



Pokie machines , sponsorship and alternative funding in New Zealand

Poker machines

- Annual turnover in gambling \$16.736 billion (2008).
- Money lost \$2.034 billion, of which \$938 million was lost on non-casino pokies (2008).
- There are 19739 non casino pokie machines in New Zealand – one machine for every 149 people in the population over 18 years of age.
- Poker machines in clubs and pubs are the most common mode of gambling.
- Each pokie machine makes \$47520 annually.
- \$2.5million is lost every day on pokies - not including casinos.
- Up to 24% of pokie revenue is from problem gamblers, who make up 3% of gamblers.
- 90% of women seeking help for gambling cite pokies as their problem.
- In Decile 9 areas there is one pokie for every 75 people in Decile 1 areas there is one per 465 people.

For every \$1 that comes into a community organisation from a pokie-funded trust, foundation, society or club, \$3 has been lost from the community

The allure and the harm of the pokies

ALLURE

- There is no skill involved so players don't have to think.
- Machines have 'well choreographed illusions' designed to hide that they really are computer whose chip randomly cycles through hundreds and thousands of numbers every second. The big win occurs in one and a million plays.
- Machines are designed to allow the player to have at least 15 minutes of playing before they have to put in the next note.

- Pokies are designed to make frequent small payouts or intermittent rewards, with all the appropriate lights and sounds or the two symbols in a row which convince the player that they are getting closer to the big win, next time.
- A typical player initiates a new game every six seconds. That's ten games per minute and 600 per hour.
- Pokie machines are user friendly: they have touch screens and are digital.
- Pokies are accessible 24 hours 7 days a week.

Gary Rivlin (2004) The Tug of the newfangled slot machines URL <http://www.problemgambling.com/newsarchive.html# 22/2/2007>

HARM

- 81.3% of NZ new client gamblers cited pokies as their primary mode of gambling.
- 65.6% of gamblers lost between \$100-\$2,000 in the four weeks before treatment for all gambling modes.
- Gambling venues are in vulnerable communities that already suffer a high degree of socio-economic disadvantage.
- For every problem gambler between 5 –17 people are affected, and the harm is felt by family, whanau and the community.

Poker machines are simply computers, they randomly select numbers for wins. You have better odds of being struck by lightning than winning a top prize. Poker machines are not ATMs they do not pay back everything that is put in. The more you play the more you pay.



Philanthropy suffers through pokie machines

- Philanthropy suffers through pokie machines as organisations become increasingly reliant on gaming and charitable trusts for funding.
- Gaming industry and community trusts play up the 'good' side of pokie machine money by highlighting the community benefits from distribution of funds. This reinforces a dependency on gambling. They talk about down turns in revenue and low turnover as if it was a harmless business venture and also suggest that many worthwhile community organisations are missing out on funding because of this. Such messages shift our attention from the positive outcome of lower turnover, if less money is being spent on pokies it means less harm is being caused in our communities.
- For every \$1 that goes into the machine, a \$1 could have been donated straight to your organisation.
- Every \$1 that is lost to a machine is divided up between pokie trusts, the government and the community so community organizations never get the full \$1 and communities rarely see all of the proceeds returned to their own community.
- A 2003 Ministry of Health study showed that pokies are sited in the most vulnerable communities. Therefore the majority of pokie funding comes from money put into the machines by the poorest families.
- A more honest and open way of obtaining these funds would be to be a \$400 levy on the poorest families at school.

Unhealthy Sport Sponsorship Patterns

- The sponsorship of popular sports for young people is dominated by "unhealthy" sponsorship (i.e gambling, alcohol & unhealthy food) according to a University of Canterbury pilot study in 2006.
- Gambling was the most common specific type of sponsorship
- The study recommended government to consider regulations that limit unhealthy sponsorship and/or adopt alternative funding options.
- Possible solutions include restricting certain sponsorship as is already the case with tobacco, establishing "blind" sponsorship funds for the gambling industry which are managed by the government, or extending sponsorship by health-promoting organisations.

Maher et al. Patterns of sports sponsorship by gambling, alcohol and food companies: an Internet survey. BioMed Central, Public Health, 2006, 6: 95-103.

Alternative to pokie funding—the No Pokies register

Twenty charities have banded together and refused to accept the takings from pokie machines because they say the impact of gambling undermines their moves to help the needy.

While charities did good work with their share of \$300 million in pokie funds there was a bigger picture to be considered.

The bottom line is that much of this money is sourced from people with a gambling addiction that is likely to have played havoc with their social, physical and mental health.

Poor communities are hit hardest by losses on the pokies and other gambling. By choosing not to take 'tainted' money, these charities are acknowledging the harm caused by problem gambling.



NZ Herald 8 September 2006

Join the no pokies register at <http://www.gamblingwatch.org.nz/> and get some stickers to show your support, also you can use this as a fundraising strategy.

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