



THE OFFICE OF THE MAYOR

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ROTORUA LAKES COUNCIL SUBMISSION ON PROPOSED ONLINE CASINO GAMBLING BILL

14 August 2025

To the Select Committee on the Online Casino Gambling Bill

Closing date: 17 August 2025

Introduction

Rotorua Lakes Council thank the Committee for the opportunity to provide feedback on the Online Casino Gambling Bill.

Rotorua Lakes Council (Te Kaunihera o ngā Roto o Rotorua) is the local authority for the Rotorua District, located in the Bay of Plenty Region, and provides for a population of around 77,000. We are a District committed to the wellbeing of our residents and are particularly concerned about the impacts of online casino gambling in our community which is often unseen but certainly present.

Our focus for this submission is on four critical areas:

- the intensity and reach of advertising
- the potential for gambling-related harm
- the enforcement of age restrictions, and
- ensuring that gambling proceeds are returned to support local communities.

Rotorua Lakes Council generally supports the objectives of the Bill to regulate online casino gambling and reduce gambling-related harm. However, we believe that current provisions under Part 3 – particularly sections 38, 39 and 40 require strengthening to ensure meaningful consumer protection and harm minimisation. For example, Section 39 could more clearly define what “reasonable steps” operators should be taking to ensure that the risk of harm from online casino gambling is minimised.

Context: Gambling harm in Rotorua

- Rotorua has 24 Class 4 venues – representing 2.3% venue nationally. This is higher proportion of venues compared to the national average.
- Ministry of Health data shows Rotorua accounted for 5.33% of all gambling intervention clients in 2022-23, behind only Auckland and Christchurch, and higher than Wellington, Hamilton, and Tauranga.
- Increased risk of gambling harm in Rotorua due to demographic profile.
- 71% of pokie machines are based in poorest areas of Rotorua.
- Class 4 gambling venue closures have plateaued in recent years.

To reduce harm to our local community as much as possible, within the limited tools available to us, Rotorua Lakes Council has recently reviewed and adopted a Class 4 Gambling & TAB Venue Policy which includes an electronic gaming machine cap, strict location and electronic gaming machine requirements for new venues and no relocation policy outside our CBD.

Concerns around advertising & social media influence

- There is growing concern about the increasing harm caused by online gambling. This is often unseen, but certainly present.
- While we support Part 3 Section 38 & 39 of the proposed Bill, which mandates age-limits and harm prevention, social media advertising remains under-regulated.
- Prohibiting advertising of online gambling and/or preventing harm caused via social media should also be a key focus of the Bill.
- There have been recent and concerning reports of social media 'influencers' receiving payments of up to \$500k to promote online gambling – this is particularly concerning given the lack of ability to confirm those viewing such content are of the legal 18 years of age.
- Stronger and compulsory regulation around online advertising (especially social media) should be incorporated into the Bill.

Protecting and preserving community funding for local initiatives

The proposed Bill does not require online operators to return profits/contributions to our communities.

- Current legislation requires gaming societies to return at least 40% of net proceeds back into the community in the form of grants.
- It's also best practice to return a large percentage of these proceeds to the communities where the funds were generated.
- The proposed Bill currently allows up to 15 online casino licences, without requiring operators to contribute to community grants.
- In its current form, the proposed Bill could see all profits for international providers only benefit offshore communities.
- We understand there is a proposed 12% Online Gambling Duty for the online operators - we would like to see this money reinvested into solving problem gambling locally.
- We would also like to see an additional requirement for a certain percentage of online operators' net proceeds to go back into our local communities by way of grants.
- At a time where our community is facing significant financial pressures and a cost-of-living crisis, it is critical that our community has access to all funding available to them - especially for our community groups who work exceptionally hard to support our high deprivation neighbourhoods.
- It is only right that where possible, profits generated from gambling is reinvested into local communities through initiatives that aim to uplift and provide long-lasting change.
- There needs to be policy in place to ensure licensed operators contribute meaningfully to New Zealand's not-for-profit community.

Areas where we agree with the Bill

- We support:
 - The licensing framework with a cap of 15 operators;
 - Mandated harm prevention, age verification, and compliance requirements;
 - The offence provisions (e.g. under-18 participation) and civil penalties - as a deterrent to irresponsible operators.

Conclusion

Rotorua Lakes Council supports the Bill's goals to reduce gambling harm through stronger regulation. However, without safeguards around advertising and a requirement for online operators to reinvest in New Zealand communities, we risk losing essential community funding and exposing vulnerable populations to unseen harm.

Ngā mihi



Tania Tapsell
Her Worship the Mayor of Rotorua