Online Casino Gambling Bill

Submission to The Governance and Administration Committee

PGF Services

July 2025

PGF SERVICES
Counselling Advice Support

EXECUTIVE SUMMARY

PGF Services appreciates the opportunity to submit on the Online Casino Gambling Bill. As a national provider of gambling harm treatment and public health services, we support, in principle, the regulation of online casino gambling in Aotearoa New Zealand. However, we **do not support this Bill in its current form**.

While the Bill establishes a licensing framework for online casino operators, it **fails to embed essential consumer protections and harm minimisation provisions within the primary legislation (4,2,21).** Critical areas such as advertising controls, inducements, self-exclusion, and host responsibility are deferred to secondary regulation - developed through a closed stakeholder engagement process that lacks transparency and excludes wider community voices. This raises serious concerns about the legitimacy and accountability of the resulting regulatory framework (13).

This approach **disregards the public health principles of the Gambling Act 2003** and does not reflect the needs of those most affected by gambling harm, particularly **youth, Māori, Pacific, and Asian communities**, who are identified by the **Ministry of Health as priority populations** in the Strategy to Prevent and Minimise Gambling Harm (2022/23–2024/25) (24).

The Bill lacks mechanisms to give effect to **Te Tiriti o Waitangi** and provides no assurance that **Māori will be involved in governance, design, or oversight** of the regulatory regime, despite being disproportionately impacted by gambling harm (10,24,36).

Moreover, the Bill places undue reliance on industry self-regulation by requiring operators to take "all reasonable steps" to reduce harm, **a vague and unenforceable standard** that lacks specificity, accountability, and legislative weight (12,15,21).

We are particularly concerned that:

- While the Bill permits licensed operators to advertise, the **proposed restrictions set out in regulations are weak and permissive**, exposing young people and at-risk communities to high volumes of gambling promotion (16,33,30).
- **Operator websites and digital platforms**, a primary source of marketing and inducements, are not explicitly regulated as advertising (3).
- The Bill does not mandate a **government-led, national self-exclusion register**, nor enforce real-time harm monitoring and intervention thresholds (2,11,13,16).
- There is no explicit requirement for **consultation with priority populations**, including **Māori, Pacific, and Asian communities, rangatahi**, and those with **lived experience of gambling harm (10,24,36,13)**.

To uphold the principles of the Gambling Act 2003 and meet the Government's stated objectives, this Bill must be strengthened further to centre harm minimisation and equity.

RECOMMENDATIONS

The following recommendations are grounded in evidence and aim to support the development of a regulatory framework that is fit-for-purpose, prioritises the prevention and minimisation of gambling harm, and protects the wellbeing of all communities in Aotearoa New Zealand.

1. Governance, Equity, and Public Health

- Require all **regulations developed under the Bill** to be subject to **open, inclusive consultation**, in accordance and consistent with Section 372 of the Gambling Act 2003. Consultation should include, culturally and linguistically appropriate consultation with priority populations.
- Embed **Te Tiriti o Waitangi** into governance, ensuring Māori participation in regulation design, implementation, and oversight.
- Treat **harm minimisation as a statutory objective**, not a voluntary operator responsibility.
- Ensure the **gambling levy is transparent, ringfenced**, and proportionate to risk, funding independent research, whānau-led services, and culturally grounded prevention.

2. Harm Minimisation

- Establish a **centralised, government-led self-exclusion register** that applies across all operators and is independent of industry control.
- **Prohibit gambling on credit** including the use of credit cards, Buy Now Pay Later (BNPL) services, or any deferred payment methods.
- Mandate **real-time behavioural monitoring** with clear intervention thresholds, to proactively identify and respond to signs of harm.
- Require **mandatory cultural safety and harm reduction training** for all operator staff, co-designed with Māori, Pacific, Asian and other priority communities.
- Enforce **strong penalties and transparent oversight**, including independent audits, public harm reporting, and regulator accountability.
- **Raise the minimum gambling age** for online casinos to **20 years**, aligned with land-based casino standards.
- Implement **geo-blocking of unlicensed offshore gambling sites**, with legal obligations on ISPs and penalties for non-compliance.

3. Advertising and Promotion

- Introduce a **full prohibition on all forms of gambling advertising**, including digital, social, sponsorships, and influencer marketing.

- Legally define **gambling websites, apps, and social media platforms** as forms of advertising, subject to full restrictions.
- Prohibit **affiliate marketing, paid endorsements, and culturally targeted promotions** that disproportionately affect priority populations (9).
- **Ban all inducements**, including free bets, loyalty schemes, cashback offers, and VIP programmes.
- If any advertising is permitted:
    - Require **standardised, plain harm minimisation messaging** (e.g. "Chances are you're about to lose").
    - Prohibit **culturally targeted advertising** directed at Māori, Pacific, Asian communities, young people, and other priority populations.
    - Enforce **timing and placement restrictions**, including a 10:00pm watershed and bans during youth-oriented or family programming.

4. Consumer Protections

- Mandate a **clear articulation of consumer rights**, including access to independent dispute resolution, account closure, and refund processes.
- Introduce **sector-specific data privacy standards** to prevent the misuse of behavioural, financial, or personal data for marketing purposes.
- Ensure **transparent display of odds, return-to-player (RTP) rates, and gambling risks** in plain language and multiple languages.
- Mandate **frictionless account closure**, full integration with the national self-exclusion register, and rights to refunds in cases of harm.
- Require **independent complaint resolution** with binding authority, and public reporting of complaints and outcomes.
- Ensure all communications are delivered in **plain language and culturally responsive formats**.

Without these safeguards, the Bill risks enabling a commercially driven regulatory model that prioritises market entry over public health, leaving individuals and whānau to navigate structurally unsafe gambling environments with inadequate protections.

1. PGF SERVICES' POSITION

We support, in principle, the regulation of online casino gambling in New Zealand but we cannot support this Bill in its current form for reasons highlighted in this submission.

The Bill is overwhelmingly focused on establishing a licensing and compliance regime, detailing how operators will enter and remain in the market. It fails to embed substantive provisions for harm minimisation, consumer protection, or advertising restrictions within the primary legislation (4,2,21,13). These essential safeguards are deferred to secondary regulations, with no requirement for open public consultation or engagement with those disproportionately impacted by gambling harm (10,24,36,13).

Where harm minimisation is addressed, the Bill largely places responsibility on gambling operators to take "all reasonable steps" to reduce harm, a vague and unenforceable standard that lacks specificity, measurable outcomes, or accountability mechanisms (16,17,18,20). This framing risks placing the onus for public health protection on commercial entities without clear legislative direction or oversight (10,13).

The result is a Bill that prioritises market access, while **leaving harm prevention and consumer safeguards to regulation, without the same legislative clarity, weight, or accountability**. This approach falls short of the public interest principles and health protections embedded in the *Gambling Act 2003* and is not fit for purpose in regulating a high-risk activity such as online casino gambling (4,2,25).

2. CONSULTATION REQUIREMENTS

Given the known public health risks associated with online casino gambling, the regulatory framework must be developed transparently and in partnership with the communities most affected (4,2,24). We recommend that the development of regulations be subject to a robust, participatory consultation process, consistent with the principles of the *Gambling Act 2003 (13)*.

The *Gambling Act 2003,* that should provide the guiding framework for this Bill - recognises that gambling and its associated harms are matters of public interest, and promotes community involvement, harm prevention, and responsible conduct as core regulatory objectives (24). Section 372 requires the Minister or the Department of Internal Affairs to consult with persons or organisations representing the interests of those "likely to be substantially affected" by proposed regulations, to provide adequate notice, allow reasonable opportunity for submissions, and properly consider that feedback. Under Section 317 of the Gambling Act, the Ministry of Health is required to develop a national gambling harm strategy through wide public consultation. By bypassing open consultation, the current process risks producing regulations that lack legitimacy, transparency, and effectiveness (13).

Further, the Bill must give effect to Te Tiriti o Waitangi. Māori experience disproportionate gambling harm, yet the Bill includes no explicit Treaty-based provisions or mechanisms to uphold Māori health equity (10,24,36). Any regulatory regime must actively protect Māori wellbeing and ensure Māori participation in its design and oversight.

We urge the Select Committee to require that all draft regulations arising from this Bill be subject to open, public consultation, in full alignment with section 372 of the Gambling Act and the principles of Te Tiriti o Waitangi. This must include specific engagement with Māori, iwi and hapu, people with lived experience of gambling harm, and community stakeholders, alongside industry representatives (36,13).

3. KEY CONCERNS

3.1 Harm Minimisation

The Bill defers key harm prevention measures to regulation and fails to embed system-level protections in primary legislation. Online casino gambling carries heightened risks due to its constant availability, rapid play speeds, and targeted digital marketing (11,4). To be fit for purpose, the legislative framework must mandate proactive, enforceable, and equitable harm minimisation tools (2,16,24).

A centralised, government-led self-exclusion register must be embedded in primary legislation. Evidence shows industry-led systems consistently underperform in accessibility, compliance, and public trust (17,20,18). Independent models in the UK and Australia demonstrate the effectiveness of national, mandatory systems that cover all operators and allow seamless exclusion across platforms (9,2).

The use of credit and deferred payment methods such as credit cards and Buy Now Pay Later (BNPL) services must be explicitly prohibited. These enable gambling with borrowed money and are linked to elevated harm, particularly for young people and those in financial distress (11,3,25). Similar bans have been introduced in the UK and Norway and are pending in Australia (3,15).

Operators should be required to implement real-time behavioural monitoring to identify early signs of harm, such as escalating spend, cancelled withdrawals, and prolonged play. These indicators must trigger mandatory interventions—not just observation—to protect consumers from severe harm (13,22).

Cultural safety and staff training must be mandatory, co-designed with Māori and priority population groups. Operators have a responsibility to train staff in early harm detection, safe responses, and culturally grounded interventions. The Ministry of Health recognises the disproportionate harm experienced by Māori, Pacific, and Asian communities (24), and staff training must reflect this (10,24).

A strong enforcement and oversight regime is essential. Voluntary standards are insufficient. The Bill should require enforceable penalties, independent audits, and mandatory public reporting of harm reduction outcomes to ensure transparency and accountability (18,16,13).

The minimum gambling age should be raised to 20 to align with land-based casino regulations. Pre-verification of age and identity must be required before any access to gambling products or promotions, including free-to-play games. This is consistent with best practice adopted by the UK Gambling Commission and Australia's ACMA (27,2).

Finally, the Bill must mandate geo-blocking of unlicensed offshore gambling websites to close loopholes and prevent unregulated access. Jurisdictions such as France, Norway, and Australia have adopted this approach (15). Without it, New Zealanders remain exposed to harmful, unregulated products with no recourse or protection (2,29).

3.2 Advertising and Promotion

The Bill permits gambling advertising but defers details of the restrictions to proposed regulations that are permissive, inconsistent, and lacking in public health framing. Gambling advertising normalises harmful products and increases participation, intensity, and harm—especially among rangatahi and priority populations (16,25,28,36). Exposure through digital channels, influencer marketing, and affiliate content cannot be reliably controlled, even with filters (30).

To prevent population-level harm, the Government must adopt a comprehensive ban on all forms of gambling advertising. This approach is consistent with WHO recommendations and legislative models like Spain's Royal Decree 958/2020 (33,29). This includes prohibitions on digital and social media ads, sponsorships, influencer content, and affiliate marketing.

While some jurisdictions permit advertising to "channel" gamblers toward licensed providers, this approach prioritises commercial objectives over public health. Robust regulation, such as mandatory geo-blocking, enforced harm minimisation standards, and trusted consumer protections, is a far more effective strategy for fostering a safe, contained gambling environment (7, 13). Advertising is not required to achieve channelling if the regulatory system itself is strong, accessible, and fit for purpose.

Inducements, loyalty schemes, and VIP programmes should be prohibited outright. These behavioural marketing tools are designed to drive repeat gambling, entrench consumer loyalty, and exploit psychological vulnerabilities such as loss-chasing and impaired decision-making (4, 17,10). Most people experiencing harm are not formally identified in operator systems, making targeted exclusion ineffective (27).

Operator websites, apps, and social media channels function as promotional platforms and must be regulated as advertising under the Gambling Act 2003. These are often the first point of exposure, particularly for young people, and frequently feature inducements, culturally targeted offers, and misleading representations of gambling as success or escape (16, 28, 30,37).

If advertising is permitted, it must be accompanied by mandatory, standardised harm minimisation messaging. Where necessary messaging should be culturally and linguistically appropriate for the intended audience, recognising the diverse needs and contexts of priority populations. Australia's 2023 reforms demonstrate the effectiveness of rotating warnings such as "Chances are you're about to lose," backed by regulation and stripped of industry-designed "responsible gambling" slogans (2,14).

Gambling ads must not appear before, during, or after youth-oriented content or family programming, and should be subject to a 10:00 pm watershed. This includes events with indirect appeal to young people (e.g., sports, music festivals), and platforms featuring child-

friendly design or gamified content—such as cartoon avatars and treasure-themed visuals—that blur the lines between gambling and play (24,28,30,32).

3.3 Consumer Protections

The Bill lacks explicit provisions for consumer rights and protections, leaving players vulnerable to unsafe products, unclear redress pathways, and predatory marketing. Robust consumer protections must be embedded in legislation or regulation to uphold trust, ensure fairness, and enable safe disengagement from gambling.

Consumers must have a clear articulation of rights, including the ability to close accounts, receive refunds for unauthorised or harmful transactions, and access independent dispute resolution. Operators should be required to communicate these rights in plain language and in culturally responsive formats. Without clarity and enforceability, these basic protections are often inaccessible to the people most affected (34,6).

The regulatory framework must impose strong privacy and data protections. Operators collect sensitive behavioural and financial data, often used to profile players and deliver personalised inducements. Sector-specific restrictions are needed to prevent this data from being weaponised against vulnerable consumers. These include bans on marketing-driven profiling, retention limits, and independent audits (3,23).

Operators must clearly display game odds and return-to-player (RTP) rates, alongside plain-language warnings about the risks and addictive nature of gambling. This information should be prominent, multilingual, and not buried in terms and conditions. Misleading imagery—such as framing gambling as a pathway to success or social inclusion—should be banned outright (20).

Account closure, self-exclusion, and refund processes must be frictionless and independently enforced. Consumers report significant barriers when trying to disengage, including persistent marketing, confusing processes, and denial of redress. These systems should be linked to a centralised, government-led self-exclusion register and include mandatory cessation of all marketing (14,22,34).

Finally, consumer protections require independent oversight and transparent complaints processes. Operators must be required to participate in a centralised complaints body with binding authority. Complaint volumes and outcomes should be published regularly by the regulator. Culturally appropriate complaint pathways are critical to ensuring access for Māori, Pacific, and Asian communities, and those with lived experience of harm (7,25,36).

4. COMMENTS ON FUTURE REGULATIONS

The Online Casino Gambling Bill delegates many of the most critical harm minimisation and consumer protection provisions to secondary regulation. While this approach allows for regulatory flexibility, it risks insufficient public scrutiny and diluted protections if robust standards are not embedded from the outset (9).

We urge the Department of Internal Affairs and the Select Committee to adopt clear, enforceable regulations that align with the Gambling Act 2003 and Cabinet's objectives to prevent and minimise harm. These include a government-led self-exclusion register, real-time behavioural monitoring with intervention requirements, and a complete ban on gambling with credit, inducements, and loyalty schemes (1,8,12,11,14,22). Operators should also be required to publicly report annually on harm reduction outcomes (20,9).

Advertising regulations must treat all digital gambling content as marketing and prohibit harmful promotional tactics such as free bets, VIP schemes, and inducements. Clear, standardised harm minimisation messaging should be required across all digital channels. Evidence shows gambling marketing increases uptake and normalises risk, especially among young people and priority populations (13,33,35,32).

Levy settings must be transparent, ringfenced, and proportionate to the level of harm caused by each gambling sub-sector. Online casino operators should be required to contribute meaningfully to prevention, culturally responsive supports, lived experience involvement, and independent research (8,25,36).

Without strong regulatory foundations and independent oversight, the Bill risks entrenching preventable gambling harm. These recommendations are critical to ensuring the regulatory regime prioritises public health, equity, and community wellbeing (3,1,28).

6. CONCLUSION

The Online Casino Gambling Bill provides an opportunity to strengthen gambling regulation in Aotearoa New Zealand. In its current form, it lacks the legislative clarity and public health safeguards necessary to prevent harm. Deferring core protections to secondary regulation, without guaranteed consultation, transparency, or enforceability, undermines the Bill's stated objectives and the intent of the Gambling Act 2003.

To ensure a robust and equitable regulatory framework, we urge the Select Committee to amend the Bill and supporting regulations to ensure that:

- Harm prevention is prioritised above market facilitation;
- All forms of gambling advertising and inducements are prohibited;
- Consumer rights are clear, enforceable, and culturally safe;
- Māori are meaningfully involved in governance, design, and delivery of harm responses;
- The gambling levy is transparently allocated to prevention and whānau-led solutions.

These reforms are essential to protecting priority populations, reducing inequity, and meeting the Government's obligation to minimise gambling harm under Te Tiriti o Waitangi and the Gambling Act.

ABOUT PGF SERVICES

The Problem Gambling Foundation of New Zealand trades as PGF Services, a Charitable Trust that operates nationally to provide gambling harm minimisation and prevention services. We have been delivering clinical and public health services within Aotearoa New Zealand for over 24 years. Our services are delivered under contract to Te Whatu Ora Health NZ and funded from the gambling levy.

We deliver clinical interventions and treatment as well as a range of public health services. We have a skilled and diverse workforce who are qualified in clinical work and health promotion. A key part of our public health work is advocating for the development of public policy that contributes to the prevention and minimisation of gambling-related harms.

We recognise Te Tiriti o Waitangi as the foundational document of Aotearoa New Zealand. We integrate its promises into our organisational strategy, policy, and practices. We ensure alignment with the mana and integrity of Te Tiriti o Waitangi.

Our **vision** is a socially just nation where all people flourish.

Kia tū ai a Aotearoa hei whenua ngaruru mō te katoa.

Our **mission** is we enhance the mana of all people by preventing and minimising gambling-related harm.

Kia pakari ai te mana o tēnā , o tēnā kia tāharahara te ngau o te wara petipeti.

He Mihi Tautoko – Acknowledging Those Who Support This Kaupapa:

This submission has been informed by kōrero and collaboration with our trusted partners and stakeholders, including Asian Family Services, Mapu Maia and Purapura Whetu. These organisations bring deep cultural knowledge, frontline expertise, and lived experience insight from the communities most affected by gambling harm. They endorse the recommendations set out in this submission and support our call for a stronger, equity-focused regulatory response to online casino gambling in Aotearoa.

Asian Family Services
Together enriching lives

Mapu Maia
Providing Help, Enriching Lives.

Purapura Whetu
Whaia te iti kahurangi

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