



Media Release
29 April 2010

Gaming industry calls for greater recognition

Auckland, New Zealand: It's time the true contribution of gaming machines to the New Zealand economy was recognised and acknowledged was the message from conference participants at the 2010 New Zealand Gaming Expo.

Speaking at SKYCITY in Auckland, CEO of the Gaming Technologies Association (GTA), Mr Ross Ferrar, said revenue from gaming machines benefited a myriad of charities, schools, community bodies and sporting groups. It also returned a large proportion of machine earnings back to the government in the form of compliance costs and taxes.

"Gaming machines are designed to entertain and the casino, and gaming rooms in pubs and clubs exist so people can do this in a safe, controlled and regulated environment. There are just under 20,000 gaming machines throughout New Zealand which contribute over \$300 million to deserving groups around the country. The government earns around \$242 million annually from the machines," said Mr Ferrar.

His position was supported by SKYCITY CEO, Nigel Morrison who said in his opening address to the conference that the 2003 Gambling Act focused on harm minimisation and ignored the economic contribution gaming made to the economy.

He said the industry was struggling to grow within a tightly regulated framework and there continued to be uncertainty about the operating environment.

"We still don't know what the New Zealand reaction is going to be to the Australian Productivity Commission's report into gambling. There seems to be a focus on pre-commitment and we are concerned about the recommendations to limit player expenditure on gaming machines.

"We anticipate change within the industry and it's unlikely that the three main casino players in Australasia, SKYCITY, Crown and Tabcorp will remain as they are in the next two years."

Change was also the message from Chief Executive Pub Charity Mr Martin Cheer who told delegates the anti-gaming lobby had switched from its position of highlighting harm to challenging the integrity of the Trusts.

"Accusations of harm from gaming machines have run their course, largely because the claims can't be substantiated. The move now is to attack the gaming machine Trusts. This makes it important that everything they do is above board.

"The debate needs to come back to the centre because it's been one-side for too long. The gaming industry needs to participate and become more involved in taking charge of its own future."

This position was supported by CEO Hospitality Association of NZ Mr Bruce Robertson who told conference delegates gaming machines were a significant fundraising business which was slowly being strangled.

“The Department of Internal Affairs unfortunately has a single minded focus on optimising returns through cost minimisation. If the Trusts don’t present a cohesive face to the industry the Department of Internal Affairs will be able to pick them off one by one. This will continue to weaken the industry.”

Mr Robertson added that the current rules being applied to the sector were not sustainable. “The result will be a reduction in the money that goes to the community.

Minister of Revenue and Associate Minister of Health, Hon Peter Dunne told delegates that gaming machine operators needed to continue to find new and better ways to work with communities.

“The whole premise of charity gaming in New Zealand is that the proceeds are returned to the local community. The implicit partnership has always been that gaming machine proceeds were available for distribution for the betterment of local communities.

The call from the CEO of the Community Gaming Association, Mr Francis Wevers was the need for the industry to work together to protect its interests.

“The benefits of gaming to the local community are often overlooked in the welter of criticism but steps are being taken to bridge the gap between the anti-gambling sector and the Class 4 venues. We work in a market that has a unique set of parameters and we need to stop apologising for it.”

Mr Ferrar reiterated that the gaming industry sector should be proud of the economic contribution it made.

“Gaming is good for the community because it can make a positive difference.”

For more information or to arrange an interview, please contact Ross Ferrar on +61-2-821 60931 / +61-418 686 075 or Kim Triegaardt 021-128 3165

Further information about the New Zealand Gaming Expo is available at nzgamingexpo.com

