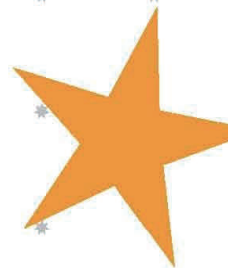
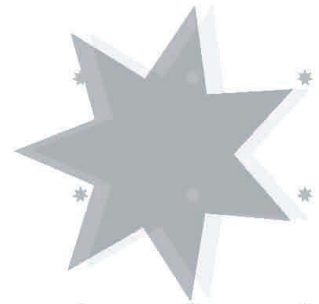
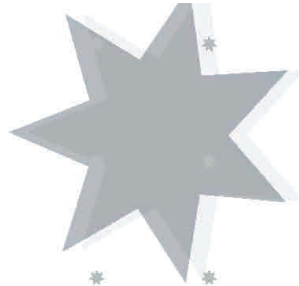


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A Database
on Australia's Gambling Industry

Chapter 3

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A Database

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The Australasian Gaming Council welcomes comments and suggestions on this publication.

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Chapter 3

New Zealand's Gambling Environment

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GAMING IN NEW ZEALAND

Table 3-1 Forms of gambling in New Zealand

Gambling Form	
Racing	✓
Sports betting	✓
Lotteries	✓
Gaming machines	✓
Casino gaming	✓
Keno	✓
Football pools	✓
Interactive gaming ¹	×
Minor gaming	✓

Source: New Zealand Department of Internal Affairs (2010), www.dia.gov.nz

Lotteries

Lotteries are conducted in New Zealand by the government owned New Zealand Lotteries Commission. As in Australia there are three components to a lottery; the purchase of a ticket, the draw and the prize.

A person whose ticket is selected in a lottery wins a prize based on the total amounts wagered after deduction of a set percentage by the operator to cover costs. Lotteries are sold at various outlets, such as newsagents and retail outlets.

The New Zealand Lotteries Commission has a retail network of 1,035 outlets² around New Zealand as of March 2010.

Casino gaming

Casinos in New Zealand operate both gaming machines and table games in has six locations on both the North and South Islands. Additional casinos are currently prohibited under the relevant New Zealand legislation.³

Table 3-2 Casino facilities in New Zealand (2009)

Casino	Number of tables	Number of gaming machine
Auckland	110	1,647
Christchurch	36	500
Hamilton	23	339
Dunedin	12	180
SKYCITY, Queenstown	12	86
Wharf, Queenstown	6	74
Total	199	2,826

Source: New Zealand Gambling Commission (2009), *Report of the Gambling Commission (Year ended 30 June 2009)*.

¹ Section 9(2)(b) of the *Gambling Act 2003* prohibits remote interactive gambling. The definition of remote interactive gambling includes “gambling by a person at a distance by interaction through a communication device.”

² Industry interview with New Zealand Lotteries Commission

³ New Zealand Gambling Act (2003)

Gaming machines

New Zealand has a state-wide gaming machine network operating in licensed pubs and clubs.

Gaming machines in pubs and clubs (i.e. outside a casino) represent 'Class 4' gambling, which the *Gambling Act 2003* classifies as high-risk, high-turnover gambling. Class 4 gambling may only be conducted by a corporate society and only to raise money for an authorised (e.g. community and non-commercial) purpose.

Corporate societies own and operate the gaming machines which are then hosted at hotel and club venues. The corporate societies make reimbursement payments to venues for hosting their gaming machines. These payments are assessed by a framework developed by the Department of Internal Affairs.⁴

Table 3-3 Electronic Gaming Machines in New Zealand non-casino venues at March 2010

Categories of Sites	Totals	Percentage of Sub-Total	Percentage of Total	Average Gaming Machine per Venue
Multi-Venue Societies	15,232	99.3%	79.7%	13.48
Single Venue Societies	105	0.7%	0.5%	13.13
Subtotal	15,337	100.0%	80.2%	13.48
Sports Clubs	611	16.2%	3.2%	7.02
Chartered Clubs	2,033	53.8%	10.6%	13.55
RSA's	1,134	30.0%	5.9%	11.94
Total Club	3,778	100%	19.8%	11.38
Total All	19,115		100%	13.00

Source: New Zealand Department of Internal Affairs (2010).

Keno

A computerised Keno system operates at the New Zealand Lotteries Commission Auckland Office and results are displayed on TV screens at the Auckland office. In addition, the results are broadcast on television at approximately 1.45pm and 6.45pm.

Keno is a game where a player wagers that their chosen numbers match any of the 20 numbers randomly selected, via a computer system or a ball draw device, from a group of 80 numbers. In most states, Keno is linked to all venues within a particular jurisdiction, enabling the operator to offer large jackpot prizes. Keno has a fixed pay scale such that the pay out for each wager is established by rules and is independent of the total wagers made on the game.⁵

⁴ Department of Internal Affairs (2010) [http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-Gaming-Gambling-in-Pubs-and-Clubs-\(Class-4\)?OpenDocument](http://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-Gaming-Gambling-in-Pubs-and-Clubs-(Class-4)?OpenDocument)

⁵ Office of Economic and Statistical Research (2009), Australian Gambling Statistics 2006-07

WAGERING IN NEW ZEALAND

Racing

Racing comprises legal betting on horse and greyhound races with bookmakers and totalisators, both at race courses and off-course (TAB).

Racing clubs and tracks

Table 3-4 Number of thoroughbred race clubs and tracks in New Zealand (2008-09)

Region	Clubs	Racetrack (s)
Auckland	5	3
Bay of Plenty	5	4
Canterbury	7	5
Gisborne	1	1
Hawkes	3	3
Manawatu-Wanganui	11	6
Marlborough	1	1
Northland	2	2
Otago	6	6
Southland	7	5
Taranaki	4	3
Tasman-Nelson	-	-
Waikato	8	6
Wellington	3	2
West Coast	4	4
Total	67	51

Source: *New Zealand Thoroughbred Racing (2009)*, *NZ Thoroughbred Racing Fact Book 2009*.

A total of 67 clubs operated in the thoroughbred racing industry in New Zealand in 2008-09, this corresponds with 69 clubs in the previous financial year (2007-08).

In the 2008-09 racing season, 51 race tracks were used for racing, consistent with the amount used during the previous season.

Race meetings

Table 3-5 Number of thoroughbred race meetings in New Zealand (2006-07, 2007-08 and 2008-09)

Year	Number of Race Meetings
2008-09	3,088
2007-08	2,970
2006-07	2,863

Source: *New Zealand Thoroughbred Racing (2009)*

Prize money

Table 3-6 Prize money offered in thoroughbred racing in New Zealand (2006-07, 2007-08 and 2008-09)

Year	Prize Money (\$NZ million)
2008-09	58.4
2007-08	56.2
2006-07	49.4

Source: *New Zealand Thoroughbred Racing (2009)*

Prize money in New Zealand continues to increase steadily, totalling \$58.4 million in 2008-09, an increase of 3.9 per cent from the previous year.

Totalisator Agency Board (TAB)

Totalisator wagering is where a player makes a "unit" wager (a unit being any multiple of 50 cents or one dollar, depending on the jurisdiction). Totalisator betting is sometimes called parimutuel betting. The operator deducts a percentage of the total units wagered (for costs, including tax), and the remainder is returned as dividends (winnings) to players, in multiples of the unit wagered.

In New Zealand, The New Zealand Racing Board conducts totalisator and fixed-odds racing and sports betting under the 'TAB' brand.⁶

On-course bookmakers

Under the *Gambling Act*, it is illegal to operate as a bookmaker in New Zealand. Bookmaking activities include taking bets, organising pool betting, matching gamblers, and laying or offering odds. However, there are three exceptions to the prohibition on bookmaking. These are:

- Private gambling
- Casino gambling
- Racing and sports betting offered by the New Zealand Racing Board under the Racing Act 2003.

Off-course bookmakers

Similarly to on-course wagering, off-course wagering is restricted by the *Gambling Act 2003*, and the same prohibitions apply.

Sports betting

Sports betting refers to wagering on all types of local, national or international sporting activities (other than the established forms of horse and greyhound racing), whether on or off-course, in person, by telephone or via the internet. Bets may be laid on a variety of sporting events domestically and overseas.

⁶ New Zealand Department of Internal Affairs (2008), *Gambling Fact Sheet 14, Bookmaking and Racing & Sports Betting*