

8 August 2018

Gambling Commission
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AUCKLAND 1052

Email: info@gamblingcom.govt.nz

Christchurch City Council submission on the Christchurch Casino Venue Licence renewal

Introduction

1. Christchurch City Council (the Council) thanks the Gambling Commission for the opportunity to provide comment on the Christchurch Casino venue consent renewal application.
2. The Council has appreciated the information provided by the Commission on the consent renewal process and the Council's options regarding making a submission.

SUBMISSION

General position regarding licence renewal

3. The Council has chosen to neither support nor oppose the Christchurch Casino venue licence renewal application. The Casino operates under legislation that has enabled casino operations to be established (albeit there now being a moratorium on the establishment of further new casinos). The Council has therefore focused its submission on advocating for changes to the conditions attached to any renewed licence (if renewal is the decision reached by the Gambling Commission).

Council position on problem gambling

4. Christchurch has a higher proportion of the population seeking problem gambling services than nationally and the Council has serious concerns about the potential and actual harm to our citizens from problem gambling.
5. The Council has a [Class 4 Gambling and TAB Venues Policy](#) that provides for a sinking lid approach to venue consents for Class 4 gambling venues. No new venues can be established and venue consents may not be transferred (other than as provided for under the *Waikiwi Tavern* [2013] NZHC 1330 exception).
6. Under the Council's policy the number of Class 4 gambling venues has decreased from 164 (March 2004) to 86 (April 2018). This reduction in venues, and therefore in exposure of problem gamblers to gambling opportunities, is something the Council believes is in the long-term best interests of our city.
7. Avoiding the inevitable negative effects of problem gambling on our citizens is a delicate one and one which the Council believes the Christchurch Casino has a key role in achieving.

Responsible gambling and minimising harm

8. Christchurch Casino's operator licence requires the licence holder to have a host responsibility programme in place and details the matters that programme must include. The Council believes there are licence conditions that can be included with a venue licence renewal that could help reduce problem gambling associated with the Christchurch Casino. The first two types of conditions that may be attached to a casino licence (as provided for under Schedule 1 of the Gambling Act 2003) relate to:
 - Initiatives to encourage responsible gambling; and
 - Initiatives to minimise harm.
9. The Council also notes that the Casino Impact Report refers to the Casino having established a "forum" that includes representation from the Salvation Army Oasis Centre, the Problem Gambling Foundation and the Christchurch City Council. The Council believes the requirements attached to the Casino Venue Licence of other New Zealand casinos around the establishment and funding of a more formal liaison group should be included in any renewed License for the Christchurch Casino.
10. The Council suggests the following wording is included as a condition of the Casino Venue Licence:
 - To meet the costs of a "Christchurch community liaison group" to be established under licence conditions by the Authority. The convener of the group to be appointed by the Gambling Commission. The membership of the group to be determined by the convener with representatives to be sought from Christchurch City Council, Christchurch Police, Community and Public Health (Canterbury District Health Board), and non-government social service providers operating in Christchurch, Ngai Tuahuriri and Christchurch problem gambling treatment providers.

Returning funds to the community

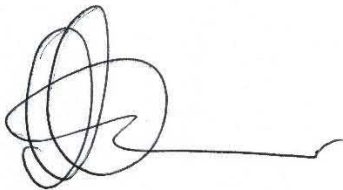
11. There are currently no requirements for the Christchurch casino operator to provide a minimum level of funding to the independent charitable trust it is required to establish. The Christchurch Casino provided its charitable trust with funding of approximately \$191,000 per year for its first five years from 1994. Since then the funding has reduced to an average of \$141,000 per year. The Council believes this level of funding is not a sufficient return to the community when considering the impacts of problem gambling on the community.
12. The Skyline Enterprises Annual Report 2017 states the operating surplus generated by the Christchurch Casino for the financial year 2017 was in excess of \$16 million (before tax). The net profit for the casino is not provided but the Skyline Group recorded a net profit of more than \$68 million for the 2017 year. The Council does not begrudge the owners of the casino making a profit. The Casino is a legitimate business.
13. However, the current donations to the Casino's charitable trust seem small in comparison with the money being made by the Christchurch Casino owners from Christchurch residents and visitors. The Council believes the current donations level is insufficient to provide a social licence to operate in our city.
14. Perhaps as a result of being the first casino in New Zealand, no funding level was set in the licence at the time it was granted. Having a minimum funding level as a requirement of the venue licence will help ensure there is a return to the community to meet Christchurch Casino's social responsibility.

15. All other New Zealand casinos have a minimum funding level to be provided to their charitable trust detailed in their venue licence. The requirements vary significantly between licences and it is difficult to know what an appropriate level of funding might be without having a clear view of the revenue and net profit of Christchurch Casino. The Council therefore submits that the minimum funding to be provided to the charitable trust be the greater of 2.5 percent of net profit or \$500,000 per year.
16. The Council also notes that information about the Christchurch Casino's independent charitable trust has proved difficult to find. This should not be the case. The Casino should be required to include all relevant information about the trust, including details of the grants made by the trust, on its website or at least to provide a link from its website to where that information can be found.
17. Council elected members have significant skills and experience in managing and allocating grant funding. The Council submits that the charitable trust should be required to have a Council representative on the trust. This would provide appropriate knowledge and skills and would enhance the trust's connection to the Christchurch community.

Conclusion

18. The Council wishes to be heard in regards to its submission.
19. Thank you again for the opportunity to provide this submission. For any clarification on points within this submission please contact Libby Elvidge, Policy Analyst, Strategic Policy at libby.elvidge@ccc.govt.nz

Yours faithfully

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Andrew Turner
DEPUTY MAYOR
Christchurch City Council