

## Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Council will be held on:

**Date:** Thursday 10 June 2021  
**Time:** 9.30am  
**Meeting Room:** Council Chamber and Audio Visual link  
**Venue:** Municipal Building, Garden Place, Hamilton

Richard Briggs  
Chief Executive

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# Council *Kaunihera* OPEN SUPPLEMENTARY AGENDA

(Item 15: Submission to the Gambling Commission on the review of Charitable Trust License  
Conditions for Casinos)

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### Membership

**Chairperson** Mayor P Southgate  
*Heamana*

**Deputy Chairperson** Deputy Mayor G Taylor  
*Heamana Tuarua*

<b>Members</b>	Cr M Bunting	Cr A O’Leary
	Cr M Gallagher	Cr R Pascoe
	Cr R Hamilton	Cr S Thomson
	Cr D Macpherson	Cr M van Oosten
	Cr K Naidoo-Rauf	Cr E Wilson

**Quorum:** A majority of members (including vacancies)

**Meeting Frequency:** Monthly – or as required

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Becca Brooke  
Governance Manager  
*Menetia Mana Whakahaere*

**4 June 2021**

Telephone: 07 838 6727  
Becca.Brooke@hcc.govt.nz  
www.hamilton.govt.nz

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# Council Report

Item 15

**Committee:** Council

**Date:** 10 June 2021

**Author:** Sandra Murray

**Authoriser:** Blair Bowcott

**Position:** Consultant

**Position:** General Manager Growth

**Report Name:** Submission to the Gambling Commission on the review of Charitable Trust License Conditions for Casinos

<b>Report Status</b>	<i>Open</i>
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## Purpose - *Take*

1. To inform the Council on the Gambling Commission review of the charitable trust licence conditions attached to the venue licences for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf casinos.
2. To seek approval from the Council of Hamilton City Council submission's to the Gambling Commission on the review of the charitable trust licence conditions attached to the venue licences for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf casinos.

## Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Council:
  - a) receives the report;
  - b) approves **Draft 2** Hamilton City Council submission to the review of the charitable trust licence conditions attached to the venue licences for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf casinos to be sent to the Gambling Commission; and
  - c) notes that the approved submission will be uploaded to the Hamilton City Council's website.

## Executive Summary - *Whakaraapopototanga matua*

4. The Gambling Commission are undertaking a review of the charitable trust licence conditions attached to the venue licences for New Zealand's six casinos.
5. In the review, the Commission will consider whether these licence conditions require amendment and if so, it will advance specific variation proposals for further consultation.
6. The proposed submission from Hamilton City Council to the Gambling Commission:
  - i. Draws on Council's position made in previous submissions in the gambling space.
  - ii. Considers the views of other councils and key stakeholder organisations in their submissions to the Gambling Commission on this issue.
  - iii. Is supportive of a national approach on this issue.

7. Key points in the proposed submission:
  - i. Align all charitable trust licenses with section 3(g) of the Gambling Act;
  - ii. Ensure licence conditions require the establishment of new trusts, which are fully independent from casino licence holders, in substitution for the current trusts;
  - iii. Promote transparency;
  - iv. Include electronic gaming machines (EGM's) under Council Class 4 Policy;
  - v. Cautions against a replication of the Class 4 community funding model;
  - vi. Recommends restrictions on the allocation of required casino contributions to ensure a primary focus on reducing gambling harm; and
  - vii. Recommends 40% net proceeds from EGMs to align with Class 4 venue operators, and a contribution requirement from 'other gambling', calculated via 'casino win', to raise casino contributions to a comparable level with contributions from Class 4 Gambling contributions.
8. Hamilton City Council's **Draft 1** submission was circulated to Elected Members and Maangai Maaori for feedback on 31 May 2021. Although no feedback was received, staff have made some clarifying adjustments, which are highlighted in yellow in the attached Draft 2 version.
9. These adjustments are minor, other than a change to S6.4 of the proposed submission removing a 40% recommendation and replacing it with *"A contribution requirement from 'other gambling', calculated via 'casino win'<sup>1</sup>, to raise casino contributions to a comparable level with contributions from Class 4 Gambling contributions"*.  
This change has been made to avoid undue specificity at an early stage of the review process, in recognition of the further work the Commission plans to undertake.
10. Staff consider the matters in this report have a low significance and that the recommendations comply with the Council's legal requirements.

### Background - *Koorero whaimaarama*

11. The Gambling Commission are undertaking a review of the charitable trust licence conditions attached to the venue licences for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf Casinos.
12. In the review, the Commission will consider whether these licence conditions require amendment and if so, it will advance specific variation proposals for further consultation.
13. Full details of the review are available on the [Gambling Commissions website](#).
14. Feedback must be submitted to the Gambling Commission by 11 June 2021
15. While gambling is currently regulated under the Gambling Act 2003, the charitable trust licence conditions were imposed under the prior legislation, the Casino Control Act 1990, when the venue licences were first issued by the Commission's predecessor body. The conditions across the six venues vary markedly. They may not align well with the purpose of the Gambling Act, which differs materially from that of the Casino Control Act.
16. Details of the licence conditions across the six venues are set out by the Commission in the [notification of the review](#).
17. The Commission's predecessor body, the Casino Control Authority ("CCA"), issued venue licences for each casino, commencing with the Christchurch casino in 1993. The licences were issued under the Casino Control Act 1990 and were known as "premises" licences under that

<sup>1</sup> Casino win *meaning*: in any return period, an amount ascertained by deducting from the gaming income of the casino the aggregate of

(a) the amount of gaming wins paid out by the casino in the return period; and

(b) the amount of casino losses (if any) of the casino for the immediately preceding return period (or similar meaning).

This provides a direct correlation between money lost by gamblers and funds available for allocation.

Act. The CCA attached conditions to the licences, including a condition requiring the Licence Holder to contribute to an independent charitable trust relating to its casino.

18. The presence of charitable trust provisions in casino venue licences is not explained by any provision of the Casino Control Act, other than the provisions which limited the number of licences and which therefore resulted in competitive applications. The source of the obligations appears to have been proposals by applicants to secure competitive advantage over other applicants, rather than any statutory requirement that money from casino gambling benefit the community. The original conditions therefore merely captured promises made in successful applications and were unique to each venue.
19. Under the Gambling Act 2003 (the "Act"), the Commission took over the function of making decisions about casino licensing and casino premises licences became casino venue licences under the Act.
20. In 2005, the Commission proposed, on its own initiative, under section 139 of the Act, a series of amendments to the casino venue and casino operator licences for each casino, commencing with the Auckland casino. The 2005 licence condition review was intended to update the licences to deal with outdated references to the prior legislation and to the CCA, and to have regard to changed legislative purposes and obligations the Act.
21. In several prior decisions, the Commission has stated that it intends to undertake a comprehensive review of the charitable trust licence conditions to determine if changes should be made. The Commission is now undertaking that review.
22. The proposed submission from Hamilton City Council to the Gambling Commission:
  - i. Draws on Council's position made in previous submissions in the gambling space.
  - ii. Considers the views of other councils and key stakeholder organisations in their submissions to the Gambling Commission on this issue.
  - iii. Is supportive of a national approach on this issue.

#### **RELEVANT SUBMISSIONS PREVIOUSLY MADE BY HAMILTON CITY COUNCIL**

23. Hamilton City Council takes a very strong interest around the issue of gambling and has made submissions in this space in recent years, including the following:
  - i. Discussion Document on Online Gambling in New Zealand (Department of Internal Affairs) - [here](#)
  - ii. Application to Amend Licence Conditions and Related Applications to Approve Design Changes and New Game Mix at SkyCity Hamilton Casino (New Zealand Gambling Commission) - [here](#)
  - iii. Public Consultation on Four Class 4 Gambling Proposals (Department of Internal Affairs) - [here](#)

#### **Discussion - *Matapaki***

24. The Commission has drafted a series of questions to assist submitters, as follows:
  - a) As the charitable trust licence conditions appear to have been imposed merely as a result of a competitive process when the venue licences were first issued, should they continue remain in place in 2021 (and beyond)?
  - b) If they should remain in place, should they be amended to align better with the purpose of the Act, especially section 3(g)?
  - c) Is consistency in the licence conditions across all six licences desirable or is there a case for each venue having its own bespoke conditions? More specifically:

- i. To what extent should conditions differ to reflect differences on the size of individual casinos?
  - ii. Some licence conditions presently require the contribution to be a percentage of revenue, some require a percentage of net profit and some require a percentage of turnover. Is there a preferable basis for setting percentage based contributions? Specifically, is the "Casino Win" basis, as approved on an interim basis for the Auckland casino, appropriate for other casinos? Would payment based upon Casino Win represent a better alignment with purpose 3(g) of the Act?
  - iii. If so, what percentage would be appropriate to reflect purpose 3(g) of the Act?
  - iv. Some licence conditions include a minimum annual contribution irrespective of the percentage calculation. Should such a requirement remain? Should a minimum sum be included in all casino licences?
  - v. If so, should the minimum amount be updated periodically (as a minimum sum imposed in, say 1999, is worth less in 2021)? Should the minimum contribution be indexed to increase annually or at some other period?
- d) The charitable trusts were established by the casino licence holders. The deeds of trust allow the licence holders to exercise control over significant aspects of the trusts. Should the licence conditions require contribution to new trusts, which are fully independent from the licence holders, in substitution for the current trusts?

#### LICENCE CONDITIONS

25. Section 3 of the Gambling Act states:

*The purpose of this Act is to—*

*(a) control the growth of gambling; and*

*(b) prevent and minimise harm from gambling, including problem gambling; and*

*(c) authorise some gambling and prohibit the rest; and*

*(d) facilitate responsible gambling; and*

*(e) ensure the integrity and fairness of games; and*

*(f) limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling; and*

*(g) ensure that money from gambling benefits the community; and*

*(h) facilitate community involvement in decisions about the provision of gambling.*

26. The proposed Hamilton City Council submission to the Gambling Commission proposes the following recommendations related to licence conditions:

**i. Align all charitable trust licences with section 3(g) of the Gambling Act**

*To ensure that money from gambling benefits the community, as occurs with Class 4 gambling.*

**ii. Ensure licence conditions require the establishment of new trusts, which are fully independent from casino licence holders, in substitution for the current trusts**

*To remove the current situation where charitable trusts are managed by casino licence holders. The proposed submission also notes that while HCC supports independent trusts, this should not preclude consideration of revenue being returned to a public organisation such as a council or the Department of Internal Affairs, with a directive to ring-fence funds for activities supporting gambling harm reduction, gambling research or activities in high-deprivation communities.*

iii. **Ensure any new trust is structured in a manner which creates community involvement**  
*To support of the Gambling Act Section 3(f) and (h) e.g. through a requirement for specified community representatives on the board of the trust. The proposed submission suggests representatives from relevant Mana Whenua, council, gambling harm reduction organisations and affected cultural groups should be on the board of any Trust receiving gambling contributions for casinos, along with the introduction of clear criteria for funding allocation decisions. These suggestions are intended to reduce opportunities for crime or dishonesty associated with the contributions from gambling; and to facilitate community involvement.*

iv. **Promote transparency**

*The submission notes the challenges obtaining robust financial information relating to casino gambling activities.*

v. **Include electronic gaming machines (EGM's) under Council Class 4 Policy**

*The proposed submission supports changes to legislation to include casino-based EGM's to be counted under any 'sinking lid' requirements within council Class 4 policy's. This has been proposed in response to Hamilton's prior concerns that the introduction of additional EGM's at Hamilton Casino may have undermined the effectiveness of the Hamilton City Council Class 4 Gambling Venue Policy.*

#### **AVOID REPLICATING CLASS 4 SITUATION**

27. Previous consultations on the Hamilton Class 4 Gaming Venue Policy have indicated the community funding model for Class 4 creates a dependency by some community groups on Class 4 gambling funding.
28. This dependency limits Council's ability to manage Class 4 gambling to reduce gambling related harm, particularly communities in high deprivation areas.
29. The proposed submission strongly cautions against a replication of the Class 4 community funding model or any similar model.
30. The proposed submission recommends restrictions on the allocation of required casino contributions to ensure a primary focus on reducing gambling harm e.g. through the funding of research into gambling related harm; funding attendance at training or conferences focused on reducing gambling harm; or to provide additional funding to gambling harm support organisations.

#### **REVENUE AMOUNT RETURNED**

31. The proposed submission states Hamilton City Council is strongly of the view that the 1.5% of revenue currently returned by SkyCity to Hamilton's community is completely 'out of synch' with the 40% net proceeds that Class 4 venue operators are required to return and that the percentage that Hamilton's casino provides to the community needs to be increased.
32. It is proposed to recommend:
  - i. 40% net proceeds from EGMs to align with Class 4 venue operators, and
  - ii. A contribution requirement from 'other gambling', calculated via 'Casino Win', to raise casino contributions to a comparable level with contributions from Class 4 Gambling contributions.
33. The proposed recommendation is intended to require casino gambling to contribute to the community at a comparable level to Class 4 gambling; and particularly bring alignment with Class 4 regulations for EGM's.

34. This submission supports all casinos in New Zealand being required to adhere to the same percentage figure, standardizing conditions across all casinos, and including minimum contribution levels.
35. Casino Win is given the meaning:
 

*in any return period, an amount ascertained by deducting from the gaming income of the casino the aggregate of:*

*(a) the amount of gaming wins paid out by the casino in the return period; and*

*(b) the amount of casino losses (if any) of the casino for the immediately preceding return period (or similar meaning).*
36. The use of 'Casino Win' is intended to provide a direct correlation between money lost by gamblers and funds available for allocation.
37. If the recommendation is not approved the proposed submission may be submitted to the Gambling Commission as a staff submission, rather than as a Hamilton City Council submission.

#### **Financial Considerations - *Whaiwhakaaro Puutea***

38. This is a regular operating activity funded through the Long Term Plan.

#### **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

39. Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

#### **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

40. The purpose of Local Government requires the promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
41. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
42. The recommendations set out in this report are consistent with that purpose.

#### **Social**

43. The types of harms caused by gambling include financial loss, relationship difficulties, distress, cultural harm, reduced performance and even crime. Problem gambling has been associated with major depressive disorder, and alcohol misuse and dependence. (New Zealand National Gambling Study Wave 4 (2015), AUT Gambling & Addictions Research Centre, 2018).
44. Problem gambling can have significant negative impact on the community and the social connections of problem gamblers. The adverse effects of gambling are widespread, contributing to family breakdown, criminal activity such as fraud, disruption to and loss of employment, social isolation, family violence and depression.

#### **Economic**

45. The burden of harm from problem gambling is mainly from financial problems, damage to health and relationships, emotional and psychological distress, and adverse effects on work and education (New Zealand National Gambling Study Wave 4 (2015), AUT Gambling & Addictions Research Centre, 2018).
46. The financial impacts of problem gambling contribute to child poverty and have an adverse impact on families at greater socio-economic risk.



## Environmental

47. No environmental impacts have been identified in relation to this item.

## Cultural

48. Māori comprise around 20% of Hamilton's residents and it is estimated that 40% of those identifying as Māori are from hapū with close ties to the Hamilton area. Hamilton has one of the fastest-growing urban Māori populations.
49. The Strategy to Prevent and Minimise Gambling Harm, released by the Government on 28 June 2019, states:
- "... Māori and Pacific adults were more likely to develop problems from gambling (ie, to become a low-risk, moderate-risk or problem gambler) than European/other New Zealanders. Asian people also experienced a slightly higher risk. Importantly, while inequalities between population groups by age, social deprivation, gender and ethnicity have reduced in absolute terms, in relative terms, disparities in exposure to gambling and experience of gambling-related harm persist and have been relatively static over the past five years. Māori, Pacific peoples and Asian peoples are each more than twice as likely to experience moderate to severe gambling harm than the European/other population."*
50. In the 2018 Health and Lifestyles survey, 7% of adults (268,000) reported experiencing at least one form of household-level gambling harm. Māori respondents were most likely to be affected by household gambling harms.

## Risks - *Tuuraru*

51. There are no known risks associated with the decisions required for this matter.

## Significance & Engagement Policy - *Kaupapa here whakahira/anganui* Significance

52. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

## Engagement

53. Community views and preferences are already known to the Council through prior consultations on the Hamilton City Council Class 4 Gambling Venues Policy and TAB Board Venue Policy.
54. Given the low level of significance determined, the engagement level is low. No engagement is required.

## Attachments - *Ngā taapirihanga*

Attachment 1 - Hamilton City Council Draft 2 Submission on the Review of the Charitable Trust Licence Conditions for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf Casinos (10 June 2021)

Submission by

**Hamilton City Council**



Private Bag 3010  
Hamilton 3240  
New Zealand

TEL 07 838 6699  
FAX 07 838 6599  
EMAIL [info@hcc.govt.nz](mailto:info@hcc.govt.nz)  
[hamilton.govt.nz](http://hamilton.govt.nz)

## REVIEW OF THE CHARITABLE TRUST LICENCE CONDITIONS ATTACHED TO THE VENUE LICENCES FOR THE AUCKLAND, HAMILTON, CHRISTCHURCH, DUNEDIN, QUEENSTOWN AND WHARF CASINOS

10 June 2021

### 1.0 EXECUTIVE SUMMARY AND RECOMMENDATIONS

#### 1.1 Licence Conditions

- 1.2 The proposed review should align all charitable trust licences with section 3(g) of the Gambling Act; ensure licence conditions require the establishment of new trusts (fully independent from casino licence holders), ensure any new trust is structured in a manner which creates community involvement in support of the Gambling Act Section 3(h); and promotes transparency.
- 1.3 Hamilton City Council supports changes to include casino-based electronic gaming machines (EGM's) under council Class 4 policy measures.

#### 1.4 Avoid replicating Class 4 situation

- 1.5 Hamilton City Council strongly cautions against a replication of the Class 4 community funding model or any similar model.
- 1.6 Hamilton City Council recommends strict restrictions on the allocation of required casino contributions to ensure a primary focus on reducing gambling harm; and allocation in a manner which avoids dependency.

#### 1.7 Revenue amount returned

- 1.8 Hamilton City Council is strongly of the view that the percentage that Hamilton's casino provides to the community needs to be increased. This should include 40% of profits from EGMs in alignment with Class 4 venue operators, and a 40% contribution requirement from 'other gambling', calculated via 'casino win'.

- 1.9 Hamilton City Council supports all casinos in New Zealand being required to adhere to the same percentage figure, standardizing conditions across all casinos and including minimum contribution levels.

### 2.0 INTRODUCTION

- 2.1 Hamilton City Council would like to thank the Gambling Commission for the opportunity to make a submission to the 'Review of the Charitable Trust Licence Conditions attached to the venue licences for the Auckland, Hamilton, Christchurch, Dunedin, Queenstown and Wharf Casinos'.
- 2.2 The Gambling Commission notes in the review that it will consider whether the licence conditions require amendment and, if so, that it will advance specific variation proposals for further consultation.
- 2.3 While our submission focuses primarily on the Hamilton Casino, the points outlined, and recommendations are also relevant to all casinos in New Zealand being reviewed by the Gambling Commission regarding Charitable Trust Licence Conditions.

### 3.0 RELEVANT SUBMISSIONS MADE BY HAMILTON CITY COUNCIL

- 3.1 Hamilton City Council takes a very strong interest around the issue of gambling and has made a number of submissions in this space in recent years, including the following:
- Discussion Document on Online Gambling in New Zealand (Department of Internal Affairs) - [Download Now](#)
  - Application to Amend Licence Conditions and Related Applications to Approve Design Changes and New Game Mix at SkyCity Hamilton Casino (New Zealand Gambling Commission) - [Download Now](#)
  - Public Consultation on Four Class 4 Gambling Proposals (Department of Internal Affairs) - [Download Now](#)
- 2.4 While this submission focuses on licence conditions and funding allocation, it should be viewed within a wider concern related to gambling related harm within our communities, particularly vulnerable communities such as those in high-deprivation areas.

### 4.0 LICENCE CONDITIONS

- 4.1 Current licence conditions vary significantly between charitable trusts and have never been considered as a group. This submission supports a review of all charitable trust conditions, with the intention to achieve consistency across all six, particularly with respect to the calculation of charitable trust contribution requirements.
- 4.2 The current situation where licence holders exercise control over significant aspects of the charitable trusts they fund appears out of alignment with the Gambling Act Sections 3(b), (d), (f) and (g). This submission supports creating a clear separation between licence holders and any recipient of contribution requirements e.g. an independent trust.
- 4.3 The proposed review should:
- 4.3.1** align all charitable trust licences with section 3(g) of the Gambling Act.
  - 4.3.2** ensure licence conditions require the establishment of new trusts, which are fully independent from casino licence holders, in substitution for the current trusts. Note that while this submission supports independent trusts, this should not preclude consideration of revenue being returned to a public organisation such as a council or the Department of Internal Affairs, with a directive to ring-fence funds for activities supporting gambling harm reduction, gambling research or activities in high-deprivation communities.
  - 4.3.3** ensure any new trust is structured in a manner which creates community involvement, in support of the Gambling Act Section 3(f) and (h) e.g. through a requirement for specified community representatives on the board of the trust (e.g. representatives from relevant Mana Whenua, council, gambling harm reduction organisations and affected cultural groups), and clear criteria for funding allocation decisions.
  - 4.3.4** promote transparency. We note that it has not been possible to obtain robust financial information relating to casino gambling activities, which limits the ability of submitters to provide the Commission with clear views on the current and future funding requirements for the charitable trusts.
- 4.4 As required under the Act, Hamilton City Council has a class 4 gambling venue policy which was adopted following consultation with the community. The legislative exclusion of casino-based EGM's from council policy undermines council's ability to manage the number and location of EGM's in the community in accordance with the wishes of the community.

- 4.5 This submission supports changes to legislation to include casino-based EGM's to be counted under any 'sinking lid' requirements within council Class 4 policies.

## 5.0 AVOID REPLICATING CLASS 4 SITUATION

- 5.1 Hamilton City Council strongly cautions against a replication of the Class 4 community funding model or any similar model.
- 5.2 The funding of community groups via Class 4 Gaming Machine Profit (through Gaming Trusts) has created an unhealthy dependency on gambling funding for some community groups.
- 5.3 As with other councils, Hamilton City Council has faced challenges to managing gambling related harm via our Class 4 Gambling Venue Policy in part due to concern from community groups that stricter measures to minimise gambling harm will reduce funding to community groups. Hamilton City Council has not determined any evidence that our sinking lid policy has adversely impacted the availability of community funding.
- 5.4 This submission recommends strict restrictions on the allocation of required casino contributions to ensure a primary focus on reducing gambling harm e.g. through the funding of research into gambling related harm; funding attendance at training or conferences focused on reducing gambling harm; or to provide additional funding to gambling harm support organisations.
- 5.5 If allocated outside of gambling harm reduction activities, this submission supports allocation in a manner which avoids funding recipient dependency, such as not funding salaries; funding only single projects (avoiding ongoing support); and limiting the frequency of applications for funding submitted e.g. new applications must not be made within 2 years of a previous successful application.
- 5.6 If allocated outside of gambling harm reduction activities, consideration should also be given to limiting allocation to activities to be carried out within geographic locations determined to be 'high-deprivation' according to the NZ index of deprivation. Such requirements may reduce concerns related to gambling proceeds originating from high deprivation communities and being transferred to low-deprivation communities.

## 6.0 REVENUE AMOUNT RETURNED

- 6.1 In regard to Charitable Trust Licence Conditions around revenue from electronic gaming machines being returned to the community, Hamilton City Council is strongly of the view that the 1.5% of revenue currently returned by SkyCity to Hamilton's community is completely 'out of synch' with the 40% net proceeds that Class 4 venue operators are required to return.
- 6.2 Hamilton City Council also hold this view for all other casinos in New Zealand (noting that some are slightly higher at 2.5% - but still way 'out of sync' with the 40% net proceeds required from Class 4 venue operators).
- 6.3 This position is reinforced in Hamilton City Council's 17 May 2019 submission to the Gambling Commission opposing an application by SkyCity Casino Management Limited to vary the Hamilton casino licence conditions, where we noted that:

*"The variations would permit SkyCity to introduce 60 new EGMs into the Central City area. This is over 50% of the total number of class 4 venue EGMs in the Central City (116 in total). To the extent that the provision of 60 new EGMs at the casino takes custom away from existing venues, which is likely to some extent, this would not be in the interests of the community. Class 4 venue operators are required to return 40% of profits from EGMs to the community. By contrast, Skycity is required to return only 1.5% of profits to the community. A change in licence conditions that gives rise to the risk of migration of EGM expenditure from class 4 venues to the casino is not in the interests of the community and does not further the*

*purpose of ensuring that money from gambling benefits the community”.*

6.4 Hamilton City Council is strongly of the view that the percentage that Hamilton’s casino provides to the community needs to be increased. This should include:

- 40% net proceeds from EGMs to align with Class 4 venue operators, and
- A contribution requirement from ‘other gambling’, calculated via ‘casino win<sup>1</sup>’, to raise casino contributions to a comparable level with contributions from Class 4 Gambling contributions.

6.5 This submission supports all casinos in New Zealand being required to adhere to the same percentage figure, standardizing conditions across all casinos, and including minimum contribution levels.

## 7.0 FURTHER INFORMATION AND OPPORTUNITY TO DISCUSS OUR SUBMISSION

7.1 Should the Gambling Commission require clarification of Hamilton City Council’s submission, or additional information, please contact Grant Kettle (Planning Guidance Unit Manager) on 07 838 6639, 021 883329, email [grant.kettle@hcc.govt.nz](mailto:grant.kettle@hcc.govt.nz) in the first instance.

7.2 **Hamilton City Council would welcome the opportunity to discuss the content of our submission further with the Gambling Commission.**

7.3 We also look forward to providing further feedback when the submissions from other key stakeholders are made available by the Gambling Commission for comment.

Yours faithfully

**Richard Briggs**  
**CHIEF EXECUTIVE**

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<sup>1</sup> Casino win *meaning*: in any return period, an amount ascertained by deducting from the gaming income of the casino the aggregate of  
(a) the amount of gaming wins paid out by the casino in the return period; and  
(b) the amount of casino losses (if any) of the casino for the immediately preceding return period (or similar meaning).  
This provides a direct correlation between money lost by gamblers and funds available for allocation.