Online Casino Gambling Bill
Submission to the Governance and Administration Select Committee
The Salvation Army Te Ope Whakaora New Zealand, Fiji, Tonga, and Samoa Territory
17th August 2025

Summary

- The Salvation Army Te Ope Whakaora recognises the need for effective regulation of online gambling but is deeply concerned that this Bill does not prioritise harm prevention and minimisation and the approach to regulation proposed is inadequate.
- People need to be put at the centre of this legislation and not simply facilitating the operation of the gambling market.
- The Salvation Army recommends changes to add key protections and incorporate the public health principles of the Gambling Act 2003 into this Bill as a statutory objective.
- Gambling harm has a disproportionate impact on Māori representation in the governance and management of the regulatory system needs to be legislated through this Bill.
- The same approach to consulting on and designing regulations for other gambling should also apply to online casino gambling.
- A centralised and independently operated self-exclusion register linked to the existing system for land-based gambling is essential.
- Use of credit for online gambling needs to be prohibited.
- The minimum age for online gambling should be 20 years, in line with other gambling law.
- A robust independent disputes system is essential along with extremely strong data protection safeguards are needed to protect against the misuse of this information for other purposes.
- Advertising online casino gambling should not be permitted.

Background

1. The mission of The Salvation Army is to care for people, transform lives and reform society by God's power. The Salvation Army is a Christian church and social services organisation that has worked in New Zealand for one hundred and forty years. It provides a wide range of practical social, community and faith-based services around the country.

2. The Salvation Army employs almost 2,000 people in New Zealand, and the combined services support around 135,000 people annually. In the year to June 2024, these services included providing around 88,000 food parcels and vouchers to families and individuals, providing some 2,300 people with short- or long-term housing, around 4,400 families and individuals supported with social work or counselling, around 5,300 people supported to deal with alcohol, drug, or gambling addictions, around 3,500 families and individuals helped with budgeting, and court and prison chaplains helped 4,000 people.

3. This submission has been prepared by the Social Policy and Parliamentary Unit (SPPU) of The Salvation Army. The SPPU works towards the eradication of poverty by advocating for policies and practices that strengthen the social framework of New Zealand. This submission has been approved by Commissioner Janine Donaldson, Territorial Commander of The Salvation Army's Aotearoa New Zealand Fiji Tonga, and Samoa Territory.

General Comments

4. Gambling harm is a major public health issue in this country already. This Bill must address this reality in a manner consistent with the requirements of the Gambling Act 2003. The Bill clearly incorporates the same definitions of harm from gambling and problem gambling as in the Gambling Act, and harm prevention and minimisation must be brought to the forefront in the Bill as a statutory objective.

5. The Bill in its current form does not have enough of the crucial safeguards for people, families and whānau to prevent and minimise harm. The Bill prioritises enabling an online casino gambling market but it is vital that this Bill also place the protections front and centre and not leave them as an 'afterthought' to be tidied up in secondary regulation. The social costs of harm from gambling are already high. Online casino gambling will almost certainly greatly increase harm, and only very strong regulatory action will be able to minimise the increase in harm. It is likely the overall social cost of increased gambling harm from online gambling will exceed any revenue gained by government from levies, taxes and fees.

6. For almost three decades between 1997 to January 2024 The Salvation Army Oasis gambling harm treatment service helped thousands of people battling the impact of gambling addiction on their lives and the lives of those around them. While no longer involved in providing direct harm treatment services, TSA manages the national Multivenue Exclusion platform (funded by Te Whatu Ora|Health NZ) for the prevention and minimisation of gambling harm (PMGH) in this country, processing exclusions from PMGH services and liaising with the gambling industry, providing national oversight for the sector. It is this decades long experience with responding to gambling harm that informs this submission.

7. The impacts of gambling harm are visible in the people who seek out the other social services of TSA. Financial harm through problem debt contributed to by gambling is an ongoing issue that our financial mentoring services deal with include:
   - Multiple payments on bank statements and through credit cards meaning other essentials such as rent or food or loan repayments go unpaid.
   - The wider families and whānau are impacted by it, having to support those gambling or find themselves going without essentials.
   - Online forms of gambling including TAB sports betting are a real issue, are heavily marketed and are on the increase.
   - Impacts fall unequally. They affect more deprived communities where there are relatively more venues, and gambling losses impact a bigger proportion of lower incomes.
   - The prevalence of gambling harm is 2-3 times higher for Māori and Pacific people than for non-Māori and non-Pacific.

The communities where TSA works are disproportionately affected by the higher numbers of pokie machines as well as disproportionately higher losses overall to gambling. Online gambling magnifies the risks for already stressed and disadvantaged communities

8. The disproportionate impact of gambling harm on Māori serves to underline the importance of placing Te Tiriti o Waitangi at the centre of the regulation. The Bill lacks any structure to ensure that Māori are represented in the designing and implementation of the regulatory system, as well as the regulatory oversight. We recommend specific clauses be added to the Bill to require the Secretary of Internal Affairs to implement a shared governance approach to the regulation of online casino gambling and report specifically on the effectiveness of harm prevention and minimisation in reducing disparities in harm experienced by Māori.

9. It is crucial that the governing legislation ensures that sufficient revenue is raised in a transparent and accountable manner to fund:
   - Minimising and preventing harm interventions delivered by gambling harm services including clinical intervention services/ public health promotion and prevention services and appropriate gambling research and evaluation.
   - Research on the impact of online gambling should be funded to gain initial baseline data so the impact from online gambling is measured, so should be set-up before gambling licences are provided, as well as researching the effectiveness of harm minimisation measures for online gambling.
   - Cost for setting up an online exclusion system and other harm minimisation tools.

Part 5 Regulations and Minimum Standards

10. Use of secondary legislation through regulations to implement minimum standards and requirements reduces the ability of the public to contribute to informed law making. We recognise this provides greater flexibility and timeliness for regulation of a fast-moving sector, but this should not be at the cost of excluding the wider public who are directly affected by online casino gambling and its impacts. We recommend the same consultation approach required for the Gambling Act 2003 regulations be applied to this Bill (Gambling Act 2003, Section 372).

Clause 75 Regulations relating to harm prevention and minimisation

11. A centralised self-exclusion register needs to be established and be operational before the commencement of online casino gambling scheme. This self-exclusion system should be integrated with the successful MVE scheme operating for pokie machines (also connected to casinos and TAB). It is crucial that the system enable people to self-exclude from all online casino venues as well as onshore physical venues for a robust and effective national exclusion system. The critical features of an effective system include it being run independently of the venue operators under the authority of the DIA regulators, it should cover both land-based and online gambling, and it must be resourced to operate efficiently and effectively 24/7 reflecting the potentially round-the-clock nature of online gambling.

12. Use of all forms of credit for online gambling must be prohibited Clause 42 seems to provide a clear prohibition on operators from providing credit to use for gambling. The regulations must make it clear that in addition to this, all forms of deferred payment such as BNPL or credits card are prohibited.

13. The minimum age for online casino gambling should be 20 years as is consistent with onshore casino rules. There is no good reason for this to be different for online gambling.

14. Cultural safety and harm reduction training is essential to ensure those involved with providing online casino gambling understand the signs and dynamics of gambling harm, as well as implement best-practice in harm prevention and minimisation.

15. Online technology offers the opportunity to develop real-time monitoring of gambling that ensures proactive harm reduction interventions from algorithms designed to detect signs of problem gambling. Such as changes in gambling behaviour like increased betting frequency, higher spending are examples of this in practice.

16. Blocking of unlicensed online gambling websites is technically possible and should be mandated within the legislation. While there are challenging technical and privacy issues in such management of access to this harmful internet content, the difficulty should not be used as a reason not to act. The regulator must be resourced with the personnel and technical capability to enforce restrictions on access to unlicensed (and therefore prohibited) online casino gambling. Managing other prohibited and illegal online activity faces similar challenges and the government needs to prioritise keeping people safe online.

17. The proposed legislation will not be effective if the regulatory process does not include strong penalties for breaches of the rules, as well as robust and transparent oversight mechanisms that would include independent audits, reporting on gambling harm impacts and the regulators being accountable for the effectiveness of their oversight of the system.

Clause 76 Regulations relating to consumer protection and record-keeping

18. Independent and effective complaints and dispute resolution is crucial with the outcomes of resolution able to be enforced and the outcomes reported publicly.

19. Closing accounts needs to be straightforward and prompt with no restrictions on withdrawal of funds.

20. People involved in gambling need to understand the risks they are taking on including clear information about the odds of winning/losing in easy-to-understand language.

21. The nature of online gambling means that service providers will be able to collect considerable data about peoples' use of the internet, their finances and other personal information. Extremely strong data protection safeguards are needed in this sector to protect against the misuse of this information for other purposes

Clause 77 Regulations relating to advertising and marketing

22. The Salvation Army does not support permitting the advertising and promotion of online casino gambling. We note that under Clauses 9 & 10 all advertising of online casino gambling without a license is prohibited. This prohibition should extend to all licensed operators as well. This would simplify enforcement and reduce the risk of children being exposed to further gambling advertising than they already experience..

23. The ban should be comprehensive and include other forms of inducements such as free bets, or VIP/loyalty programmes. Use of paid endorsements, marketing by affiliated entities and targeting cultural festivals through promotions should also be prohibited.

24. If advertising is to be permitted at all, it should be in 'plain packaging' style including clear and plain harm prevention messages with clear restrictions on time of day when possible (e.g. after 10pm) and a complete ban for advertising during programmes that are aimed at children and families.