) is the government body responsible for operative legislation. Under quite a liberalized market, their system for redistribution of funds, after 75% is

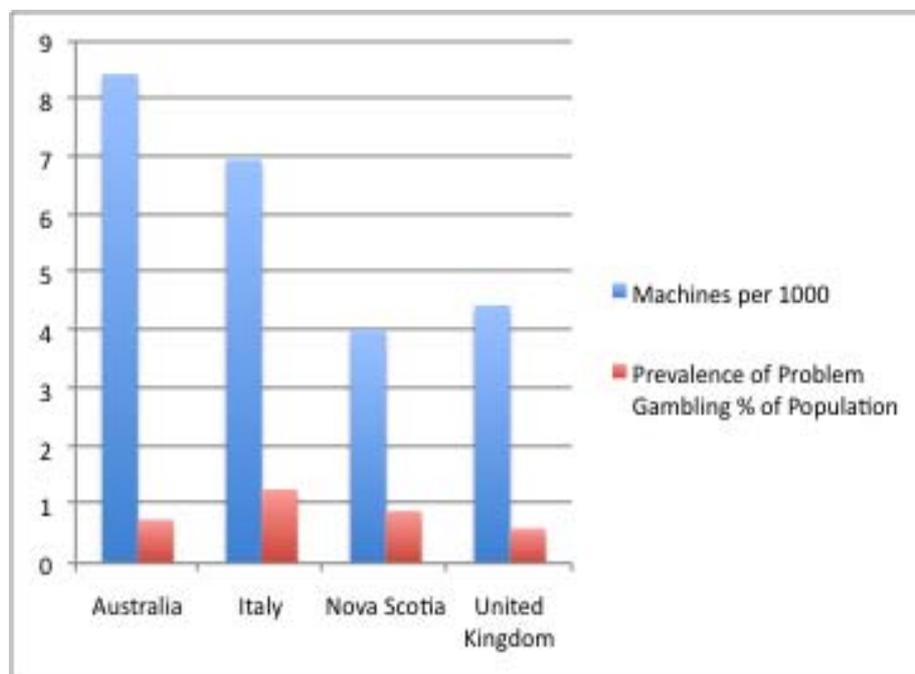
⁶ www.ngsc.ca/vltStats.php

returned to players, consists of 12.6% being paid to government monthly, and the rest divided equally between machine operators and bar owners.⁷

PROBLEM GAMBLING

A Department of Internal Affairs report on Problem Gambling in New Zealand positions the prevalence of problem gambling at between 0.3% and 1.8% at any one time. The scope of this statistics supports the notion that statistics surrounding instances of problem gambling are problematic, as there is the potential for data to be counted twice when people access different avenues for assistance. Further to this issue of accuracy, they do not account for attempts to counter problem gambling by family and friends of those affected. It is difficult to quantify something that is behaviour based, however a body of statistics does offer international comparisons on the reported prevalence of problem gambling in the countries mentioned above.

Gambling research indicates the following levels of problem gambling prevalence - Italy: 1.27%⁸, Nova Scotia: 0.9%⁹, United Kingdom: 0.6%¹⁰. Australia: 0.5 – 1.0%¹¹ These statistics indicate that problem gambling levels sit around approximately 1%, despite contrast in the numbers of machines per 1000 population members. These countries have also developed legislation and harm minimization strategies that be explored in considering the future of gaming in New Zealand.



⁷ http://www.agisgame.com.tw/Annual/content_03.asp

⁸ Barbaranelli, Claudio. Problem Gambling in Italy. European Association for the Study of Gambling. September 2010

⁹ Focal Research Consultants. 2007 Adult Gambling Prevalence Study. Halifax, Nova Scotia. 2008: Nova Scotia Health Promotion and Protection

¹⁰ Wardle et al. British Gambling Prevalence Survey. 2007. National Center for Social Research.

¹¹ Gambling – Productivity Commission Inquiry Report. Australian Government Productivity Commission. 2010.

COMPARISON OF GAMING MACHINES WITH OTHER FORMS OF GAMBLING IN NEW ZEALAND

This section compares racing/TAB, Lottery and gaming machines and their relationships to player, government, community, administration and retailer.

RACING/TAB

Legalized in 1951, TAB is part of the New Zealand Racing Board (NZRB), which includes thoroughbred, harness and greyhound racing¹². TAB also offers betting on other sports codes, both local and international. Betting can be accessed in the following ways: online, telephone, SKY, Touch Tone and text, as well as in person at TAB sites¹³. Self-service terminals have also been introduced. The high number of options available to bet on TAB positions it as a highly accessible and pervasive form of gambling in New Zealand, with broadcast of races taking place on television and on radio. However, it offers little return to the community is instead concerned with return to its own industry.

In terms of governance, the Judicial Control Authority is the legal authority that “administers the rules of racing and conducts inquiries into breaches of the rules, for all three racing codes”¹⁴. The Racing Board outlines that approximately 80 cents in every betting dollar is returned to the customer, with the rest returned to the sport and racing codes¹⁵. This return is after tax and Racing Board costs. Profits from racing are returned to the industry.

The 2010 Year Racing Board report emphasizes the industry’s role as a form of entertainment, and outlines the plans to modernize the retail network, as well as plans to restructure its fee structure to account for varying needs and opportunities of the key parties involved in the industry, beginning in February 2011.

LOTTERY

The lotteries were legalised in New Zealand in 1949, the same year that raffles were legally allowed to be run by voluntary organisations¹⁶. Games include Lotto, Lotto Strike, Keno, Bullseye, Instant Kiwi and Big Wednesday. Lotto has expanded significantly, including the mid-week offering of Big Wednesday and ongoing changes in Instant Kiwi games and promotion. It is a highly visible form of gambling, with extensive promotion taking place across various media and draws broadcast on free-to-air television. In 2008, an online platform for playing Lotto was launched. This raises issues surrounding access to gambling, paralleling the availability of online gambling due to the proliferation of internet access and technology.

The New Zealand Lotteries Commission is a government owned community-funding organization, with funds administered by the New Zealand Lottery Grants Board. Funding is allocated to statutory bodies, specialist committees and community committees. SPARC, the NZ Film Commission and Creative New Zealand are statutory bodies that receive regular funding. Examples of specialist committees include Marae Heritage and Facilities, Individuals With Disabilities, Health Research, and Environment and Heritage.

The NZ Lotteries Statement of Intent for the Financial Years Ending 30 June 2011-2013 outlines the redistributions of funds from every Lotto dollar received. 56 cents is returned to the player through prizes, 20 cents goes to the NZ Lottery Grants Board for redistribution to community groups, 10 cents goes towards taxes such as GST, a gaming duty and the problem gambling levy. 7 cents is put towards operating costs and 7 cents is returned to the retailer as commission. The report suggests plans to further align Lotto with dreams coming true, a tactic already evident in their advertising campaigns.

¹² *A Database on Australia’s Gambling Industry 2009/10* Australasian Gaming Council (2)

¹³ <http://www.tab.co.nz/help/placing-your-bets/online.html>

¹⁴ <http://www.nzracingboard.co.nz/index.html>

¹⁵ <http://www.racingboard.co.nz/index.html>

¹⁶ *A Database on Australia’s Gambling Industry 2009/10* Australasian Gaming Council (2)

GAMING MACHINES

Overseas, in Canada and Australia, machines are regulated by differing regional regulations according to state and province. This is also seen in New Zealand under territorial authorities. 2009 per capita spending for gaming machines was \$276.97 (NZ Gaming Expenditure 8). As is evident in comparisons of gambling expenditure, gaming machines statistics do show that a lot of money is spent on them compared to other forms of gambling. However, they offer a high return to the player and the community. A certain amount is set aside for authorised purposes: after actual, reasonable, and necessary costs have been covered.

This exploration of the promotions and availability of other forms of gambling show that electronic gambling machines are one of the least accessible forms of gambling, yet offer a high return to the community. Gambling machines receive much less promotion in the media, are only accessed on-site, with strict rules surrounding the visibility of prize value.

Overall spending in 2009/10 on gambling was made up of:

Gambling product	2009/10 Spending (Player Losses) Rounded	Increase / Decrease from 2008/09 From unrounded figures
TAB racing and sports betting	\$278m	+ 3.4%
Lotteries Commission products	\$347m	- 14.2%
Non-casino gaming machines	\$849m	- 4.5%
Casinos	\$438m	- 5.8%
Total spending	\$1.913 billion	- 5.7%

17

This table shows that non-casino gaming machines (pokies) make up the largest sector of gambling in New Zealand, but have faced a downturn in spending alongside the majority of other forms of legally available gambling. The increase in TAB and its associated betting parallels the proliferation of access to its products.

Conclusion

From the analysis and context provided from other jurisdictions, it can be concluded that:

- The number of gaming machines has little impact on the prevalence of problem gambling.
- The New Zealand model provides the greatest level of revenue to the community and the government.
- Venue operators in all other jurisdictions are remunerated on a commission basis and at a significant higher level than in New Zealand.
- The New Zealand model makes the greatest contribution to problem gambling identification and treatment.

17

An Industry in decline

In the name of protecting the 1% of New Zealanders who have the potential to become addicted to gambling there is a bureaucratic regulatory model in place, which controls through licensing and local policies the ability to modernise machines, games, venues and locations. The fundraising industry utilising gaming machines is effectively trapped in a time warp called the Gambling Act 2003. The key consequences of being locked in this time warp are:

1. *Product Development*

The highly regulatory nature of the licensing regime for games and the process for approvals for new games and new machines has meant that gaming machines in New Zealand have not been able to evolve as rapidly as those in other jurisdictions. As time passes this issue continues to degrade the competitiveness of gaming machines as part of the gambling and entertainment mix available to New Zealand consumers

2. *Council policies - Where council policies have imposed sinking lids*

Where venues close for whatever reason those machines and their earning capacity for their community are lost.

3. *Old venues*

Machines are currently locked into tired old sites that are unable to be transferred. Some of these venues are by design, location or state of repair, no longer suited to the business of hospitality and because machines cannot be transferred they struggle on with a declining clientele.

A New South Wales initiative similarly was put in place to cap and reduce machines and has subsequently been altered allowing gaming machines to be transferred in to newly built areas with the intention of providing community and entertainment facilities.

4. *Venue Payments*

Venue payments are made supposedly on an actual, reasonable and necessary basis with societies being capped at 16% of turnover less wins. The current process is an administrative nightmare which frustrates venue operators, societies and indeed the Department of Internal Affairs. There will always be debate as to how much is actual, reasonable and necessary, but all will agree that the current system is taking up too much time, energy and cost.

5. This sector is precluded from advertising and promoting its products.

6. The required return of 37.12% to the community has resulted in many small venues, typically rural, having the machines removed and subsequently reducing the grants available to their small community. Gaming machines in a country hotel may have been returning 20% to the community after paying the government levy of 20%, GST and the 1.48% problem gambling levy. But because it does not achieve 37.12% it is not, by the "system", considered viable.

The future

The future of electronic gaming machines as part of an important industry in New Zealand that continues to raise funds for the community and the government. For this to continue, the business for raising community funds, while preserving transparency and probity, needs a new framework. There is a boundary between statistical information and community reality: while generally the financial figures on the harm of gambling are prioritised in the media, there is difficulty achieving the same profile for the benefits of community funding. Thus, it is pivotal to maintain transparency in the industry.

The community and government can continue to benefit from funds raised by New Zealanders who choose gaming machines as the entertainment medium of choice. Reconfiguration of the industry through regulatory intervention will not necessarily reduce enjoyment; rather, it can be used to help boost an industry that serves the community, as well as instil a positive attitude towards the industry. Key parties must be considered: players, community and government, manufacturers, and venues and operators. The framework then needs to deliver the following for each of the stakeholders:

1. Players

- It is paramount that games are fair and players know the odds. Problem gambling discourse highlights that the detachment inspired by interacting with a screen means many players are not aware of the amount of money they have spent, or the length of time they have been playing. This has been addressed through PID's periodically interrupting play to show player losses.
- Electronic Monitoring Systems (EMS) plays a crucial role in ensuring that machines cannot be manipulated and that all monies through the machines are monitored and government, community and societies receive the money they are entitled to.
- As a form of recreation and entertainment, and thus leisure, the games must be entertaining and continue to evolve with technology and social trends.
- Under section 308 of the Gambling Act 2003 there must be a policy in place by venues to identify problem gamblers. Exclusion, under section 309 of the Gambling Act, functions to prevent problem gamblers from returning to venues.
- Those with, or with a high risk of problem gambling, get early intervention and assistance. Under current legislation there are policies in place to counter the potential for this.

2. Community and Government

- In developing and maintaining the relationship between community and government, it is pivotal that both parties have confidence that problem gambling is minimised and those needing help get it. The strategies mentioned above can be employed as attempts to prevent this. Should they not be entirely successful, strategies that deal with rehabilitation and remedy need to be employed. Of all jurisdictions New Zealand provides the most resources to assist this through the levy of 1.48%
- Grants to the community must be a reflection of wider society's needs. While it is difficult to objectively define this notion of need, the social benefits of community funding should be distributed to varying community groups. The DIA's Gaming Machines Profit report shows an increase in allocations towards social and community groups over the 2000 to 2005 period. Variation is important here: by funding a range of groups, more people will be able to understand the positive effects of community funding. Funding used to be received primarily by sports and recreation groups, however this has grown to include social/community groups and the arts. This variation in funding speaks to the importance of this form of redistribution of funds for helping groups in New Zealand: publishing grants and funding is a mechanism that also ensures transparency in the industry.

- In maintaining the confidence in the relationship between community and government, all parts of the sector must be operated in a lawful, transparent manner. This will contribute to confidence towards the industry from the public. The DIA's ongoing publishing of reports on electronic gaming machines and community funding is an action that contributes to this trust.
- Under Section 86 of the Gambling Act, Electronic Monitoring Systems serve to record:
 - the amount of money gambled on gaming machines
 - the amount required to be banked
 - the location and number of machines
 - gaming machine usage
 - machine faults and tampering. ⁱ
- Machines continue to be located in an adult and regulated environment so that people under the age of eighteen cannot access them.

3. *Technology Development*

- For manufacturers to be rewarded in this situation, it is necessary that games and machines be developed in the context of world trends. This will serve to positively impact the image of electronic gaming, contributing to growth of the industry.
- The Gaming Technologies Association (GTA) is a non-profit body that operates in Australia.ⁱⁱ They have a national standard that covers Australia and New Zealand, outlining the logistics of the machines and how they must be operated. This contributes to provide probity from an industry perspective.

4. *Venues and Operators*

- Gaming machines function as a form of recreation that creates jobs and paid employment for venues and operators. There is work involved with adhering to policy and maintaining it and thus it is pivotal that they are compensated fairly for the work they do. Current modes of compensation do not account for contributing to overhead costs moreover because of the society 16% cap some operators are not even paid what they should be entitled to as reasonable and necessary costs. As it stands, under Section 115 of the Gambling Act 2003, payment of or receipt of commission is not allowed. Offering a commission based payment system could be productive: Lotto retailers are rewarded under this scheme, which caters to the differing levels of staff input required according to the custom to the retailer.
- **Locations**
Locations need to be able to move and adapt to the changing demographics of both the country and hospitality businesses. Gaming machines should also be widely available geographically to ensure all parts of New Zealand have access to community grants. With an increasing focus on ensuring that funds are returned to the communities that raised them, those communities without access to gaming machines are being deprived the access to grants.

Currently clubs are allowed to operate up to 30 machines where a merger occurs between two clubs. The same opportunity should be available to venues with common ownership.

- **Clubs**
Clubs operate in a privileged position as they are deemed to be a society in their own right, and therefore are able to retain and apply to authorised purposes within the club the proceeds from the gaming machines they operate. The commercial hospitality sector has long seen this as abhorrent allowing clubs to unfairly compete for patronage. The unfairness arises from their ability to apply gaming machine proceeds to upgrade facilities, pay expenses such as mortgages, rates and insurance, and consequently allowing them to have lower prices for club members and their guests. Club membership fees are nominal at best, with members of the public often choosing their choice of hospitality based on price.

With clubs aggressively promoting themselves with the threshold for membership being so low, the commercial sector believe current arrangement for the use of gaming machine proceeds in clubs is unfair and not reflecting genuine community need.

Options

The Hospitality Association believes that the status quo is not sustainable. The status quo will result in a slow death of a thousand cuts, with the ability to raise funds for the community and provide entertainment for the public being strangled with an ever declining number of sites and machines being concentrated in high density population areas. The Association believes that if government genuinely believes that gaming machines make a negative contribution to society then they should make a decision to disband the industry in an orderly manner, planned euthanasia would be more honest, transparent and humane.

Alternatively if the government believes that gaming machines operated in an honest, transparent manner with all care being taken to minimise harm, then some changes need to be made to the legislation to ensure that gaming machines can meet the needs of all the stakeholders, and continue to make a major contribution to government revenue and to community activity. The Association does not believe that these changes need alter the fundamental principles of the Act, but they do need to change if community fundraising through gaming machines is to have a future.

Required Changes

- A commission based payment system for venues, set at 16%.
- Retain existing gaming venue grandfather rights and allow those licences to be transferred to other sites, which will be required to facilitate the re-establishment of gaming in the Christchurch CBD.
- Removal of the requirement for 37.12% to be returned to the community, to be replaced with a cap on society expenditure.
- Agreement that those games approved for the Australian jurisdiction may be utilised in New Zealand.
- New requirement that 20% of the society's proceeds available for distribution to authorised purpose be paid to a territorial authority's community grants programme for distribution by that territorial authority.
- Clubs to distribute 50% of the authorised purpose funds outside the club environment.
- Where venues merge they have the opportunity to increase the number of machines to 30, consistent with the current policy for Clubs.

ⁱ <http://www.dia.govt.nz/Services-Electronic-Monitoring-System-Index>

ⁱⁱ http://www.gamingta.com/about_us.html.