

# GAMBLING: A SOCIAL HAZARD

Lorna Dyall<sup>1</sup>  
Senior Lecturer  
Māori and Pacific Health and Community Health  
Auckland University

## Abstract

Gambling needs to be reframed as a social hazard rather than a harmless leisure pursuit. Māori are at particular risk of the adverse effects of gambling, and the government's obligations under the Treaty of Waitangi should be the basis for gaming legislation that recognises gambling as a social hazard. Such legislation should be modelled on the Hazardous Substances and New Organisms Act 1996, which is aimed at the protection of people and communities through appropriate management of chemical and biological hazards.

Hutia te rito o te harakeke,  
Kei hea te kōmako e ko,  
Ki mai koe ki au  
He aha te mea nui o tenei ao,  
Māku e ki atu  
He tangata, he tangata, he tangata.

If we pull the heart of the flax out where will the bellbird go?  
But if I was to ask what is the most important thing of all I would say, it is people, it is people, and it is people.

## INTRODUCTION

New Zealand has recently been experiencing its third review of gambling or gaming since 1995 (Department of Internal Affairs 2001a).<sup>2</sup> New legislation was proposed under the previous Labour–Alliance Government to promote responsible gambling. The Bill was reviewed by the Labour–Progressive Coalition Government, and passed into legislation as the Gambling Act 2003. This legislation, when implemented, will do little to protect Māori and other New Zealanders from the hazards associated with

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<sup>1</sup> **Correspondence**

Lorna Dyall, Senior Lecturer, Māori and Pacific Health and Community Health, Auckland University, Private Bag 92-019, Auckland, e-mail l.dyall@auckland.ac.nz.

<sup>2</sup> “Gambling” and “gaming” are often used interchangeably in New Zealand.

gambling. Rather, it legitimates the role and rationale of gambling in New Zealand, and will define the place of different gambling operators and the various forms of gambling each can operate. Perhaps it should have been called the Gambling Protection Act, as it protects current gambling operators, supports the status quo arrangements and promotes harm minimisation as a strategy for public protection from gambling.

This paper aims to reframe gambling from being seen as a harmless recreational leisure activity to being considered a social hazard in New Zealand. It also considers why there are legislative protections in place to protect New Zealanders and Māori from the introduction of new biological and chemical hazards, but no such protections to safeguard health and wellbeing from introduced social activities such as gambling, which are known to be hazardous to people's health.

The whakataukī (proverb) that appears at the beginning of this paper sets the scene in that although Māori consider the protection of the environment as important, the most valuable resource a society can have is healthy people. This paper is written from a Māori perspective and will discuss gambling and problem gambling and its impact on Māori, the importance of reframing gambling as a social hazard, the importance of the Hazardous Substances and New Organisms Act 1996, which provides a framework for responsible gambling in New Zealand, and the need to consider all new and current gambling products in a similar manner as new biological or chemical hazards in the environment, as it is unknown how they will interact and react in New Zealand's unique social environment.

## GAMBLING IN NEW ZEALAND: CULTURAL BAGGAGE

Gambling or gaming – defined as “games of chance that are informal or regulated through legislation such as playing cards, track betting, casino games, poker machines, raffles, lotteries, sport betting and investment on the stock exchange” (Arnold 1978:8) – is increasingly being recognised as a politically sensitive issue in New Zealand and overseas (Shaffer and Korn 2002).

Grant (1994) has proposed that gambling should be seen as “cultural baggage” in New Zealand, as the new settlers have introduced it. He notes that non-Māori settlers have used gambling to provide entertainment, create individual and collective wealth, develop social and cultural services and redistribute assets and resources to different individuals and groups on the pretence of “luck” (Grant 1994). Māori have then followed non-Māori and integrated gambling into Māori cultural activities and being Māori. This is reinforced through gambling advertising and Māori involvement in new gambling developments such as the opening of casinos (Bayly 1999).

Māori are a unique indigenous population who, prior to contact with non-Māori, had no history or traditional concepts relating to gambling. Māori also had no history of brewing alcohol or consumption of tobacco (Reid and Pouwhare 1992, Grant 1994, Hutt 1999). Today Māori often consume all three products in different settings, especially in pubs and social clubs, creating co-addiction problems (Dyall and Morrison 2002). As a result of the normalisation of gambling, it is now an integral part of the social, economic and cultural infrastructure of Māori and New Zealand communities. For example, Creative New Zealand, the Film Commission and Sport and Recreation New Zealand, which give grants to arts, film and sports activities respectively, are all significantly dependent on funding from the Lottery Grants Board,<sup>3</sup> which receives its funding from the New Zealand Lotteries Commission gambling products.

Māori are also dependent on these statutory bodies and the Lottery Grants Board for funding for the development and conservation of marae. This funding now means that many Māori organisations and groups are dependent on gambling for their cultural survival unless alternative policy decisions are made to support Māori aspirations for economic security and independence.

The ethical issues of Māori receiving money from the proceeds of gambling have not been considered in any great depth by Māori community groups, although the effects of non-casino gaming machines on Māori whānau and communities are increasingly being recognised. The previous government recognised that problem gambling is now a health issue for Māori (Department of Internal Affairs 2002).

#### GAMBLING AS A SOCIAL HAZARD: A PUBLIC HEALTH REFRAME NEEDED

It is now time for New Zealanders to reframe gambling and consider it as a “social hazard”, even though it is generally considered a normal recreational activity that creates minimum harm in New Zealand. Any introduced organism or new substance or social activity has the potential to be a hazard, as its effects are unlikely to be known in a new environment, even though it may be considered “safe” in other communities or situations.

New Zealand has had wide experience of the introduction of hazards, such as plants and animals considered “safe” in one place yet reacting quite differently in New Zealand, with the outcome that they have become noxious weeds or pests. The term “social hazard” in its application to gambling is used figuratively, for although it is an

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<sup>3</sup> The Lottery Grants Board is a statutory body that can only allocate funding to distribution committees or other charitable purposes that are approved by the Minister of Internal Affairs, and to three designated statutory bodies (Lottery Grants Board 2000).

activity, not a threat to the physical environment, it can create harm within families and communities and can cause significant health and social problems (National Research Council 1999, Productivity Commission 1999).

Further, if legitimated by society and promoted as a normal recreational activity, it can change individuals' and groups' values to lead them to depend upon "luck", such as winning a lottery or jackpot, to determine their future, rather than taking control and shaping their future by hard work and personal achievements. People's health and wellbeing is related to the degree of control they have over their own lives (Health Promotion Forum of New Zealand 2000).

The socialisation effects of Lotto, the government-owned weekly lottery, have been investigated by Howland (1994). He suggests that Lotto advertisements promoting a weekly purchase of a lottery ticket in supermarkets, malls and in bookshops have contributed and reinforced the ideal of the "good life", where everyone who plays has the chance to be a winner. They have encouraged a distinction between those who participate, "good Kiwis", and non-players, who are considered "radical" and "bad Kiwis".

Participation is one of the core values that Lotto promotes, and it has been used to ensure that Lotto is an essential part of New Zealanders' household expenditure. It is the most frequent form of gambling (Bale 1992, Abbott and Volberg 2000). Lotto is now part of the Kiwi psyche, where dreams are achieved. Advertising and easy access to purchasing a ticket, such as when paying for groceries at a supermarket, promotes the normalisation of gambling in New Zealand (Howland 1994).

Countries are increasingly re-assessing their policies that govern gambling, as local community advocacy groups, gambling providers, elected governments, indigenous populations and gamblers become aware of its effects on expenditure, and of gambling-related harm such as increased crime, increased health problems, the break-up of families, co-addiction problems and increased debt, especially from gaming machines, casinos and the Internet (National Research Council 1999, Korn and Shaffer 2000, Sullivan et al. 2000).

Alongside these concerns, there are also some indigenous groups – in Canada and America, and in New Zealand, such as Ngāti Whakaue and Tainui – who would like to become more actively involved in gambling through the ownership of casinos and other forms of gambling such as gaming machines, as specific strategies to achieve their own social and economic development aspirations (Anders 1996, Cozzetto and Larocque 1996). There also is a growing reluctance for Māori or tribal organisations such as Tainui to publicly highlight their involvement in casinos or the ownership of gaming machine licences, as they are aware of the adverse criticism they will receive from both Māori and non-Māori.

There are increasingly differing views on the value of gambling in New Zealand, with over half (56%) of the individuals and organisations that made submissions to the most recent gaming review suggesting that gambling should not be part of our society (National Research Bureau 2001).

Nevertheless, gambling in New Zealand is now a significant part of the business of national and local organisations, private and charitable organisations, and the wealth of individuals. This is visible with the annual growth of Sky City and its shares, and the growth in gaming machines licensed by the Department of Internal Affairs, which can only give licences to a charitable trust or other society for an authorised purpose (Ayers 1998).

Korn (2000) suggests taking a public health approach to gambling so that a balanced view can be achieved, which acknowledges both the positive and the negative effects gambling can create within local communities and within a country. A public health approach allows for a wider range of clinical and prevention interventions; sees people within a social context rather than focusing on individuals; allows exploration of the influences of cultural, family and community values on behaviour; and allows for recognition of the Treaty of Waitangi. It also fosters interaction of systems, organisations and political groups, and enables analysis and examination of the interactions between and across different public policies, such as education, employment, taxation, tourism and Māori development policies (Korn and Shaffer 2000, Durie 2001, Shaffer and Korn 2002).

A public health approach also allows health behaviour to be seen and managed along and within a continuum, so that areas of risk and resiliency, protective factors and conditions can be identified and explored. A public health perspective allows for the development of an integrated approach where a wide range of relationships and interventions can be considered and implemented within a system (Durie 2001). A public health approach is thus important as it recognises that the state of the health of Māori is directly related to interactions and reactions Māori have had with Crown agencies and the policies these have developed on behalf of successive governments. Any policies implemented today not only affect the current generation of Māori but also future generations (Durie 2001).

Kezwer (1996) has proposed that many people are unaware that countries such as New Zealand are part of a new social revolution, where gambling is positively sanctioned by elected governments. He predicts that countries like New Zealand and Canada will experience a social epidemic from gambling in the next decade (Kezwer 1996).

Considering this prediction, it is timely to consider the effects of gambling and the different approaches that could be taken to manage the introduction of new and

existing forms of gambling within a community or country, recognising that many governments are not neutral on this issue (Kezwer 1996, Korn 2000). Like gambling operators, elected governments have a vested interest in the growth of gambling, are actively involved in gambling provision, use gambling as part of their tax strategy, depend on gambling tax revenue for expenditure, use gambling to support private business developments, and use gambling to support charitable and community developments. This situation currently exists in New Zealand.

## GAMBLING EXPENDITURE AND PROBLEM GAMBLING

In 2001/02 New Zealanders turned over \$11.6 billion on gambling and lost \$1.7 billion (the difference being approximately \$10 billion in winnings), of which over 47% was related to non-casino gaming machines and 25% to casinos (Department of Internal Affairs 2003). The turnover (which is the sum of all bets, including re-investment of winnings – a significant element of gaming machines and race betting) is similar to the amount New Zealand currently spends on its health services and the amount lost would significantly support major health service developments.

Abbott and Volberg (2000) present findings of a major telephone survey of New Zealanders over 18 years old conducted in 1999 to identify patterns and expenditure, and the prevalence of problem and pathological gambling in the community. Problem and pathological gambling were identified using an amended form of the Southern Oaks Gambling Screen (SOGS), an internationally recognised screening tool for problem and pathological gambling from a psychiatric DSM-IV perspective. SOGS identifies key behaviours associated with problem or pathological gambling and has been adapted in New Zealand to create a self-screening tool for individuals or health professionals to identify problem gambling, which is often invisible and difficult to diagnosis unless individuals are invited to discuss their pattern or involvement with gambling. The identification of problem gambling is important given that it is estimated that every severe problem gambler affects at least five other people, usually family members (Productivity Commission 1999, Sullivan et al. 2000).

Abbot and Volberg conducted a survey in 1991 that estimated Māori were at three times the risk of Pākehā for problems with gambling, and spent more on gambling than Pākehā even though household incomes of Māori were significantly lower (Volberg and Abbott 1997). This pattern of gambling was identified again in the most recent 1999 survey (Abbott and Volberg 2000). Comparing the results and considering the limitations of both studies, Abbott and Volberg (2000) conclude that although New Zealand's rate of prevalence of problem and pathological gambling may have declined since 1991, challenging Kezwer's view of a social epidemic of problem gambling, it is conservatively estimated that there are 1% to 3% of New Zealand adults in the community who have experienced problems with gambling at some time in their life.

Reviewers of this study have suggested that due to the limitations of using the telephone for recruitment and the limited ethnic diversity and age of participants in the 2000 study the 1991 figures for estimated problem and pathological gambling are more likely to be appropriate (Smith and Barnfield 2001). However, Abbott and Volberg consider that the 1999 results are likely to provide the more accurate account of gambling and problem gambling in the New Zealand adult population (Abbott and Volberg 2000).

The 1991 figures suggest that the total New Zealand population lifetime prevalence of pathological gambling is between 2.1% and 2.7%, and of problem gambling between 3.6% and 4.2% (Abbott and Volberg 1996, Smith and Barnfield 2001). The rates of problem and pathological gambling for Māori were at least three times higher than for Pākehā in 1991 and again in 1999. The following table shows that problem or pathological gambling using the 1999 data does not fall evenly across the New Zealand population, but adversely affects some ethnic groups more than others.

**Table 1 Lifetime Gambling Status, 1999**

Ethnic Group	No Problem %	Problem %	Pathological %
European	98.1	1.3	0.6
NZ Māori	92.9	3.6	3.5
Pacific Island	89.0	7.8	3.2
Asian	97.1	2.9	0.0
Other	97.9	0.8	1.2

Source: Abbott and Volberg (2000:182)

Note: Figures are within 95% confidence level.

Using the lifetime problem and pathological prevalence summary estimates for Māori and applying them to the Māori adult population of 294,759 in the 1996 census, it is likely that in 1999 there would have been between 10,611 (3.6%) and 10,316 (3.5%) Māori individuals who would have been assessed as either problem or pathological gamblers. Their behaviour would also have affected at least five others, which means this recreational leisure activity should be redefined and seen as a social hazard that creates immense health problems in New Zealand (Abbott 2001). Although the 1999 results suggest problem and pathological gambling may have declined since 1991, New Zealand is increasingly experiencing a problem gambling epidemic from the growth of non-casino gaming machines in different communities (Paton-Simpson et al. 2002).

## GAMING REVIEW: PROPOSALS FOR RESPONSIBLE GAMBLING STILL FAIL TO PROVIDE PROTECTION

Since 1990 New Zealand has had three reviews of gaming legislation, and although legislative proposals have been presented to reduce the expansion of gambling and

improve licensing, none have been enacted other than a moratorium on the consideration of applications for licences for further casinos (Department of Internal Affairs 1996, 2001a). The most recent gaming review initiated in 2000 has focused on reviewing existing gambling legislation, the allocation of gaming profits, the impact of new technology on gaming, inconsistent taxation regimes for different forms of gambling and the extent of social and private costs incurred, such as fraud, crime and its impacts on Māori communities (Department of Internal Affairs 2001a).

Information from gambling-related research shows that gambling is a social hazard in New Zealand. For example, recent prison research has found that approximately a third of female prisoners and a quarter of male prisoners recently imprisoned were found to be problem gamblers at the time of their imprisonment. It was also found that the female prison population had one of the highest recorded rates of problem and pathological gambling found in any previous gambling survey, apart from surveys of people seeking or receiving treatment for pathological gambling (Abbott et al. 2000, Abbott and McKenna 2000). Over half of the participants of these two prison studies were Māori, suggesting that tangata whenua are at risk of problem gambling and that gambling is one of the key risk factors for Māori having a high rate of imprisonment (Durie 2001).

The harmful effects of gambling now require policy and decision makers to reframe gambling and recognise the broad social harm gambling creates. Findings from the recent review of gaming have resulted in proposals for the collective promotion of responsible gambling. Major proposals are a demarcation of areas of gambling in which each specific gambling industry can be involved, regulations for different classes of gambling, no further casinos, limiting the growth of gaming machines to nine on new gaming sites, replacing the Casino Control Authority with a new Gambling Commission, involving communities in the licensing of gaming machines, a requirement to develop regulations that reduce gambling-related harm, and a requirement for the gambling industries to pay for problem gambling.

Although these decisions seem substantial, they will provide little protection for Māori and other New Zealanders as there are no overarching principles proposed to direct and guide gambling decisions, especially in relation to new gambling products, which are constantly being developed by different gambling operators to maintain and, where possible, increase market share from gambling income.

Alongside these proposals, there is also a need for New Zealanders to reconsider the role, place and size of gambling in New Zealand society. Historically, gambling has tended to be accepted uncritically as an intrinsic part of New Zealand society, as evidenced in the saying that Kiwis are known for their passion for “rugby, racing and beer” (Abbott and Volberg 1984).



While the proposals of the Responsible Gambling Bill do not ignore social costs (for example, one objective is to “prevent and minimise the harm caused by gambling, including problem gambling”), gambling is seen as having the primary purpose of community benefit, with current arrangements still allowing for growth (Department of Internal Affairs 2002). For example, the Government has not put a cap on the number of gaming machines that will be licensed in New Zealand.

No provisions have been included for responsible gambling that recognise the Treaty of Waitangi, the right of Māori to positively benefit from gambling developments in New Zealand, and the right of Māori to be involved as an equal partner with the Crown in all levels of planning and decision-making regarding gambling and problem gambling in New Zealand (Dyll 2002). To raise Māori awareness and increase Māori advocacy in all areas of gambling, a national Māori group on gambling is being formed, similar to developments that have occurred in America and Canada by first nations peoples to achieve sovereignty and economic independence (Duffie 1988).

Recognition of the Treaty of Waitangi is important as part of responsible gambling in New Zealand. The Treaty of Waitangi is an ongoing social contract between Māori and the Crown, and it is stated clearly that its primary purpose is to protect the interests of Māori. Further, the Treaty of Waitangi allows a government to be established on certain conditions, which are that Māori have the right to maintain control and ownership over their own resources and taonga (treasures) and are to be accorded the same rights as British subjects. In accordance with the Treaty of Waitangi, it would be reasonable to expect that there should be no difference in problem gambling between Māori and non-Māori and that Māori should receive the same outcomes from gambling as the Crown, for example, an equal share of the revenue that flows from gambling, a defined allocation of gaming machines that can be owned or distributed, active involvement in all form of licensing and regulation of all forms of gambling, and the right for Māori to positively benefit from legalised gambling. None of these provisions currently exist for Māori.

In relation to gambling, policy recognition of Treaty of Waitangi obligations has been patchy (Dyll and Morrison 2002, Markland 2002). The Lottery Grants Board, a Crown agency, has recognised it has obligations to recognise the Treaty of Waitangi and has been encouraged to develop a Treaty of Waitangi framework for active Māori participation and to ensure that allocation of funding reflects contractual obligations (Gardiner and Parata 1997). Māori involvement in all aspects of gambling is important so that Māori can consider whether their cultural, sport and community infrastructure should be significantly dependent on gambling, or whether gambling should be used as a short-to-medium-term development strategy to gain economic independence and self-sufficiency.

## GAMBLING: A SOCIAL HAZARD FOR MĀORI

Increasingly, there is recognition in New Zealand that alcohol and tobacco are social hazards in New Zealand, especially for Māori. The same recognition, however, has not occurred in relation to gambling, which is generally promoted as a positive activity that creates minimal harm, is not addictive and does not affect the wellbeing of others. Durie now suggests that gambling should be seen as “te ao hou”, a new lifestyle risk that can create substantial health problems and has similarities in terms of adverse effects as alcohol:

**Alcohol and drug misuse are major threats to Māori health and well-being and have brought risks comparable to the infectious diseases that ravaged Māori society over a hundred years ago. While the death rates from alcohol misuse are not high alongside the consequences of tuberculosis, influenza, measles and diphtheria, the costs are similarly excessive in terms of unrealised human potential. (Durie 2001:125)**

Gambling and problem gambling now affect Māori in the following ways:

- Ethnicity, and in particular identifying as Māori, is now a key indicator of likely risk of problem or pathological gambling (Abbott and Volberg 2000).
- Māori gamblers spend more on gambling than Pākehā gamblers. Despite limited individual and household incomes, Māori households spend more on gambling per week than on education (Te Puni Kōkiri 1998a, Abbott and Volberg 2000).
- Despite being over-represented in treatment statistics relative to their representation in the population, Māori underuse gambling treatment services in relation to need (as indicated by problem-gambling prevalence surveys) (Paton-Simpson et al. 2002).
- At least a quarter of all clients who seek help from gambling treatment or counselling services identify as Māori, even though Māori adults represent 10% of the New Zealand adult population (Paton-Simpson et al. 2002).
- Over 40% of female prisoners and just under a third of male prisoners report that they have had problems with gambling sometime in their life. Over half of the prison population in New Zealand identify as Māori (Abbott et al. 2000, Abbott and McKenna 2000).
- Female prisoners in New Zealand have been found to have the highest rate of problem and pathological gambling recorded other than in surveys of people seeking or receiving treatment from pathological gambling. The majority of female prisoners in New Zealand identify as Māori (Abbott and McKenna 2000).
- Māori women are increasingly seeking help with problem gambling related to gaming machines. The increasing visibility of problem gambling for Māori women changes the profile of Māori gambling and makes it different from other indigenous populations who share similar socio-economic situations (Volberg and Abbott 1997).

- Māori have high rates of conversion to new games of chance as they are introduced. Māori are involved in both continuous and non-continuous forms of gambling (Volberg and Abbott 1997, Abbott and Volberg 2000).
- Māori males and females present at least 10 years earlier than non-Māori, which suggests the effects of earlier exposure and normalisation of gambling in Māori communities (Compulsive Gambling Society of NZ 1998).
- Māori have a more severe problem with gambling than other ethnic groups when assessed in gambling treatment services (Paton-Simpson et al. 2002).
- Māori use gambling to fulfil functions and roles in their lives that relate to the underdevelopment of Māori, such as to win money, to provide excitement, to socialise, to support worthy causes, to relieve boredom, to escape from personal trauma and poverty, and to transfer Māori cultural values (Morrison 1999, Abbott et al. 2000, Abbott and McKenna 2000).
- Māori patterns of gambling and risk of problem gambling relate to the Māori experience of colonisation and the underclass position Māori occupy in New Zealand society (Abbott and Volberg 2000).
- Māori gamblers consider that problem or pathological gambling is worse than other addictions as it is so destructive to individuals, whānau and communities (Dyall 2002).
- Problem gambling not only affects the quality of life of problem gamblers but impacts substantially on others. Problem gambling alone or with other addictions inhibits the ability of people and families to control and manage their own lives (Dyall 2002).

For Māori, gambling is a social hazard and should be seen and managed in a similar way to the introduction of new or modified biological and chemical hazards into the New Zealand environment. Taking account of the adverse costs of gambling for Māori, it is advocated that Māori should be involved in all levels of policy development, licensing, regulation and management of all forms of gambling, so that Māori can establish key stakeholder relationships and strategic alliances with all parties involved in gambling provision, licensing and management, and the distribution of gambling income. This involvement would recognise the Treaty of Waitangi and Māori aspirations for tino rangatiratanga (self-determination), and would support a harm-minimisation approach for Māori (Durie 2001).

#### PROBLEM GAMBLING ON NEW ZEALAND'S PUBLIC HEALTH AGENDA

To allay public concerns regarding the growth of gambling in New Zealand, the Labour–Progressive coalition government has proposed that problem gambling should now become part of the New Zealand health agenda, even though this was not recognised or mentioned as a public health issue in the Government's *New Zealand Health Strategy* (Minister of Health 2000). This decision shows the political sensitivity of

government to changing community views on gambling, even though the prevalence of problem and pathological gambling in the community and its impact of Māori have been known for more than a decade.

The development of public health interventions to address problem gambling is now being considered by both the mental health and public health sections of the Ministry of Health, and this agency will likely take responsibility for purchasing gambling-related services in 2004/05. Approximately \$8.6 million in 2002/03 was spent on gambling treatment services funded by specific gambling industries (Gambling Problem Helpline 2002). Services are purchased by way of a private purchaser, and funding has increased from year to year. There is no Māori representation as of right on the two major bodies that determine the level of funding required and services purchased. Just over \$1 million was allocated for Māori gambling treatment services in 2002/03. In 2003/04 funding overall for gambling treatment and related services will rise to approximately \$12 million.

To provide ongoing funding, the Government has proposed that a Problem Gambling Levy should operate in which specific gambling industries such as casinos, the Totalisator Agency Board (TAB), Lotteries Commission and the non-casino gaming machine sector will pay for the estimated gambling harm they create, weighted according to expenditure in and harm caused by each gambling industry, the amount overall spent on gambling and the number of people who present annually with problems with gambling.

The Problem Gambling Levy as presented has major limitations for Māori and will likely exacerbate inequities in health outcomes for Māori. At present the formula does not recognise the Treaty of Waitangi, the effects of problem gamblers on others, the intergenerational effects of problem gambling, and the effects of normalisation of gambling in that many Māori are unaware they have a problem. Further, the levy does not take account of barriers of access to care for Māori, such as for those in prison or without a local gambling treatment service, the lack of funding to reduce Māori dependency on gambling, or compensation for gambling as “cultural baggage for Māori”. Neither does the levy address the destructive effects on Māori social capital, including whānau relationships. These are important matters and highlight that gambling has been and will continue to be a social hazard for Māori unless significant changes are made (Productivity Commission 1999, Dyll 2002).

At present it is recognised that non-casino gaming machines, followed by casinos, create the most harm. This reflects the fact that the overwhelming majority of Māori presenting for gambling treatment identified these forms of gambling as causing the most difficulties – over 90% in 2001 (Paton-Simpson et al. 2002).

## NEW GAMING LEGISLATION: REQUIREMENT FOR RECOGNITION OF GAMBLING AS A SOCIAL HAZARD

The primary purpose of the Hazardous Substances and New Organisms Act 1996 (HSNO Act) is “to promote the environment and the health and safety of people and communities, by preventing or managing the adverse effects of hazardous substances and new organisms” (section 4). A hazard is defined in this Act as having one of the following intrinsic properties: explosiveness, flammability, a capacity to oxidise, corrosiveness, and toxicity and eco-toxicity. The Act focuses on the hazardous nature of some chemical or biological substances or organisms, especially in relation to contact with water and air, and does not cover the potential harm of other introduced substances and activities that are without appropriate controls.

Gambling fits within this context and requires appropriate regulation, licensing and management. To support the implementation of the HSNO Act, two principles underpin its primary purpose. First, all persons exercising their functions, powers, or duties are required to recognise and provide for “the safeguarding of the life-supporting capacity of air, water and ecosystems”. Secondly, they are to ensure “the maintenance and enhancement of the capacity of people and communities to provide for their own economic, social and cultural wellbeing and for the reasonably foreseeable needs of future generations” (section 5). In addition to these two key principles defined within the Act, all persons are required to take into account “the sustainability of all native and valued introduced flora and fauna, intrinsic value of ecosystems, public health, the relationship of Māori and their culture and traditions with their ancestral lands ... and other taonga” (treasures) (section 6). Persons are also required to “recognise the principles of Treaty of Waitangi in all activities” (section 8).

The principles of protecting the physical environment, promoting and enhancing self-determination, self-sufficiency, protection of people and sustainability of current and future generations are upheld by Māori and are part of Māori rights guaranteed in the Treaty of Waitangi. These principles have relevance to gambling. For example, many Māori community and tribal groups, if given appropriate information, would not like to see the future development and conservation of their marae, sport and cultural activities significantly dependent on the weekly sale of Lotto, or local gaming machines. Māori are increasingly becoming aware that Lotto and gaming machines place some Māori whānau at risk, as valuable income is spent on gambling instead of putting food on the table or supporting children with their education needs. As mentioned before, Māori households spend more per week on gambling than on education, even though Māori incomes are half those of non-Māori (Te Puni Kōkiri 1998b). The Māori population is predominately young, and resources used unwisely have a substantial impact on the quality of life of all members of a whānau, especially children.

The HSNO Act 1996 also has a defined structure and process for the introduction and management of new hazardous substances. The Environmental Risk Management Authority, which oversees the implementation of this Act, is an independent body with members appointed by the government. Māori representation is not defined as of right on this body, but implementation of the Act requires Māori involvement.

The primary role of the Environmental Risk Management Authority is to protect the public's safety and future wellbeing. This body has defined powers and responsibilities. All applications for the introduction of new chemical and biological hazards in New Zealand must be registered and considered by this body. A fee is required with each application registered. The Authority is also required to keep a register of all applications and to monitor all applications to ensure that the nature of their approval or decline of application has been upheld.

As well as the management of chemical and biological hazards, the Authority is required to be involved in decisions related to genetically modified organisms. It is in this area that the Authority has recently become visible and questioned by different interest groups as to the decisions taken. Māori have strong views on the protection of the environment and in particular on the need to proceed with caution in relation to genetic engineering. Recently, the Environmental Risk Management Authority has been criticised as unwilling to accept community and/or Māori views as being of equal value to scientific views. The Royal Commission on Genetic Modification has acknowledged that Māori views and values may differ from scientific views, and it has recommended that a specialist body, Toi te Taiao: The Bioethics Council, be established so that ethical and cultural objections in relation to new technology can be discussed, new opportunities considered and the costs associated weighed up (Revington 2001).

Gambling should be treated no differently: it is complex, requires ethical decisions to be made, impacts on Māori and New Zealand's culture, and increasingly involves new interactive technology, such as the Internet. Although there are limitations to the HSNO Act, it provides a legislative framework with defined purpose, principles and an independent body to consider the introduction of new hazards and ensure appropriate management. Adopting this form of legislation could assist in redefining the role and place of gambling for Māori and non-Māori in New Zealand society and its impact on different communities' social, economic and cultural infrastructures. Protection of people is at the heart of this legislation, in contrast to proposals for responsible gambling that just regulate gambling activities.

## TAB DEVELOPMENTS AND "POWERBALL": EXAMPLES OF NEW SOCIAL HAZARDS

There is now growing competition among gambling operators in New Zealand to maintain their market share and, where possible, increase their gambling profits. Each gambling industry is constantly looking to the introduction of new games of chance within their defined parameters to increase income irrespective of the harm that is created alone or with other forms of gambling. For example, the TAB has now been given approval to be able to operate track racing and online Internet betting, and to continue to expand sport betting. The TAB was not previously permitted to operate gaming machines in TAB outlets (those machines that were in TABs belonged to a community trust), nor could it operate in casinos. However, the new Gambling Act allows the TAB to operate in both these areas.

New games of chance can be introduced into New Zealand without any real consultation with Māori or the public, or consideration of them as a new social hazard. In the future, as part of responsible gambling, the Department of Internal Affairs, which is the Government's primary adviser on gaming issues, will license and regulate all forms of gambling with the exception of casinos (Labour and Alliance Government 2002).

As the new legislation replaces existing gambling statutes, each gambling industry will be able to develop new products with no requirement to consult the public or consider the impact new products may have. For example, the New Zealand Lotteries Commission reported that for 2002/03 it had \$113 million available for distribution through the Lottery Grants Board (admittedly a reduction on the funds that the Commission made available to the Grants Board at its peak in the late 1990s), and intends shortly to introduce gambling products that it considers will be attractive to its customers. This organisation has also restructured to focus on Auckland, where it is known that Māori and Pacific peoples are significant consumers of New Zealand Lotteries Commission products. However, there is no indication as to how the Treaty of Waitangi will be recognised in the development of new products or the distribution of proceeds, or how Māori would significantly benefit from the Lottery Grants Board's funding for distribution.

The New Zealand Lotteries Commission can generate considerable income from new products. For example, in 2001 this agency announced that its new product, Powerball, had achieved sales within a few months of more than \$32 million. As a result of this new game the Lottery Grants Board was saved from reducing its grants to defined statutory bodies, for which it is required to provide a defined level of funding.

Although Powerball may be seen as positive by some key stakeholders, such as the statutory bodies largely dependent on gambling funding, no consideration has been

given to the social and opportunity costs of New Zealanders wagering over \$32 million in a short period of time. It is highly likely that the New Zealand Lotteries Commission is planning to introduce new gambling products that will take money from many households who can least afford to gamble regularly, but who have become captured by the myth that through Lotto and other forms of gambling dreams can be achieved and with luck their life can change overnight.

If there were appropriate licensing and regulation of gambling, all new products would be seen as hazardous and require scrutiny by an independent body similar to the Environmental Risk Management Authority. Safeguards could be imposed by such a body, such as restricting sales in supermarkets, limiting promotion through advertisements, informing the public of the odds of winning, and encouraging consumers to seek tax rebates from gambling similar to donations given to charitable organisations, as it is considered a community benefit by the Government.

The opportunity costs and benefits of gambling in New Zealand require ongoing review, analysis and research and should be considered in relation to New Zealand's total social and economic policies. In Canada, where it has been found that low-income households generally spend more on gambling than middle-income or higher-income households, it has been suggested that the regular purchase of government-supported lotteries should be seen as a regressive tax as governments become increasingly dependent on gambling for tax revenue (Korn 2000). Similar patterns have been found in New Zealand, with low-income and middle-income households regularly spending money on gambling and, in particular, on New Zealand Lotteries Commission gambling products (Abbott and Volberg 2000, Department of Internal Affairs 2001b).

## CONCLUSION

Gambling should now be regarded as a social hazard in New Zealand. The Hazardous Substances and New Organisms Act 1996 currently in place in New Zealand provides a model for considering how new and current social hazards such as gambling could be considered, reviewed and managed within a legislative framework. New legislation promoting responsible gambling should have a defined purpose and guiding principles that focus on people: their wellbeing and that of future generations, sustainability, self-sufficiency, the protection of Māori and their cultural wellbeing, the recognition of the Treaty of Waitangi, and active participation and involvement of communities and different groups in determining the role, place and size of gambling in New Zealand society.

Gambling is a complex public policy and health issue that requires wide debate and involvement from all sectors of the community. Decisions today will affect the health and wellbeing of people tomorrow.



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