

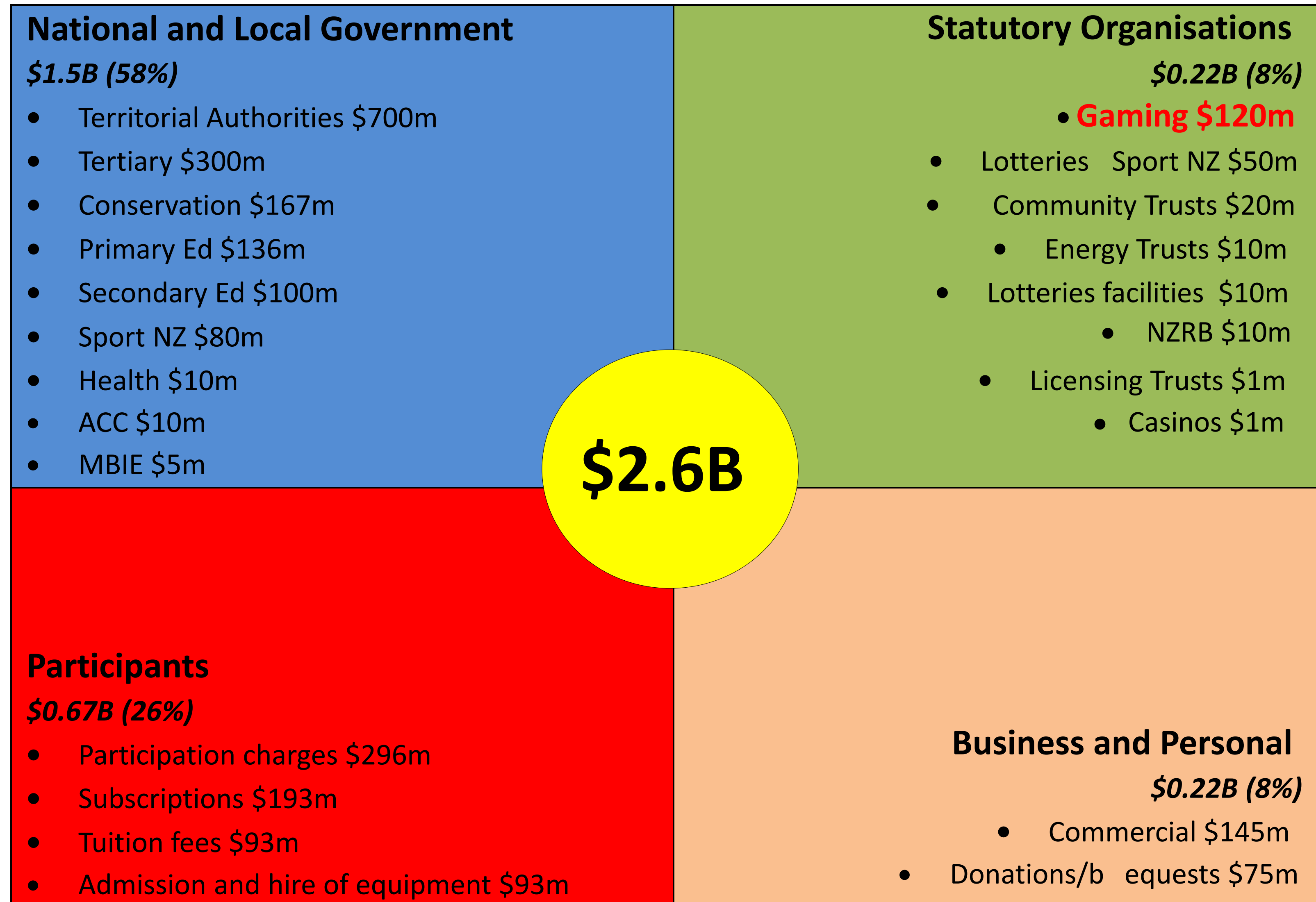
Funding

Yachting New Zealand Commodores Conference

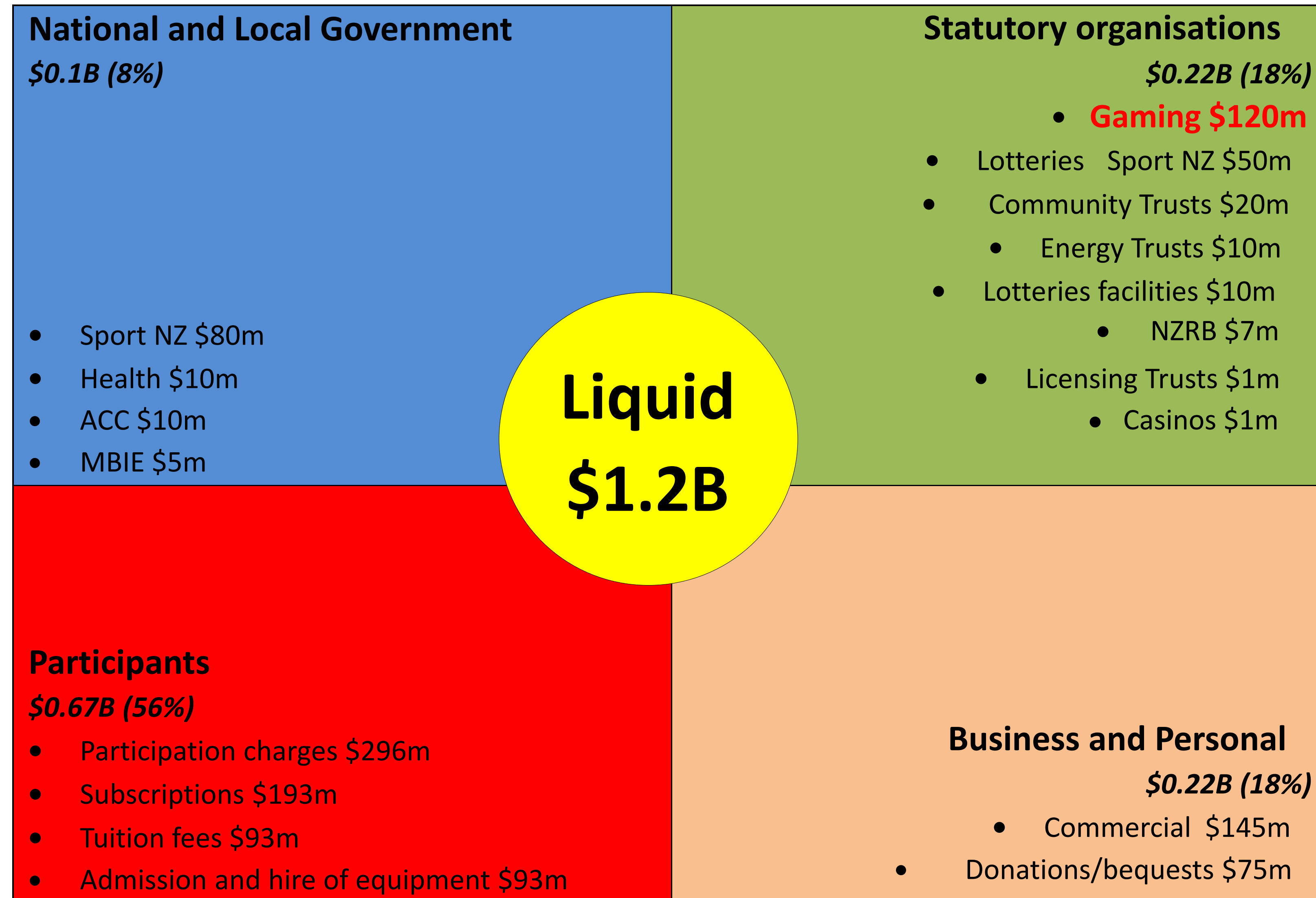
9 June 2018



Class 4 as part of total sport funding



Class 4 as part of liquid funding



Gambling expenditure

Long history

- Over \$2b spent on gambling every year
- Lotto, raffles, instant kiwi most common forms
- Most spent on class 4 - \$2.2m every day
- Was largely deregulated until Gambling Act 2003
- 2004-2016 gaming decrease in:

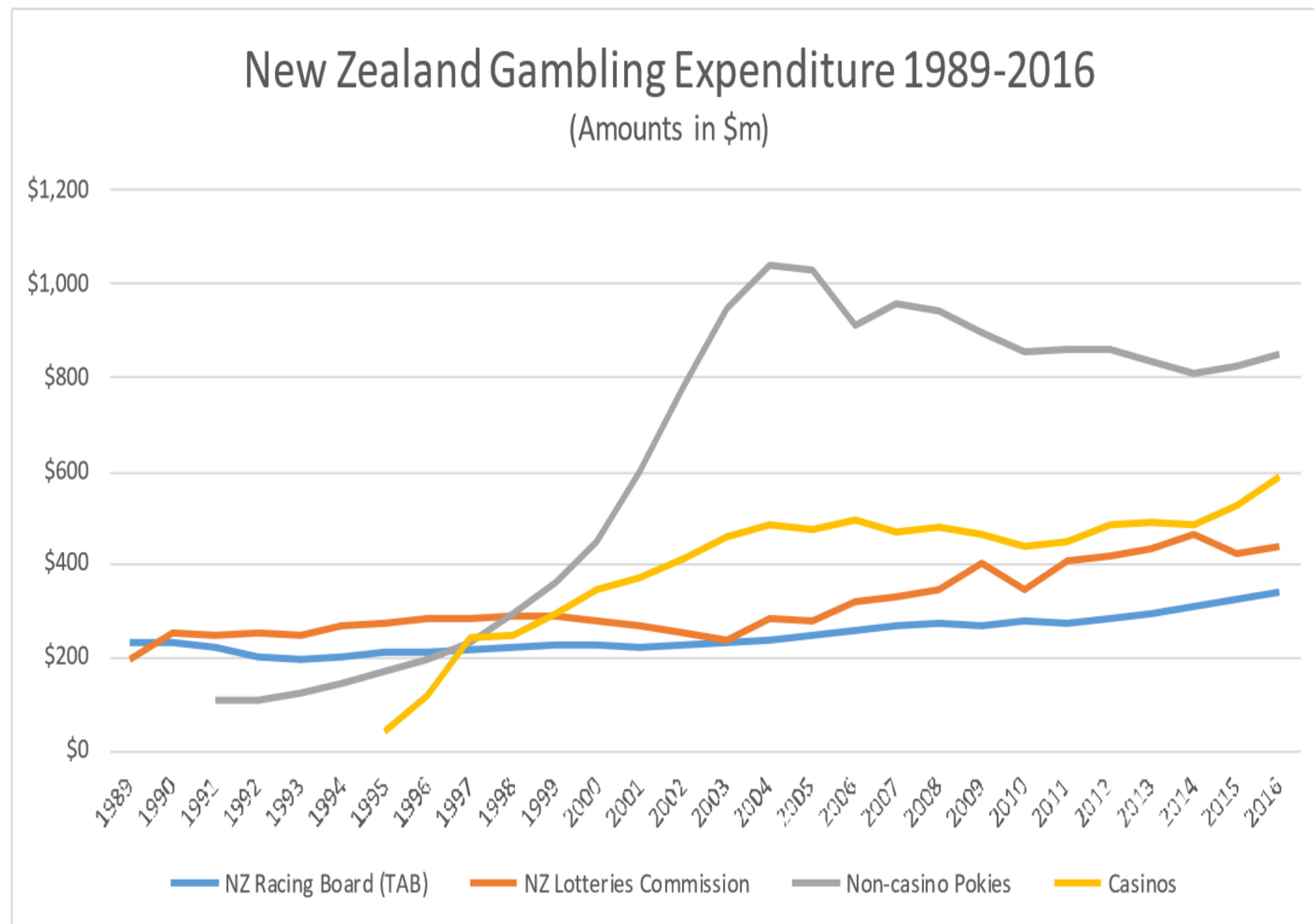
Venues 42% (2,100-1,200)

Machines 32% (23,800 - 16,300)

Revenue 40% (\$1.3b – \$818m)

Return to community 32% (\$384m - \$262)

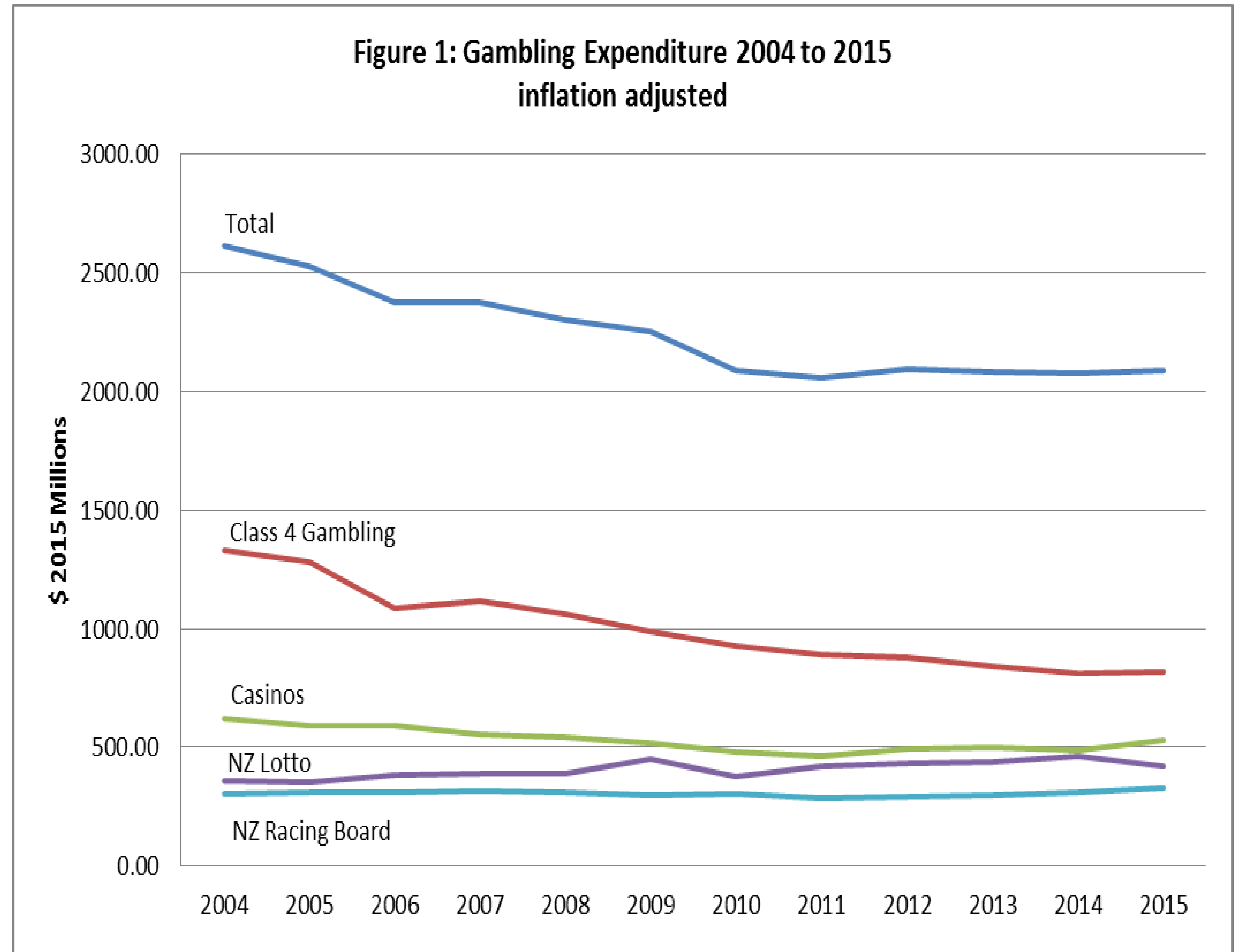
- Local Govt sinking lid - hearing voice of harm, not voice of community good
- Variable distribution practices



Gaming expenditure

Recent

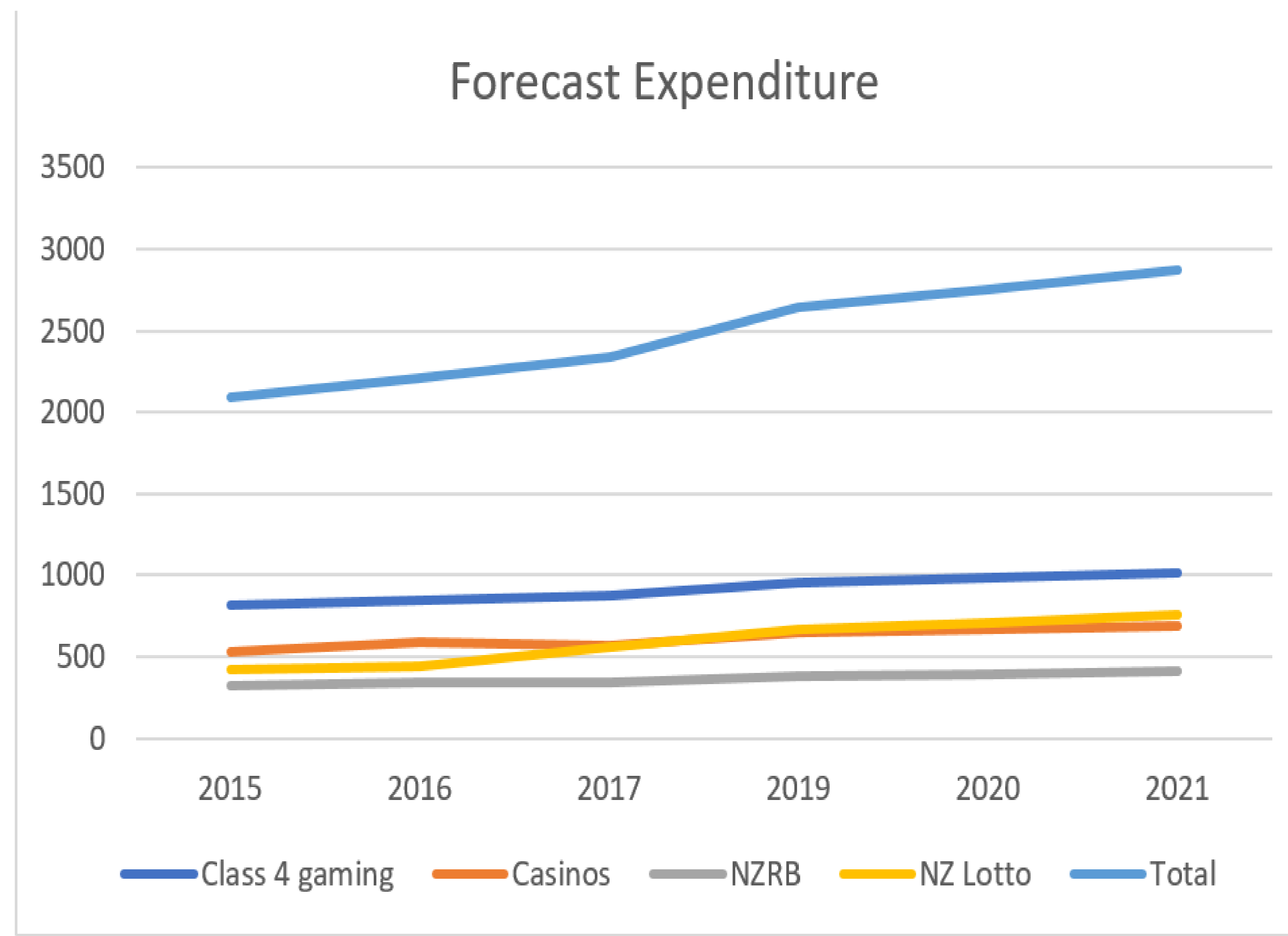
- Class 4 decline from 2004
- Concern about continuing decline
- Review to sustain class 4; while minimising harm
- Recognises growth in other forms of gambling
- Uncertainty about online impact



Gaming expenditure

Forecast

- Class 4 stopped declining
- Urgency for review eased
- No recent amendments to Gambling Act
- No changes pending for period 2019-2022
- Question of sustainability remains



Class 4 - distribution

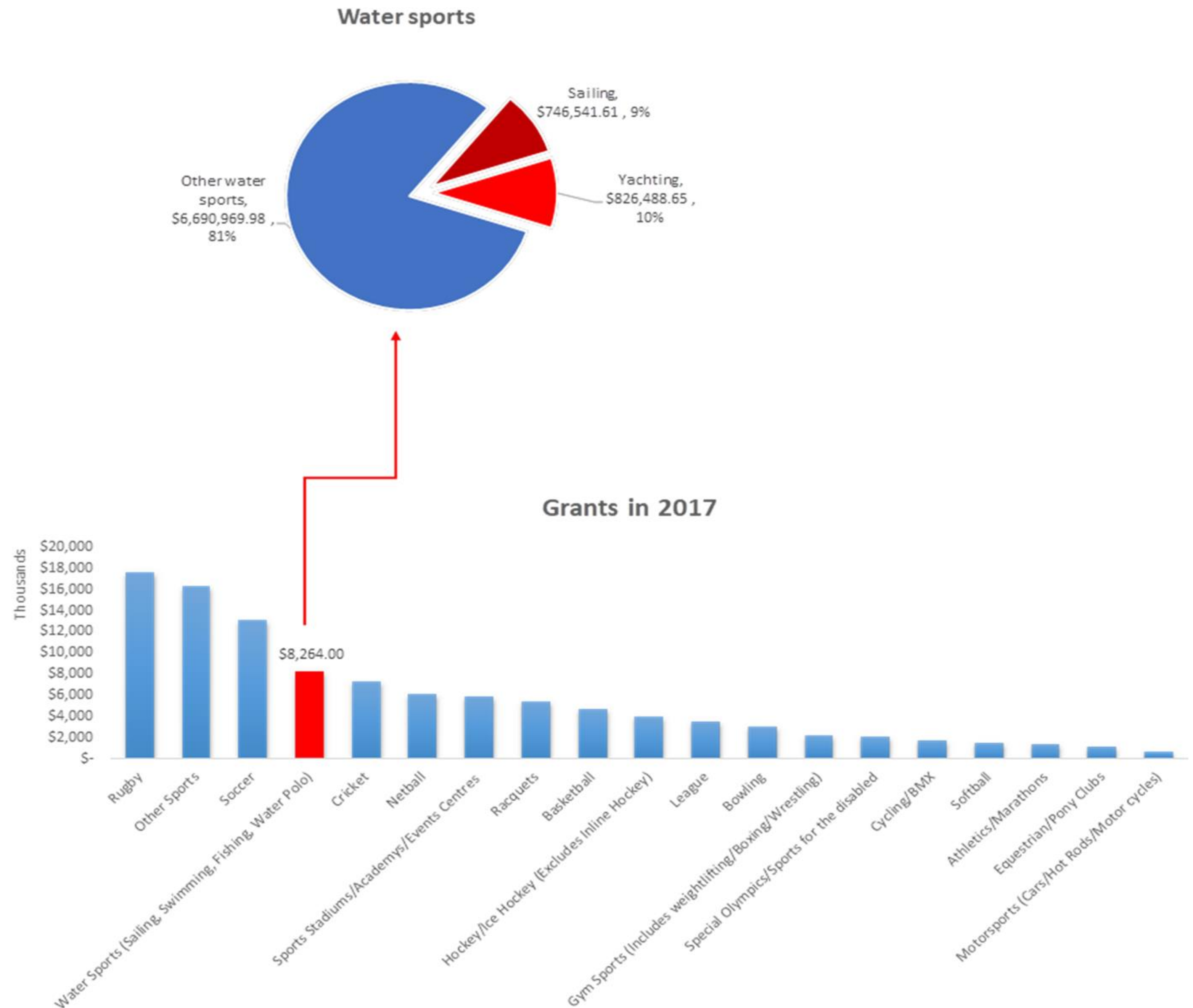
- \$262m distributed through grants last year
- Minimum of 40% must be returned to the community
- Major benefactors :
 - Sport = 48%
 - Community Groups = 18%
 - Education = 9%
 - Emergency Services = 6%
 - Arts & Culture = 5%



Class 4

Distribution by sport

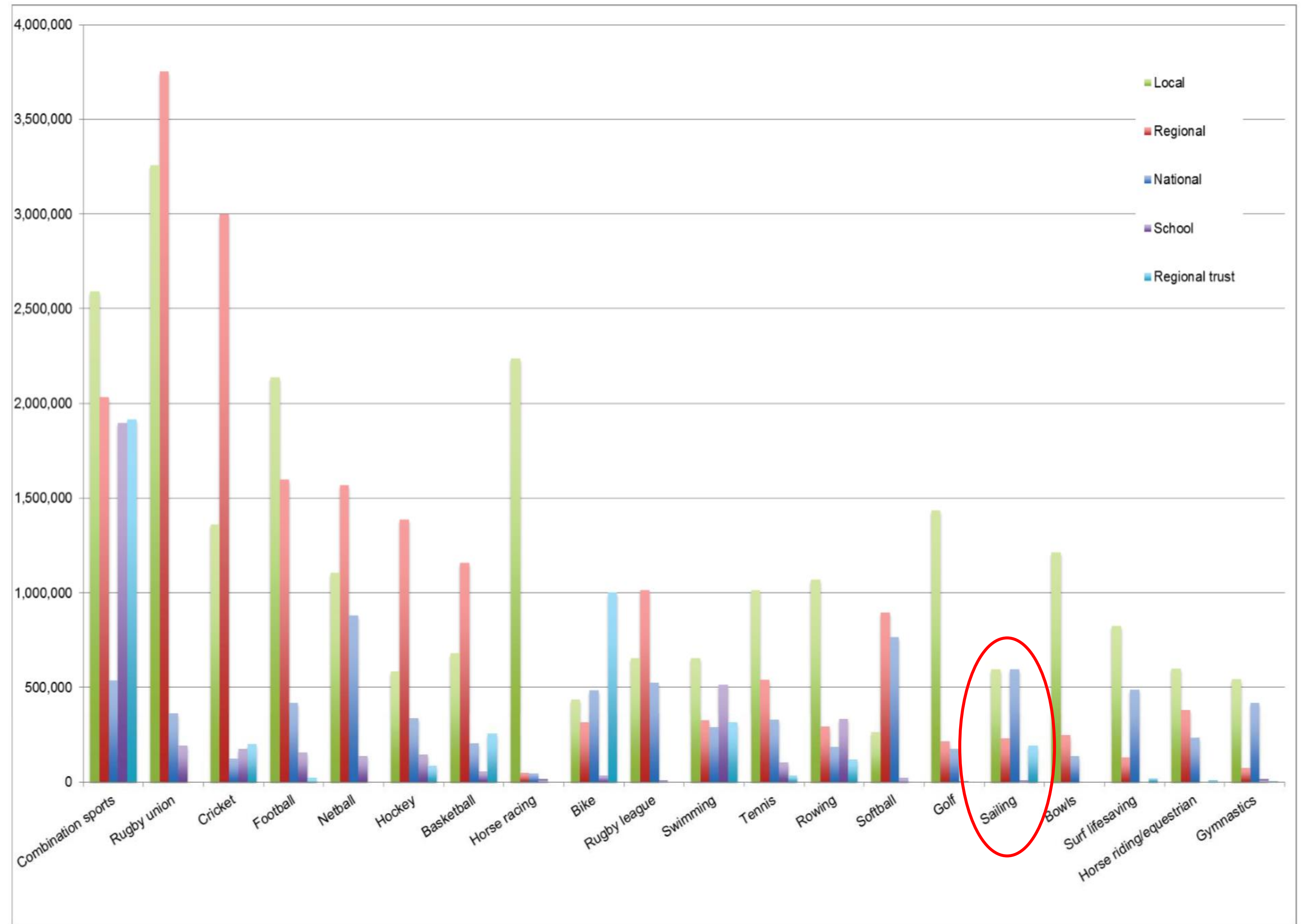
- Poor data collection
- Uneven distribution
- \$1.6m to yachting/sailing



Class 4

Distribution to Sailing

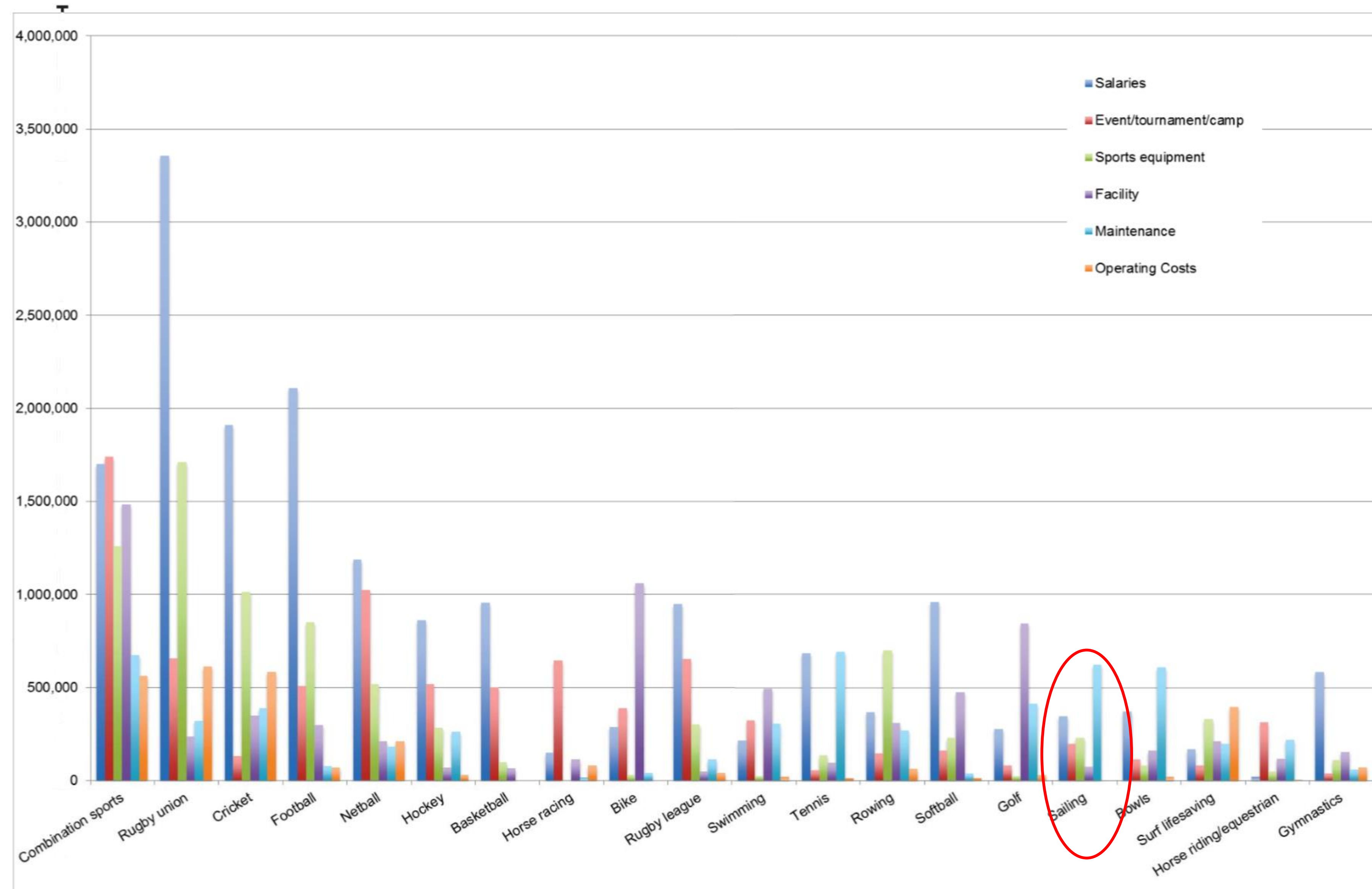
- Based on data collection from for biggest gaming trusts – NZCT, Pub, Lion, Southern
- Responsible for distributing \$80m of total \$120m to sport
- Sailing 15th highest funded
- Funds to sailing split evenly between local and national, with less distributed regionally
- Trend is for increasing \$ to local



Class 4

Distribution to Sailing

- Salaries highest overall category across sports
- Maintenance highest for sailing, followed by salaries, equipment, events



Feedback from sport

- Critical source of funding
- Getting noticeably harder for national bodies to source
- Getting noticeably harder to apply for people costs
- Variable understanding that gaming trusts have different funding priorities and criteria
- Preference for annual application (as applied by some trusts) vs monthly applications (applied by others)



Broad advice

- Understand the gaming trust you are applying to – each have different purposes and criteria (currently 32 but many are single purpose)
- Relationships are key – make time to connect
- Be able to tell a good story (strategic rather than opportunistic)
- Promote impact at local level
- Provide as much evidence as possible
- Track record and credibility counts
- Skin in the game
- Understand funding availability (and broad desire to return funds to where they were generated)
- Align to broader outcomes – TLA plans, Government priorities (gaming societies need to tell their own stories of community relevance)



Thank you

