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Evaluation of the NSW ClubSafe Responsible Gambling Program: Opportunities and Challenges for New Zealand Clubs

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In 2002 to 2003, an evaluation of the ClubSafe responsible gambling program, implemented by clubs in New South Wales, Australia, was conducted (Hing, 2003). The study surveyed members from ten large Sydney clubs to assess their level of awareness of their clubs' responsible gambling measures, how adequate they considered these measures to be, and whether these measures had changed their gambling behaviour in terms of frequency, expenditure and gambling session length. Comparisons were drawn between "problem" and "recreational" gamblers. This paper draws on that study to reflect on some implications of its findings for clubs in New Zealand. This is pertinent, given that Clubs New Zealand have recently licensed the ClubSafe program from Clubs NSW for implementation in New Zealand clubs. However, there are many differences between the clubs in these two jurisdictions. These include size of gaming machine installations, staff and management training and education, membership numbers, and patronage by visitors. Additionally, differences exist between the two in the legislative requirements for responsible conduct of gambling, the competitive environments they face and certain characteristics of their respective markets. This paper discusses how these factors may pose opportunities and challenges for the effective implementation of ClubSafe in New Zealand.

Keywords: ClubSafe; Gambling; Gambling legislation; Responsible gambling; New Zealand.

Introduction

In Australia, registered clubs are major providers of machine gambling, most particularly in the state of NSW which has around 1,400 registered clubs. NSW clubs collectively operate around 75,000 gaming ma-

chines (poker machines), which represent about 8% of all "high-intensity" gaming machines worldwide, about 40 percent of all gaming machines in Australia and 74 percent of gaming machines in NSW; and which attract some 92 percent of NSW gaming machine turnover and gross profit outside the state's one casino (Productivity Commission, 1999). Most NSW clubs also operate keno, bingo and TAB facilities, but machine gaming is both the major type of gambling offered and their major revenue earner. About 60 percent of collective NSW club income is derived from gaming machines (Productivity Commission, 1999).

In 1999, the NSW Government passed the Gambling Legislation Amendment (Responsible Gambling) Act 1999 NSW, whose express purpose was "to amend certain Acts to minimise the harm associated with the misuse and abuse of gambling activities [and] to pro-

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mote the responsible conduct of gambling activities.” It established in a legislative framework certain obligations for gambling operators in responsible management of gambling. Specific requirements for registered clubs were detailed in the Registered Clubs Amendment (Responsible Gambling) Act 2000 NSW and associated Regulations.

In 2000, Clubs NSW developed and introduced the ClubSafe responsible gambling program to assist NSW clubs in meeting the new legislative requirements (Clubs NSW, 2000). In 2001, Clubs New Zealand acquired the rights to use this program to enhance responsible gambling practices in clubs in New Zealand. This paper draws on results from an evaluation of the ClubSafe program in NSW (Hing, 2003) to reflect on some implications for the effective implementation of ClubSafe in New Zealand clubs.

This paper first provides an overview of the ClubSafe program. Details of the primary research which informs this paper are then provided, including the research objectives, methodology and key results. Challenges and opportunities for New Zealand clubs are then discussed, both in terms of the findings from the NSW evaluation of ClubSafe, and those relating to distinctive aspects of the clubs and the conditions under which they operate in New Zealand.

The ClubSafe Program

The ClubSafe program was launched by Clubs NSW on May 1, 2000, and states a commitment to:

- Providing gambling services and practices that conform to all applicable Acts and Regulations;
- Promoting responsible gambling practices that conform to local community standards and expectations;
- Establishing a patron complaint resolution process;
- Implementing policies to encourage responsible practices in advertising and promotions relating to gambling and ensure compliance with relevant legislation;
- Developing a policy that ensures all legislative requirement relating to cheque cashing, payment of winnings and financial transactions are implemented and encourages patrons to develop responsible practices in the use of finances for gambling purposes;
- Introducing procedures for handling personal information relating to gambling patrons in a club to protect their rights of privacy;
- Establishing a pleasant and safe gambling environment;
- Informing and training staff on legislative requirements, harm minimisation issues, the risks of not complying with legislative requirements or not adopting and practicing harm minimisa-

tion strategies and taking appropriate steps to promote patron and employee care;

- Encouraging patrons to take responsibility for their gambling activity through an effective self-exclusion or other mechanisms;
- Informing patrons and staff of the club’s responsible gambling policy and program, the nature of gambling products and the availability of support services for problem gamblers; and
- Developing links between the club and relevant community organisations that will provide support and advice for problem gamblers and their families.

To meet these guidelines and the legislated requirements, registered clubs in NSW introduced a range of measures, such as displaying signage about problem gambling and responsible gambling, providing player information about gambling products and how they work, removing ATMs and EFTPOS facilities from gaming machine areas, offering self-exclusion programs, restricting the advertising of gambling, cheque payment of large prizes and restrictions on cashing cheques for gambling purposes. In all, the ClubSafe training manual outlines 33 responsible gambling measures and includes both legislated and voluntary measures in responsible gambling.

The ClubSafe Evaluation Study

The ClubSafe evaluation study that this paper draws on (Hing, 2003) addressed two main research objectives. First, it assessed the perceived efficacy of the responsible gambling strategies in NSW clubs by measuring the level of awareness of club patrons of their club’s responsible gambling strategies (awareness), whether club members thought their club’s responsible gambling strategies were adequate in minimising harm and protecting consumers in gambling (perceived adequacy), and whether club members considered that their club’s responsible gambling strategies had changed their gambling behaviour and in what ways (perceived effectiveness). Second, it assessed the perceived efficacy of those responsible gambling strategies for different subsets of gamblers, including “at-risk” and “recreational” gamblers.

The research involved members of ten clubs located in Sydney, the capital city of NSW. These clubs operated a total of 3,828 machines, as well as TAB and keno facilities. The sample included clubs of different types (RSL, workers, leagues, community), with differing membership bases and located in areas of Sydney with varying socioeconomic profiles. A survey questionnaire collected data from two samples of club members. For the first sample, the questionnaire was mailed to 6,000 members who comprised the top 500, middle 500 and bottom 500 people on the player track-

ing system of four clubs according to gambling expenditure in the previous 12 months. This sampling technique aimed to capture sufficient numbers of “at-risk” and “problem” gamblers to allow proper statistical analysis than would likely have otherwise resulted from a random sampling technique, because the proportions of these gamblers amongst the population of club members were likely to be small (based on previous prevalence studies of various populations). This survey yielded 706 usable responses. A second survey, conducted on-site in six Sydney clubs, yielded 248 responses, using convenience sampling.

The survey instrument contained six main sections:

1. Characteristics of the respondents relating to their frequency of gambling on poker machines, TAB and keno, their most preferred type of club gambling, their age and sex.
2. Respondents’ awareness of their club’s responsible gambling practices. These comprised the 33 responsible gambling measures identified in the ClubSafe Responsible Conduct of Gambling Participants Manual ([Casino Community Benefit Fund, 2000](#)).
3. Respondents’ opinions on the adequacy of their club’s responsible gambling practices. Respondents were asked to indicate their level of agreement that responsible gambling is more likely to occur when a club implements responsible gambling measures relating to 13 broad areas into which the 33 ClubSafe measures can be grouped—signage, player information, counselling services, reality checks, opening hours, cheque cashing, credit and cash advances, location of ATM and EFTPOS, payment of winning, minors and intoxicated persons, self-exclusion, staff training, and gambling advertising and promotions.
4. Respondents’ opinions on the effectiveness of their club’s responsible gambling practices, in terms of whether they have affected the respondent’s own gambling behaviour. Respondents were asked the extent to which responsible gambling practices in their club have affected the way they think about their gambling, the way they feel about their gambling, how often they gamble, how long they usually gamble for and how much they usually spend on gambling.
5. The Harm to Self Scale of the Victorian Gambling Screen (VGS) ([Victorian Casino and Gaming Authority, 2001](#)) to identify “problem,” “borderline problem” and “non-problem” gamblers amongst the respondents.
6. Additional comments about responsible gambling, invited on the back page of the survey instrument.

The quantitative data were analysed using descriptive statistics and chi-square analysis to identify any significant differences amongst problem, borderline problem and non-problem gamblers. Qualitative data comprised the additional comments provided by about 40 percent of respondents and which totalled over

25,000 words. These were analysed by coding the comments into themes and sub-themes.

Key results relating to the club patrons’ awareness of their club’s responsible gambling strategies were that:

- There was a high level of awareness of the clubs’ signage and information measures, particularly relating to signs advising patrons of the risks of gambling, the club’s responsible gambling house policy, G-Line counselling services, problem gambling, and the chances of winning a major poker machine prize, but less awareness of player information brochures or signs about local counselling services. However, while awareness of responsible gambling signage and information was reasonably high, respondents were less convinced that its provision encourages responsible gambling. Many qualitative comments were sceptical about the potential effectiveness of signs and numerous suggestions for improvement were made.
- Few respondents were able to recognise any measures their club had implemented in the gambling environment to help people keep track of the time when playing poker machines, either through visible clocks or windows. Many considered the lighting dim in poker machine areas, while up to one-third agreed that they could play the poker machines continuously at their club if they wanted to. These responses suggest that the clubs were not being particularly proactive in providing a gambling environment that encourages responsible gambling. Numerous qualitative comments were made to improve the gambling environment to better encourage responsible gambling.
- There was low level of awareness about financial transactions policies implemented in clubs to encourage responsible gambling, including the clubs’ cheque cashing policies, credit policies and limits on paying large wins all in cash. Further, many respondents were critical of the placement of ATM and EFTPOS facilities in clubs, indicating little confidence in their placement outside of poker machine rooms (as required by law) as an effective responsible gambling measure.
- The results indicated there may not be 100% compliance by the clubs with restrictions on minors entering gambling areas and preventing intoxicated persons from gambling. While there was high awareness of restrictions on minors, there was very low awareness of restrictions on intoxicated people gambling as responsible gambling measures.
- Awareness of self-exclusion programs in the clubs was low, with only about one-quarter of respondents having seen related signs in their club and around one-third claiming to know what they are.
- While most respondents considered their club’s advertising and promotions to be responsible,

they did not see them as particularly proactive in encouraging responsible gambling. Numerous criticisms of the role of club promotions in discouraging responsible gambling were relayed in the additional comments provided. These focused on the role of these promotions in encouraging people to stay on club premises for long periods of time and the strong inducements to gamble that they offer.

Key results relating to the club patrons' perceived adequacy of their club's responsible-gambling strategies were that:

- There was strong agreement that the clubs could contribute to responsible gambling by implementing their current responsible gambling measures. In descending order of agreement, the respondents indicated that responsible gambling is more likely to occur when a club prevents minors and intoxicated persons from gambling, does not extend credit or cash advances for gambling, pays all big wins by cheque instead of cash, has staff trained in responsible gambling practices, conducts its gambling advertising and promotions in a responsible manner, does not cash cheques for more than \$200, provides a self-exclusion program, shuts down gambling facilities for at least a few hours each day, ensures its gambling areas have clocks and natural lighting to make people aware of the passage of time, and places its ATMs and EFTPOS facilities away from gambling areas.
- However, there was lower level of agreement that responsible gambling is more likely to occur when a club provides information about odds of winning and game rules, displays signs and notices about problem gambling and responsible gambling, and displays contact details of gambling counselling services.

Key results relating to the club patrons' perceived effectiveness of their club's responsible-gambling strategies were that:

- The responsible gambling measures in the clubs have been effective in changing the way 44% of respondents think about their gambling; changing the way 12% of respondents feel about their gambling, by making it less enjoyable; reducing the frequency that 18% of respondents gamble; reducing the length of time that 17% of respondents usually gamble for; and reducing the usual gambling expenditure of 19% of respondents.
- However, while the above results indicate that the clubs' responsible gambling measures have been somewhat effective, the percentages of respondents who have changed the way they feel

about their gambling and who have changed the frequency, session length and expenditure on gambling are much lower than the 45.7% of respondents classified as borderline problem or problem gamblers on the VGS Harm to Self Scale. Thus, the clubs' responsible gambling practices cannot be considered as being very effective for most problem gamblers or for most of those who are at risk. Further, the many suggestions in the qualitative data for improvements to responsible gambling efforts reflect that the respondents consider that much more could be done to encourage responsible gambling.

Key results when the responses of "at-risk" and "recreational" gamblers were compared were that:

- Problem and borderline problem gamblers were more aware of some responsible gambling measures than non-problem gamblers, specifically the club's policies prohibiting the provision of credit for gambling, that personal cheques cannot be cashed at the club, and that large poker machine winnings cannot be paid all in cash. However, they were also more likely to have seen advertising or promotions by their club that they consider irresponsible.
- No differences were found in the perceived adequacy of responsible gambling measures when compared by problem gambling category.
- In terms of perceived effectiveness, the responsible gambling practices in the clubs appear to have changed the way about half of problem and borderline problem gamblers think about their gambling. They have also changed the way about one-quarter of problem gamblers and one-sixth of borderline problem gamblers feel about their gambling by making it less enjoyable to some extent. The practices were also reported to influence about one-quarter of problem and borderline problem gamblers to gamble less often, to usually gamble for a shorter time and to spend less when they gamble.

Positive Outcomes and Potential Difficulties Identified by the ClubSafe Evaluation

From the results presented above, it is apparent that the ClubSafe program in NSW has had a number of positive outcomes, but that there is also ample scope to improve its effectiveness. Further, it is likely that some difficulties encountered with ClubSafe in NSW may also be encountered in New Zealand clubs.

The evaluation of ClubSafe in NSW identified a number of positive outcomes. Awareness of some measures was high, the club members generally supported the ClubSafe initiatives and it appears to target

the appropriate population (problem and borderline problem gamblers), while having a minor impact on the non-target population (non-problem gamblers). Additionally, it has encouraged about half of the target population to at least think about their gambling. This is the logical first step in changing gambling behaviour, and it may be that further behavioural changes will occur as the program is given more time to take effect.

However, the extent of behavioural change was limited at the time of surveys. Only about a quarter of those experiencing gambling problems reported that the ClubSafe program had prompted a reduction in gambling frequency, session length and usual expenditure. Further, one of the clearest indicators of the limited effectiveness of the responsible gambling measures to date was the high incidence of gambling problems amongst the respondents. While non-random sampling methods were used and so the problem gambling rates found in this study are not representative of the population, it is still concerning that 40.7% of patrons who happened to be on club premises and agreed to participate in the on-site survey when conducted had experienced problems with their gambling in the previous 12 months (as had 47.4% of the mail survey respondents, although this sample was purposively skewed).

The data also indicate some lack of community confidence in these current measures. The qualitative data in particular reflected that there remains quite some scepticism about whether the clubs are truly embracing the spirit of responsible gambling and practising effective patron care. While many responsible gambling measures had been implemented, other venue practices were perceived as very much against the spirit of responsible gambling (e.g., promotions, ATMs very close to gaming machine areas, gambling room features that discourage responsible gambling), and were therefore seen as detracting from the positive efforts made. Clearly, there is widespread concern amongst club patrons about problem gambling. As such, they were generally supportive of any responsible gambling efforts implemented so far. However, they also felt that much more could be done by both gambling venues and government.

Further, the study uncovered specific industry practices that respondents considered questionable. Poker machine design was one area where many people felt that changes were warranted. Current signage was also considered largely ineffective. Aspects of gaming room design (e.g., dim lighting, no windows) and the dominance of gaming machines within the overall club environment were also highly criticised as contributing to irresponsible gambling behaviour. The placement of ATMs very close to gaming machine rooms, delays in obtaining change and manual payouts, and club promotions that encourage people to remain in the venue

for long periods of time were also seen as contributing to gambling problems.

A final observation is that a regulated approach seems optimal if responsible gambling measures are to be widely implemented. The results from this and other studies (e.g., [Australian Institute for Gambling Research, 1998](#); [Breen, Buultjens, & Hing, 2003](#)) indicate a tendency amongst some venues to adhere to only mandatory responsible gambling requirements. Voluntary practices that transcend the law appear less widely practised. Many of these measures advocated by the ClubSafe program, but not required in regulations, related to the environment in gambling areas, including having windows, adequate lighting, and encouraging breaks in play. Others related to promotions that provide strong inducements to gamble. Another was signage on self-exclusion and local counselling services. Clearly, without the incentive of legislation, some responsible gambling practices may be ignored by some gambling venues.

The above discussion has highlighted some positive outcomes and apparent difficulties facing the ClubSafe program in NSW and which New Zealand clubs might also expect to encounter. The following section provides a brief overview of the introduction of ClubSafe in New Zealand and then discusses some further potential challenges and opportunities in implementing the ClubSafe program there.

The New Zealand Club Industry and ClubSafe

In New Zealand, gaming machines are operated by clubs, hotels and the six casinos. At June 2003, hotels and clubs operated a total of 25,221 gaming machines at 2,122 sites, with each site operating an average of 12 machines ([Department of Internal Affairs, 2004](#)). Between June 2002 and June 2003, non-casino gaming machine numbers increased by 14% and gaming machine expenditure by 21.1%, although the number of gaming machine sites declined ([Department of Internal Affairs, 2004](#)). However from June 2003 to December 2003, gaming machine numbers in non-casino sites fell to 22,734 in 2,031 sites with each site operating 11 machines ([Department of Internal Affairs, 2004](#)). This decrease was almost exclusively the result of the retrospective conditions contained in the Gambling Act 2003. Updated gaming machine expenditure figures for the period up to December 2003 were not available.

Of these gaming machine sites, 567 are clubs, including sporting, cosmopolitan, workers and returned services clubs. Since 1988, these clubs have been allowed to operate up to 18 gaming machines, as well as TAB. With much tighter restrictions on gaming machine numbers, the typical New Zealand club is far smaller than its NSW counterpart, with far fewer

members, fewer assets and a smaller revenue base. Additionally, unlike NSW clubs, non-members cannot patronise clubs in New Zealand unless accompanied by a member or unless they are a member of an affiliated club. In all, clubs in New Zealand have far less emphasis on gambling than those in NSW, and arguably have retained a stronger focus on their common purpose and their more personal relationships with their small membership bases, and the community at large.

Most chartered clubs and RSAs in New Zealand are members of the industry association, Clubs New Zealand, which represents over 325 clubs with a collective membership of 240,000 people (Clubs New Zealand, 2004). In late 2001, Clubs New Zealand licensed the ClubSafe program from Clubs NSW for an initial five year period. It has adapted the NSW materials to the New Zealand legislative and club environment, conducted nearly 50 courses involving over 1,500 club staff and committee members throughout the country on the program, and acts as the industry advisory body in responsible gambling. To date, ClubSafe has been implemented in the 265 member Clubs that operate gaming machines, and in 12 non-member clubs. The difference of 60 in member clubs participating is primarily because the clubs in question are very small and do not have machines. Further, Clubs New Zealand is currently working closely with problem gambling experts to develop the next stage of the ClubSafe program to encompass the requirements of the Gambling Act 2003.

After years of little regulation in responsible gambling in New Zealand, the Gambling Act 2003 has the following express purposes:

- To control the growth of gambling.
- To prevent and minimise the harm caused by gambling, including problem gambling.
- To authorise some gambling and prohibit the rest.
- To facilitate responsible gambling.
- To ensure the integrity and fairness of the games.
- To limit opportunities for crime or dishonesty associated with gambling.
- To ensure that money from gambling benefits the community.
- To facilitate community involvement in decisions about the provision of gambling.

Some provisions of this Act came into force in 2003. These included the requirement to apply for consent from the local territorial authority to establish new gaming machine venues and/or to increase the number of gaming machines operating in existing venues; to reduce the number of gaming machines per venue to nine where that venue did not have a licence

on October 17, 2001 or where it does not hold a licence for six months or more; to allow Ministerial discretion to vary the number of gaming machines in clubs upwards to a maximum of 30 at any existing venue where two or more clubs want to merge and to a maximum of 18 machines on new club venues; and to limit note acceptors on machines to accept a maximum denomination of \$20 (Department of Internal Affairs, 2003).

The remaining provisions relating to gaming machines will come into effect on July 1, 2004, following consultation with industry and other stakeholders on the development of regulations and game rules. While these provisions had not been finalised at the time of writing, it is likely that New Zealand clubs will face more stringent legislative requirements, along with heightened community expectations, in responsible provision of gambling. An essential component of these regulations will be a much more proactive regime of identification and intervention. This will be further impacted by significant fines for non compliance in this area. Thus, the ClubSafe philosophy of non intervention is having to be changed with some urgency. The ClubSafe program in New Zealand thus becomes a vital component of every club's gaming machine operation and it must achieve optimal results in terms of implementation and effectiveness.

Challenges for New Zealand Clubs in Implementing ClubSafe

Drawing on the NSW experience, the differences between clubs in New Zealand and NSW, and the progress of implementing ClubSafe in New Zealand to date, this section now outlines some factors that pose potential challenges for the future implementation and effectiveness of ClubSafe in New Zealand.

- While over 90% of NSW clubs with gaming machines are members of Clubs NSW, only 51% of New Zealand clubs with gaming machines are members of Clubs New Zealand or members of the ClubSafe program. As noted above, Clubs New Zealand has been very proactive in importing ClubSafe to New Zealand, in marketing its benefits, and in conducting related training sessions. However, its focus has naturally been on clubs which are members of the association, or of the program. This means that up to 50% of New Zealand clubs may have no direct, or limited, knowledge of ClubSafe, despite the licence requirement as of October 1, 2001 for non-casino gaming machine sites to have a responsible gambling program in place. There are currently no comparative programs being operated within the remaining clubs, which simply adhere to the most basic tenets of the October, 2001 licence condition. Further, research in other ju-

risdictions has identified non-membership of the relevant industry association as a barrier to implementing responsible gambling practices, where those industry associations are the main marketing and training vehicle for responsible gambling programs (Breen et al., 2003).

- A shorter history of focusing on responsible gambling by the New Zealand Government, gambling industry and community means that the cultural changes needed for venues to embrace responsible gambling may not yet have occurred to the same extent as in NSW. There, two NSW Government inquiries (Independent Pricing and Regulatory Tribunal [IPART], 1998, 2003) and a national inquiry (Productivity Commission, 1999) have elevated issues such as public interest, harm minimisation, consumer protection, fair trading and community benefits in gambling to unprecedented heights and fuelled community pressure for more proactive responsible gambling measures. These developments helped to foster a cultural change amongst club management, from general resistance to responsible gambling initiatives to general acceptance (Hing, 2000).
- Legislative requirements for New Zealand clubs in responsible provision of gambling have been less stringent than in NSW, where most responsible gambling measures in the ClubSafe program are now enshrined in legislation. Where such measures remain voluntary for venues, research has indicated a fairly low rate of implementation. For example, a trial by Clubs NSW of a voluntary responsible gambling program in clubs prior to the legislation resulted in very low implementation rates and exposed the inherent weaknesses of self-regulation (Australian Institute for Gambling Research, 1998).
- Unlike Australia, the New Zealand club industry does not have a viable club managers' association. This has resulted in Clubs New Zealand being responsible for any training and educational opportunities for club managers and staff. Although training and qualification initiatives over the past two years are presenting managers and staff with better opportunities, there are undoubtedly less defined career paths, a consequent high turnover of staff and management, and a generally lower level of professionalism in club management. However, research has indicated that management professionalism has been a key facilitator of the implementation of responsible gambling measures in other jurisdictions (Australian Institute for Gambling Research, 1998; Breen et al., 2003). As such, lower levels of professionalism amongst club management in New Zealand may well present a hurdle to the widespread implementation of ClubSafe.
- Smaller gaming machine installations and less reliance on gambling revenues may deter some New Zealand clubs from seeing ClubSafe as important, with research in other jurisdictions

indicating that venues with smaller gaming machine installations are less likely to implement responsible gambling practices voluntarily (Breen et al., 2003).

- Smaller membership bases of clubs in New Zealand may also deter some clubs from seeing ClubSafe as important, as the managers and staff know their members and may feel they can deal with any gambling problems without formal policies and procedures. This was found to be the case in some clubs and hotels in remote and regional areas of Queensland, Australia, in a study into the implementation of the voluntary Queensland Responsible Gambling Code of Practice (Breen et al., 2003).
- Many clubs in New Zealand are in small and often quite remote communities, and this may affect the acceptance of the ClubSafe program in those venues. Research into the implementation of responsible gambling practices in Queensland (Breen et al., 2003) found that remote venues were less likely to implement the voluntary code of practice. Distance from main centres for remote communities produces feelings of isolation and neglect on some issues, which in turn can lead to a general view that "city folk" do not understand the issues facing people living in remote communities, nor the best way to address those issues. The remote venues were generally sceptical about policies imposed from outside the community, with their communities having a long history of dealing with their own problems in their own way, and of looking out for others without external intervention. Additionally, the relevance and usefulness of industry associations was not so apparent to the remote venues in that study.
- The competitive environment for gambling in New Zealand is another factor with potential to undermine the widespread take-up of the ClubSafe program. Many clubs are reporting a saturated market and declining memberships, while the banning of smoking in the venues, in force from December 2004, has many club managers worried about a subsequent decline in patronage. Further, clubs in New Zealand are facing increased competition from hotels which, as an industry, have made only marginal progress in responsible conduct of gambling. Thus, some clubs see ClubSafe as an unnecessary expense and commitment when competing hotels currently do little to promote responsible conduct of gambling.
- With smaller revenue bases than most clubs in NSW, many New Zealand clubs are relatively cash-poor, although they may be asset-rich. Further, the impending introduction of centralised monitoring of gaming machines means that New Zealand clubs will need to ensure their machines are compliant with this system and many will face substantial expenses in achieving this. Many of the smaller clubs with three to five machines of older vintage will undoubtedly consider dis-

posing of their machines before the deadline for implementation of electronic monitoring in 2007. Additionally, some clubs may claim that they cannot afford to belong to ClubSafe, even though the membership fee is a modest \$NZ25 per annum per machine.

- Some aspects of the ClubSafe program may be more difficult for clubs to implement in New Zealand. For example, fewer banking services may mean that it is more difficult to implement restrictions on cheque-cashing in the clubs, while fewer welfare services may make it difficult for all clubs to build links with these services and be able to direct patrons with gambling problems to local services.

Thus, in addition to the challenges facing the ClubSafe program generally, as reported in the NSW evaluation study (Hing, 2003), there are numerous factors that may pose additional challenges for its uptake in New Zealand.

Opportunities for New Zealand Clubs in Implementing ClubSafe

Having outlined some factors that may pose challenges to the future effective and widespread implementation of ClubSafe in New Zealand, this section now identifies some opportunities that the New Zealand situation poses.

- The proactive leadership shown by Clubs New Zealand with the ClubSafe program is a major driver facilitating its implementation. Further, with smaller numbers of clubs in the country, Clubs New Zealand has a closer knowledge of individual clubs, their managers, committees and staff than is possible in NSW. The more personal approach of Clubs New Zealand and a greater understanding of the circumstances under which individual clubs operate should facilitate the implementation of ClubSafe.
- The Federal Government system in New Zealand, with no state or provincial governments, means that responsible gambling legislation for clubs is uniform across the country. This means that New Zealand clubs do not face the cross-border issues of those in NSW where, for example, NSW clubs near the Queensland border compete with Queensland clubs for which the legislated responsible gambling requirements are far less stringent. New Zealand clubs may therefore be more accepting of ClubSafe, given the more level playing field in that country relating to responsible provision of gambling.
- There appears to be a high level of collaboration on problem gambling and responsible gambling issues amongst industry, the welfare sector and government, as well as between certain sectors of the gambling industry. This has

led to an acceptance that responsible gambling is a shared responsibility, and constructive and ongoing dialogue on how best to address it. For example, Clubs New Zealand has sought the advice of problem gambling experts, both in academia and the welfare sector, on developing the ClubSafe program to include the requirements of the Gambling Act 2003. Breaking down barriers amongst such stakeholders has been shown to facilitate the uptake of responsible gambling practices in other jurisdictions (Breen et al., 2003).

- New Zealand clubs have less reliance on gaming machine revenue and so may consider the ClubSafe program as less of a threat to their overall revenue base than in NSW, where clubs derive up to 80% of their income from the machines. As such, they may be more willing to implement the program. Additionally, the lower numbers of machines in New Zealand clubs means that the typical club environment has less focus on gambling, and more on the total club experience. This is assisted by regulations that do not allow promotion of gaming machines or other inducements to gamble that were criticised in the NSW ClubSafe evaluation discussed earlier in this paper.
- Smaller club memberships and smaller club organisational structures in New Zealand are conducive to more personal relationships with club members than is possible in large NSW clubs. As such, management and staff may be more likely to have a genuine concern for the wellbeing of their members and willing to embrace ClubSafe if they feel it will assist people that they know.
- The impact of the provisions of the Gambling Act 2003 which is almost certain to see the introduction of much more stringent identification of, and intervention with, problem gamblers throughout the club industry, should act as a major incentive for all or most clubs to become involved in an enhanced ClubSafe program.

The above points have identified some factors distinctive to the New Zealand situation that should facilitate the implementation of ClubSafe. Clearly however, it remains to be seen to what extent clubs in New Zealand embrace the ClubSafe program and its impacts on problem gambling and responsible gambling in that country.

Conclusion

This paper has summarised some key findings from a recent evaluation of the ClubSafe responsible gambling program in NSW Australia, in order to reflect on its implications for New Zealand clubs. While some positive outcomes and potential difficulties with the program's implementation and effectiveness in NSW

may also be encountered in New Zealand, there are also numerous challenges and opportunities distinctive to the New Zealand situation that may impact on ClubSafe. These include particular characteristics of the clubs themselves, their management, their membership base, their industry association, their legislative requirements, and their competitive environment.

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