



# **Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28**

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# Foreword from the Minister for Mental Health

It is a privilege to be New Zealand's first Minister for Mental Health, which includes responsibilities for addiction and preventing and minimising gambling-related harm.

I want to acknowledge that many New Zealanders enjoy gambling as a pastime and that the associated activities make a strong contribution to our economy, for example the horse racing sector. But the evidence is clear that harm from gambling can have a significant impact, so it is important that we put in place initiatives and interventions that prevent and minimise this.

We need a comprehensive continuum of support, from health promotion, so people can support their own wellbeing when it comes to gambling; to having access to helplines, guidance, and support; through to those that require specialist services and treatment options. Services and supports also need to be informed by evidence and best practice, which is why research and evaluation is also included as a focus within this new *Strategy to Prevent and Minimise Gambling Harm 2025/26–2027/28 (the Strategy)*.

You will see in this Strategy that the Government's mental health and addiction priorities are clearly reflected to ensure a comprehensive gambling harm support system is in place. In this context, my priorities are to:

- Increase access to gambling harm support.
- Grow the gambling harm workforce.
- Strengthen the focus on the prevention of and early intervention in gambling harm.
- Improve the effectiveness of gambling harm support.

Critical to my priority of effectiveness is understanding the impact of the Strategy. While the Strategy includes a range of evidence-informed services and interventions, the Strategy as a whole has never been evaluated. As part of this Strategy, the Ministry of Health will lead work to undertake an impact evaluation so we can be confident our current investment in preventing and minimising gambling harm is effective.

In 2026, this Government's decision to regulate online casino gambling will also come into effect, changing the landscape of the regulated gambling sector.

In acknowledgement of this, and in anticipation of a full impact evaluation of the Strategy, the Government has decided to provide a modest uplift to the Strategy budget to a total of \$81.358 million over three years. This will maintain the provision of critical public health and treatment services while the Strategy impact evaluation progresses and the regulatory regime for online casino gambling is established.

The Gambling Act 2003 has mechanisms for an early reconsideration of the problem gambling levy if there are significant changes to the gambling environment. The

Minister of Internal Affairs and I will consider the budget and levy settings in response to the evaluation findings and to incorporate online casino licence holders as a new levy paying sector.

I want to thank all who participated in the development of this Strategy – people with lived experience, gambling harm prevention and minimisation organisations, services and workers, and the gambling industry. I appreciate the shared commitment to preventing and minimising gambling harm and look forward to working together to achieve this aim.

Hon Matt Doocey  
Minister for Mental Health

# Executive summary

Gambling harm has wide-ranging social and economic impacts with about one in five people in New Zealand experiencing harm in their lifetime due to their own or someone else's gambling. In 2023/24, New Zealanders lost more than \$2.79 billion gambling.

The Gambling Act 2003 (the Act) prioritises the prevention and minimisation of gambling harm through multiple channels, including by mandating an integrated problem gambling strategy focused on public health. The strategy must include public health and treatment services to prevent and minimise gambling harm, which are funded by a problem gambling levy (the levy) on the gambling industry. This means the strategy will be fiscally neutral to the Crown over time. The levy is set in regulation and the levy formula is contained in the Act. The current levy regulations expire on 30 June 2025.

The Ministry of Health (the Ministry) is responsible for developing and implementing the strategy together with Health New Zealand.

This Strategy's overarching goal is that New Zealanders' quality of life and life expectancy are not affected by gambling harm. The Strategy is aligned with the Government's priorities for mental health and addiction, as follows:

- a) **improve access to gambling harm support services** by supporting the development and visibility of clinical service provision, both in terms of type of service/population served and location.
- b) **growing the gambling harm workforce** by improving training content, internships and scholarships, and initiatives to retain and attract staff (both peer and clinical)
- c) **strengthening prevention and early intervention** by providing a range of community-focused health promotion, and early intervention activities to prevent and mitigate gambling harm.
- d) **improving the effectiveness of gambling harm support** by developing a new data management system, commissioning a range of research and evaluation projects, undertaking an impact evaluation of the Strategy and developing a monitoring framework (as recommended by the Commission in its 2022 report).

Gambling harm is inequitably distributed in New Zealand. The 2023/24 New Zealand Gambling Survey found that Māori, Pacific, some Asian communities, and young people are more likely to be affected. These groups are priority populations in the Strategy and activities geared towards them are embedded in all layers of this document.

The total cost to implement the Strategy for 2025/26 to 2027/28 is \$81.358 million, an increase of \$5.235 million from the last levy period (2022/23 to 2024/25). This cost is recouped by a levy on the operators of the main types of gambling.

This level of funding is less than originally proposed. In its report to responsible Ministers, the Gambling Commission stated it could not endorse a funding increase “in the absence of clear evidence of the benefit of existing expenditure and a compelling basis for the proposed increase”. The Commission recommended the budget remains at its current levy and supported the Ministry undertaking its planned impact evaluation of the Strategy.

The Government has carefully considered the Commission’s report, and although we note many submissions supported a funding increase, on balance we consider maintaining funding in line with current levels would be prudent. This would enable the proposed impact evaluation and related work to be completed to provide assurance to New Zealanders that current investment is effective. It would also allow time to assess the details of introducing new online casino providers, expected to commence in 2026, before making significant changes to resourcing levels.

Although the Strategy and levy are set to cover a three-year period, we anticipate the above factors would justify engaging an early reconsideration of levy funding in response to the evaluation findings and to use that opportunity to incorporate online casino licence holders as a new levy paying sector.

The Ministry thanks all those who shared their experiences of gambling harm and contributed to the revised Strategy, which drew comments from a wide range of industry, health service and community stakeholders, including people with lived experience of gambling harm.



# Introduction

The Gambling Act 2003 (the Act) sets out requirements for an ‘integrated problem gambling strategy focused on public health’. The Ministry of Health (the Ministry) is responsible for developing and refreshing this strategy at three-yearly intervals, and for implementing it. The Act specifies a two-stage consultation process to develop the strategy and the rates of the problem gambling levy, which funds all activity under the strategy.

This Strategy is the integrated problem gambling strategy required in the Act. The Strategy sets out the Ministry’s response to prevent and minimise gambling harm, after considering the:

- submissions on the consultation document and the independent analysis of submissions (Allen + Clarke)
- *Gambling Harm Needs Assessment 2024* (Malatest International)
- Gambling Commission’s report to responsible Ministers and the independent report prepared for the Commission about the Ministry’s revised Strategy proposals document and associated problem gambling levy rates (Gambling Commission 2025).

The Ministry acknowledges that the different views it received on gambling and minimising gambling harm during the consultation process represented the wide range of perspectives and different life experiences of those who made submissions. While these views sometimes differed, we recognise that the goals and outcomes of the Strategy matter to all submitters, and they share the common goal of wanting to prevent and minimise gambling harm.

The Strategy is aligned with the Government’s priorities for mental health and addiction, with a strategic focus on improving access to gambling harm services, growing the gambling harm workforce, strengthening prevention, health promotion and early intervention, and improving the effectiveness of gambling harm supports. It also incorporates learning from people with lived experience and sets out a range of new and strengthened services to support the needs of people affected by gambling harm. The Strategy is also aligned with other direction setting documents for the health system, such as the Government Policy Statement on Health 2024–2027.

Online gambling continues to be a matter of significant concern to many of the diverse groups of submitters, with participation and risks growing steadily over the past decade or so, as internet access and smart devices have become ubiquitous. Many submissions expressed concerns about the ease of access to online gambling, the targeting of young people, and widespread exposure to gambling advertising and a range of other harms in the digital environment that is blurring traditional boundaries between in-person gambling and other harms.

We acknowledge these concerns but note the Strategy’s mandate is to address gambling harm. The Department of Internal Affairs administers the Act. The Strategy

recognises the Government is developing new legislation to regulate online offshore casinos from 2026, with the details of that regime under development. The Strategy includes specific actions to help address harm from online gambling, for example with proposals to develop self-exclusion and through broader public health measures to raise awareness of the risks and harms that may occur and how to mitigate them.

## Structure of this document

This Strategy is divided into the following sections:

- **A strategic overview** including relevant background and context about the gambling environment, the nature of gambling in New Zealand, gambling-related harms and the public health approach to gambling harm.
- **A strategic plan 2025/26 to 2027/28** including the strategic framework that sets out the goal, outcomes, priorities and actions for the Strategy. This section outlines the strategic context for the proposed three-year service plan.
- **A three-year service plan 2025/26 to 2027/28** including the amount of funding required for the Ministry and Health New Zealand to deliver the gambling harm prevention and minimisation activities described in the Strategy from 1 July 2025 to 30 June 2028
- **The levy rates for 2025/26 to 2027/28.** This section outlines the levy setting process and the levy rates that apply to each of the four gambling industry sectors required to pay the levy: non-casino gaming machine (NCGM) operators, casinos, TAB New Zealand (TAB NZ) and New Zealand Lotteries Commission (Lotto New Zealand).

There is also additional supporting information in the Appendices.

# Strategic overview

The Government has set a clear direction for mental health and addiction in New Zealand with a priority focus on:

- increasing access to mental health and addiction support
- growing the mental health and addiction workforce
- strengthening the focus on prevention and early intervention
- improving the effectiveness of mental health and addiction support.

This direction, supported by available data, research and evidence of what works, has driven the development of the Strategy.

## The gambling environment

This section briefly covers the current state of gambling in New Zealand, with further detail provided in **Appendix One** in the Appendices document.

Whether an individual experiences harm from their own or someone else's gambling, and how this harm is experienced at a whānau and community level, results from many factors. This includes the wider determinants of health and wellbeing and the nature of the gambling environment. The Act and associated regulations, as administered by the Department of Internal Affairs, set the framework for legal gambling in New Zealand.

The Act requires a needs assessment be undertaken to inform each iteration of the Strategy. The 2024 needs assessment highlights a changing environment and gambling harm services under pressure<sup>1</sup>. Key findings include:

- Gambling activity has remained relatively constant in New Zealand, with data indicating that most adults engage in gambling at some stage in their lives.
- While there has been a reduction in the number of pokies, the distribution and availability of these machines remains disproportionately high in areas of high deprivation. Expenditure on pokies has continued to increase.
- Online gambling, particularly with unregulated providers based overseas, continues to grow. This is revealing inconsistencies with the current levy funding regime and service provisions.
- The gambling harm minimisation sector is under pressure and has found the health reforms challenging. It seeks stronger government leadership and coordination.
- There is a need to grow and support the gambling harm workforce – both clinical and peer.

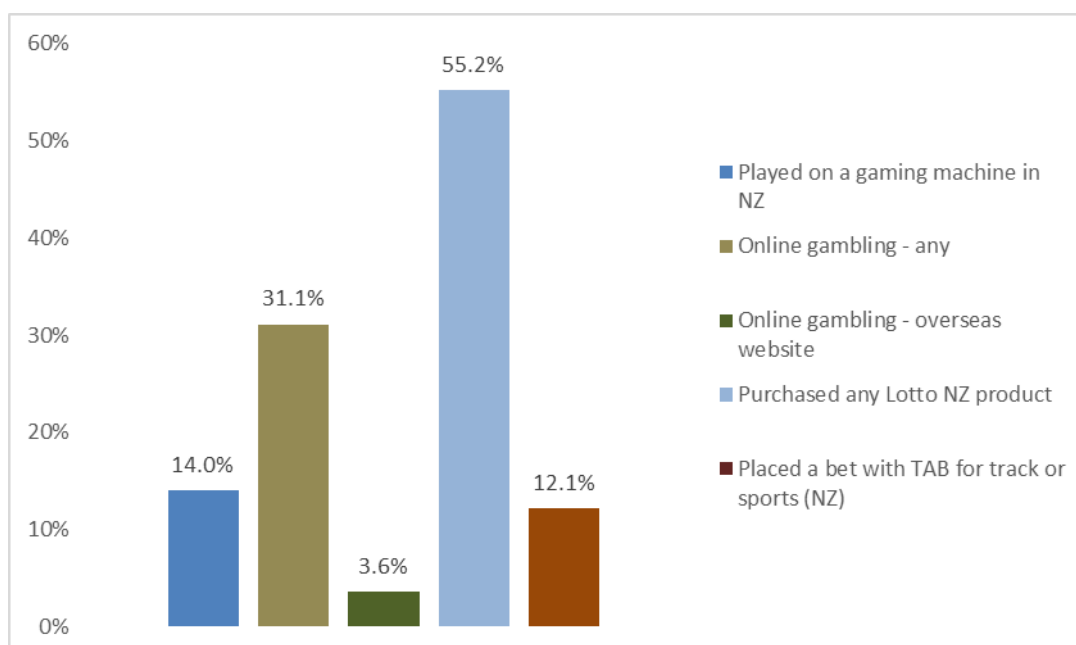
<sup>1</sup> Malatest International. 2024. *Gambling Harm Needs Assessment 2024*. Wellington: Ministry of Health. The Gambling Act requires the Ministry to obtain a needs assessment as part of the strategy development.

# Participation and expenditure

Most New Zealanders gamble at least occasionally.

- Estimates suggest that, in 2023/24,<sup>2</sup> **64.1%** (about 2.76 million New Zealanders aged 15 years and older) had **participated in at least one gambling activity in the previous 12 months**. Figure 1 shows the types of gambling people engaged in.
- **Participation in online gambling was 31%** in 2023/24<sup>3</sup>. This included 3.6% who participated online with overseas based gambling providers.
- **Total gambling expenditure (net player losses)** in 2023/24 was **\$2.79 billion** for the four regulated sectors (Lotto NZ, TAB NZ, casinos and non-casino gambling machines or Class 4 gambling) combined, an increase of 24% from \$2.25 billion in 2021/22 and \$2.76 billion in 2022/23.<sup>4</sup>

**Figure 1: Gambling by type, 2023/24 (% of population aged 15+)**



<sup>2</sup> New Zealand Gambling Survey (NZGS) 2023/24.

<sup>3</sup> NZGS 2023/24.

<sup>4</sup> DIA: [dia.govt.nz/gambling-statistics-expenditure](https://dia.govt.nz/gambling-statistics-expenditure)

# Gambling harm

- Research shows that **one in five** New Zealand adults (22%) are **affected at some time in their lives by their own or others' gambling**.<sup>5</sup> This includes financial harm; relationship disruption; conflict and breakdown; psychological distress; damage to health; cultural harm; reduced involvement at work or study; and criminal activity.
- **Nearly 50%** of all **gambling harm is experienced by people who participate in low-risk gambling** (harms include damage to relationships, emotional distress, financial impacts, lost income and disruptions to work or study).<sup>6</sup> This suggests we should also focus on reducing gambling harm at the whole-of-population level.
- **381,000 adults** reported **second-hand gambling harm** in their wider families or households in the past year, for example, arguments or 'going without' due to gambling<sup>7</sup>.
- The latest survey data available (NZGS 2023/24) shows **8.3%** of New Zealanders **experienced some level of harm from gambling in the past 12 months**. The proportion experiencing low risk of harm was 5.9%, while 2.4% were at moderate or high risk of harm. The previous Health and Lifestyles Surveys (2016, 2018, 2020) have shown that the numbers of New Zealanders experiencing gambling-related harm has tended to increase in line with population growth.

Some population groups are experiencing more gambling harm than others. For example, the NZGS found that in 2023/24, asking about the previous 12 months:

- **Māori** were 2.24 times more likely to be moderate-risk or high-risk gamblers than non-Māori.
- **Pacific peoples** were 2.31 times more likely to be moderate-risk or high-risk gamblers than non-Pacific peoples.
- While the proportion of **Asian people** who gamble is relatively low when compared with other population groups, those who do gamble have historically been more likely to experience gambling harm compared with the European/Other population group.
- About 44.3% of **youth** aged 15–24 years gambled in the past year. Young people make up approximately 25% (26,000 people) of moderate- and high-risk gamblers (2.4% of all adults or 104,000 people).
- **Disabled people** had 4.02 times the risk of being a moderate- or high-risk gambler compared to those with no disability. These results may be attributable to the disability question in the NZGS which included mental health and addiction as components, but the results are still significant in relation to that definition. Presentations data does not routinely capture disability information at present, raising concerns that disabled people may not be accessing services they need.

<sup>5</sup> Thimasarn-Anwar T, Squire H, Trowland H, et al. 2017. *Gambling Report: Results from the 2016 Health and Lifestyles Survey*. Wellington: Te Hīringa Hauora. URL: [hpa.org.nz/research-library/research-publications/new-zealanders-participation-in-gambling-results-from-the-2016-health-and-lifestyles-survey](https://hpa.org.nz/research-library/research-publications/new-zealanders-participation-in-gambling-results-from-the-2016-health-and-lifestyles-survey) (accessed 21 May 2025).

<sup>6</sup> Central Queensland University and Auckland University of Technology. 2017. *Measuring the Burden of Gambling Harm in New Zealand*. Wellington: Ministry of Health. URL: [health.govt.nz/publications/measuring-the-burden-of-gambling-harm-in-new-zealand](https://health.govt.nz/publications/measuring-the-burden-of-gambling-harm-in-new-zealand) (accessed 21 May 2025). The research found that, while some of this 'burden of harm' was concentrated in problem gamblers, at a population level, the majority of harm is accruing to those who are not necessarily problem gamblers.

<sup>7</sup> New Zealand Gambling Survey (NZGS) 2023/24.

- **Women** were more likely than men to report impacts of gambling within the household or family, such as gambling-related arguments or someone having to take time off work or study. Women, who are often the primary caregivers for their family or whānau, are particularly vulnerable to abuse and violence related to their partner's gambling.
- While there was no clear association for gambling harm in **older people** (aged 65 and older), previous research has found older people tend to have lower prevalence rates than the rest of the population (eg, 2020 Health and Lifestyles Survey), while those on a limited income, retired or living alone were more vulnerable.

Some forms of gambling are also higher risk than others, with evidence showing that harm is far more likely to be associated with continuous forms of gambling (those in which a gambler can immediately 'reinvest' their winnings in further gambling) than other modes of gambling. The common forms of continuous gambling are gaming machines or 'pokies' (in or out of a casino), casino table games, scratchies (Instant Kiwi) and sports/race betting. Research also shows that online forms of gambling have higher prevalence and harm rates than in person.

A large amount of the money spent on gambling in New Zealand (37%) comes from the relatively small number (14%) of people who play gaming machines. Most people accessing gambling-harm intervention services (54%) cite pub or club pokies as the primary problem gambling mode. The offshore online gambling market has grown significantly in recent years, with higher participation, higher spend, and greater harm being reported by New Zealanders.

## Government's current responses

There is a range of current services and activity under the current Strategy, including regulatory activities and targeted community activities, to address the full range of harms experienced by people who gamble, including problem gamblers, low risk gamblers and the general population. These are described at high-level below, with more detail in **Appendix Three**.

### Public health approach to addressing gambling harm

The Act (section 317) requires an integrated gambling harm prevention and minimisation strategy focussed on public health. It further specifies the strategy must contain measures to promote public health by preventing and minimising harm from gambling. Harm prevention and minimisation is a core purpose of the Act, which guides all gambling activity in New Zealand.

Our public health approach consists of prevention at population and targeted community or group levels, as well as health promotion and service delivery.

Public health services also support other preventative measures such as working with gambling venues to support gambling harm minimisation practices and providing a wide range of health promotion and awareness raising activities. These may for example aim to raise awareness of general or specific risks of gambling harm, how to prevent or mitigate harm or where to seek help and treatment. This work is complemented by national health

promotion campaigns and resources that primarily target the general population and low-risk gamblers.

Public health activity is also delivered by the Department of Internal Affairs. Its regulation of gambling in New Zealand is an important harm prevention approach.

## Intervention service delivery

The Act (section 317) also requires the Strategy to contain services to treat and assist gamblers and their families and whānau. Health New Zealand commissions a range of providers to deliver a variety of services. Current services are under pressure and needing to adapt to a changing gambling environment. Service access is also lower than expected based on known levels of gambling harm. The number of gamblers seeking treatment has remained static<sup>8</sup>, despite the increase in real numbers of people experiencing gambling harm.

- In the 2022/23 year, **6,516** 'gambler' clients received gambling harm treatment services from a provider funded by the Strategy.
- In the 2022/23 year, **3,870** 'family / affected other' clients received gambling harm treatment services from a provider funded by the Strategy. Service data shows a similar number to those seeking treatment also sought help through brief interventions.
- In addition to the **6,516** people who sought help for their own gambling in 2022/23, the national Gambling Helpline reported a total of **2,706** people accessing support from the telehealth service in the same year.

<sup>8</sup> For more information, see the Gambling harm intervention services data webpage on the Ministry's website at URL: [health.govt.nz/statistics-research/statistics-and-data-sets/problem-gambling/gambling-harm-services-data](https://health.govt.nz/statistics-research/statistics-and-data-sets/problem-gambling/gambling-harm-services-data)

# Strategic plan

## Priorities for the mental health and addiction sector

The above environmental scan illustrates that gambling harm is wide-reaching and the gambling environment is changing, leading to pressure on services.

Over the next three years, we will work towards our target outcomes by focussing on the Government's priorities for the mental health and addiction system:

- **Increasing access to gambling harm support:** In New Zealand, as internationally, a relatively small proportion of people who are suffering from gambling harm seek formal help. Increasing access to gambling harm services will require multiple approaches including de-stigmatisation, digital tools, access to gambling harm support in primary care, and service promotion.
- **Growing the gambling harm workforce:** There is a need to grow the clinical and consumer, peer and lived experience workforces. Measures are needed both to train and recruit new workers and also to retain current workers, and to ensure the cultural competence of the workforce.
- **Strengthening the focus on the prevention of and early intervention in gambling harm:** Investment into health promotion, de-stigmatisation, awareness, and education activities are important to prevent harm at the population level and can also minimise harm by equipping people to support their own wellbeing and to seek help when needed.
- **Improving the effectiveness of gambling harm support:** There will be a strong focus on research and evaluation to ensure we are taking an evidence-based and effective approach. Effectiveness also covers the tailoring of services for at-risk groups, such as Māori, Pacific, Asian and young people, and supporting community leadership in service design and delivery, because we know that a one-size-fits all, top-down, approach is ineffective.

## Strategic framework for preventing and minimising gambling harm

Figure 2 sets out the strategic framework that will drive progress against these **four system priorities**.

The framework outlines **12 action areas** across the system priorities – taken together, these action areas describe a well-functioning gambling harm prevention and minimisation system.



Delivery of the actions against the priorities will shift us closer to the **four strategic outcomes**:

- There is a full spectrum of accessible services and support to prevent and minimise gambling harm - from prevention to early intervention to specialist support.
- Environments and social and cultural norms prevent and minimise harm from gambling.
- There is strong leadership and accountability of the gambling harm prevention system, with decision-making as close to communities as possible.
- There is a system focus on those who are most at risk of harm from gambling.

The framework sets a strong direction of travel towards a **goal** where New Zealanders' quality of life and life expectancy are not affected by gambling harm.

This Strategy does not work to prevent and minimisation harm from gambling in isolation. It sits alongside a number of strategies and other directional documents that all work towards improved health outcomes. The main documents that the Strategy aligns with are the Government Policy Statement on Health 2024–2027, the New Zealand Health Strategy, Pae Tū: Hauora Māori Strategy, and the Oranga Hinengaro System and Service Framework.

**Appendix Four** in the Appendices document provides further details on the different components of the proposed strategic framework, which is shown in summary form at **Figure 2**. As well as further information about links to other strategic documents.

Note: While most of this framework is implemented by the Ministry and Health New Zealand, some of the actions sit with the Department of Internal Affairs in its regulatory role, for example the action: *the legislative and regulatory framework for preventing and minimising harm from gambling is strong and effective*. The regulation of gambling is itself a harm prevention and minimisation act, as is the content of much of the regulation (for example, regulating how close ATMs can be to gaming machines).

## Priority populations

The Strategy proposes a continued focus on supporting population groups who experience inequitable outcomes and gambling harm, in particular Māori, Pacific, Asian and young people. Research and presentations data shows the risk and harm experienced by these groups has not reduced to the level where prioritisation is not required. There remains an analytical case to support targeted investment to individuals based on needs within these groups. The priority populations and activity geared towards them is embedded in all layers of this Strategy.

We recognise that other groups are also vulnerable to gambling harm, for example disabled people, older people, women and families on low incomes. The Ministry expects all funded services to be accessible and responsive to address the gambling harm-related needs of anyone who needs them, including a focus on these groups.

We note there is significant diversity within each of these populations, and also significant crossover, for example, Māori and Pacific populations are youthful, more likely to have low incomes and disproportionately experience gambling harm. Disability is also associated with lower incomes and often gambling is associated with mental health conditions and distress.

**Figure 2: Strategic framework for preventing and minimising gambling harm in New Zealand**

**GOAL: New Zealanders' quality of life and life expectancy are not affected by gambling harm**

	Strategic Outcomes			
Mental Health and Addiction System Priorities	There is a full spectrum of accessible services and support to prevent and minimise gambling harm - from prevention to early intervention to specialist support	Environments and social and cultural norms prevent and minimise harm from gambling	There is strong leadership and accountability in the gambling harm prevention system, with decision-making as close to communities as possible	There is a system focus on those who are most at risk of harm from gambling
Increase access to gambling harm support	Action: Barriers to accessing services and supports are identified and addressed systematically (NZ Health Strategy shift 1*) (MOH, HNZ)	Action: Māori, Pacific peoples, Asian people, young people and people with lived experience are actively involved in harm prevention and minimisation efforts (shift 1) (MOH, HNZ, DIA)		Action: There are kaupapa Māori, Pacific, Asian and youth-centric services and supports available to those who want them (shift 2) (HNZ)
	Action: Quality, accessible and effective services are designed and delivered (shift 2*) (HNZ)			
	Action: Gambling operators are supported to prevent and minimise harm (shift 2) (HNZ, DIA)			
Grow the gambling harm workforce	Action: There is a skilled gambling harm prevention and minimisation workforce that includes lived experience and clinical expertise (shift 3*) (HNZ)			
Strengthen the focus on the prevention and early intervention of gambling harm	Action: People have the information and support to make healthy choices about gambling (shift 1) (HNZ)	Action: Stigma about gambling harm is addressed (shift 2) (HNZ)	Action: There are policies at national, regional and local levels that prevent and minimise gambling harm (shift 6) (HNZ, DIA, Local authorities)	
Improve the effectiveness of gambling harm support	Action: People are supported to participate in decisions about gambling in their communities (shift 1) (HNZ)			
	Action: The legislative and regulatory framework for preventing and minimising harm from gambling is strong and effective (shift 6*) (DIA)			
	Action: Technology, research and evidence inform policy and service design and delivery (shift 4*) (MOH, HNZ)			

\*these shifts are detailed in the New Zealand Health Strategy [health.govt.nz/strategies-initiatives/health-strategies/new-zealand-health-strategy](https://health.govt.nz/strategies-initiatives/health-strategies/new-zealand-health-strategy)

# Service plan

This section sets out the gambling harm prevention and minimisation service activities, investment priorities and related budgets for the three years from 1 July 2025 to 30 June 2028. They respond to the needs and pressures discussed throughout this document and received through consultation feedback.

The new three-year service plan proposed for the period to 30 June 2028, guided by the strategic plan, will see provision of clinical and public health approaches to gambling harm minimisation and prevention, as well as a prioritised research programme. The plan will maintain investment in high-quality public health and clinical services to deliver on the Government's priorities.

As a result of consultation feedback, we have made several changes to the service plan. Changes include allocating some research to innovation and scholarships and developing a monitoring framework to monitor the overall impact of the Strategy. We have also ensured a stronger focus on public health is visible.

## Service plan for 2025/26 to 2027/28

The Act requires the strategy to have a focus on public health, and contain:

- measures to promote public health by preventing and minimising the harm from gambling.
- services to treat and assist people whose gambling is causing harm to themselves their families and whānau.
- independent scientific research associated with gambling, including (for example) longitudinal research on the social and economic impacts of gambling, particularly the impacts on different cultural groups.
- evaluation.

The service plan includes these components and is aligned to the priorities and activities of the strategic framework to provide a clear line of sight from the strategic priorities to what we intend to do to achieve them. Together the proposals set out the specific activities and services to be provided to achieve the strategic outcomes and priority actions, and to support the mental health and addiction system priorities outlined in the strategic plan described above.

The service plan includes proposals to:

- **improve access** by supporting the development and visibility of clinical intervention services.
- **grow the workforce** by improving training content, internships and scholarships, and initiatives to retain and attract staff (both peer and clinical)

- **Strengthen the focus on the prevention of and early intervention in gambling harm** by delivering a range of community-focused health promotion and early intervention activities to prevent and mitigate gambling harm.
- **improve effectiveness** by developing a new data management system, commissioning a range of research and evaluation projects, undertaking an impact evaluation of the Strategy and developing a monitoring framework (as recommended by the Commission in its 2022 report).

As noted above, integration with public health is a key requirement of the service plan. The service plan follows a continuum-of-harm model that aligns the spectrum of gambling behaviour with proportionate harm-reduction and service responses. This recognises people experience varying levels of gambling harm, so a spectrum of responses is needed ranging from population-level promotion and prevention activities through to specialised interventions for individuals experiencing harm.

## Budget for 2025/26 to 2027/28

The full package of investment in the service plan is costed at \$81.358 million over the three years from 2025/26 to 2027/28, an increase of \$5.235 million on the 2022/23 to 2024/25 budget. This increase is funded from a transfer of \$5.235 million forecast cumulative underspend from the levy period ending on 30 June 2025.

This level of funding is less than originally proposed. In its report to responsible Ministers, the Gambling Commission stated it could not endorse a funding increase “in the absence of clear evidence of the benefit of existing expenditure and a compelling basis for the proposed increase”. The Commission recommended the budget remains at its current levy and supported the Ministry undertaking its planned impact evaluation of the Strategy.

The Government has carefully considered the Commission’s report and although we note many submissions supported a funding increase, we have decided to keep funding in line with current levels to enable the Strategy impact evaluation to be completed. This will also enable details of regulating new offshore online casino providers and implications for the levy, expected to commence in 2026/27, to become clear.

Although the Strategy and levy are set to cover a three-year period, we anticipate the above factors would justify an early reconsideration of levy and Strategy funding and it is likely this work will be completed in 2026/27.

The confirmed level of funding will maintain investment in quality public health and treatment services, research and evaluation including:

- Expanding clinical services, both in terms of the type of service and population served (for example additional intensive support options) and by location (filling service gaps in areas that currently do not offer face-to-face services). In response to submissions additional funding has been allocated to address gaps in service coverage.

- Supporting workforce capacity and capability, to encourage new entrants to the gambling harm workforce and help retain existing workers (for both the peer and clinical workforces). In response to submissions, we have included additional funding to reinstate scholarships.
- Delivering a range of population-focused public health activities including health promotion, awareness and prevention activities aimed at addressing the full range of harms experienced by people who gamble, including low risk gamblers and problem gamblers, as well as the general population. In response to submissions, we have included some additional funding to develop the interface between facial recognition technology and the MVE database.
- Building system effectiveness through research and evaluation, including evaluation of treatment and public health services, updating data collection systems, an impact evaluation of the Strategy and development of a monitoring framework for gambling harm.

## Proposed budget changes

The \$5.235 million additional funding provided over three years is directed to a combination of new services and interventions required in response to changes in the gambling environment, as well as to address a range of cost and volume pressures and fund the impact evaluation review.

Most of the new funding is allocated to service promotion, building the gambling harm workforce including support for lived experience, extending treatment services, and developing an online gambling exclusion system.

A key role of this service plan is to set the foundation for a more informed and effective approach in future by funding the impact evaluation of the whole Strategy, development of a sector monitoring framework and updating the data collection and management system.

**Table 1** shows the indicative cost of services and activities by strategic priority for the 2025/26 to 2027/28 levy period, along with a summary of the Service Plan proposals.

Further information about the Service Plan and budget, including detailed descriptions of the proposed services and rationale, is included in **Appendix Five** in the Appendices document, which also show a comparison with existing funding levels where relevant.

**Table 1: Summary of service plan and budget to prevent and minimise gambling harm (in \$ millions – GST exclusive), 2025/26 to 2027/28**

Priority	2025/26	2026/27	2027/28	Total	Summary of service plan commitments
<b>Increase access to gambling harm support</b>	11.250	11.544	11.797	<b>34.591</b>	<ul style="list-style-type: none"> <li>Invest in ongoing delivery and improvement of treatment services including filling regional gaps.</li> <li>Services offerings include dedicated hauora Māori intervention services, as well as services based on Pacific and Asian world views and expertise, as well the intensive support coordination service.</li> </ul>
<b>Grow the gambling harm workforce</b>	0.690	0.690	0.940	<b>2.320</b>	<ul style="list-style-type: none"> <li>Growing the gambling harm workforce by improving training content, internships and scholarships, and initiatives to retain and attract staff (both peer and clinical)</li> <li>Develop gambling-harm content for a New Zealand Qualification Authority (NZQA) Level 7 qualification.</li> <li>Invest in clinical internships to support students to complete practicum requirements to become fully registered addiction practitioners.</li> <li>Ongoing professional development for the existing workforce.</li> </ul>
<b>Strengthen the focus on the prevention of and early intervention in gambling harm</b>	9.208	9.633	9.780	<b>28.621</b>	<ul style="list-style-type: none"> <li>Refresh national public health promotion and de-stigmatisation initiatives alongside local and regional public health services that empower communities, build awareness and resilience, and address stigma and barriers to help seeking. This work will be informed by lived experience.</li> <li>Subject to the new online gambling regulations, scope and develop a national system to allow individuals to block themselves from accessing regulated online/mobile gambling outlets.</li> <li>Continue to develop the public health approach in schools to address and prevent gambling harm amongst young people/rangatahi.</li> <li>Invest in service promotion and support in primary health care.</li> <li>Work to support self-exclusion.</li> </ul>
<b>Improve the effectiveness of gambling harm support</b>	3.419	4.084	3.046	<b>10.549</b>	<ul style="list-style-type: none"> <li>Ongoing investment in a lived experience advisory group.</li> <li>Develop and roll-out a modern client data management system. This will assist service with day-to-day client information management activities, continuous quality improvement, and reporting. It will also enable and enhance contract monitoring. This will reduce the amount of effort and resource required for data processing, thus allowing more resource to be put towards front line service delivery.</li> <li>Invest in research and evaluation to inform policies and service improvement. Ensure research and evaluation is informed by affected communities, service providers, and those with lived experience.</li> <li>Develop a monitoring framework covering activities funded by the Strategy.</li> <li>An impact evaluation of the Strategy itself</li> </ul>
<b>Agency costs</b>	1.697	1.965	1.616	<b>5.277</b>	
<b>Total</b>	<b>26.264</b>	<b>27.916</b>	<b>27.178</b>	<b>81.358</b>	

Notes: Proposed services are discussed below and in **Appendix Five** in the Appendices document. Budget sums may not total due to rounding.

# Research and evaluation

Research funding is managed by the Ministry, and service evaluation is managed by Health New Zealand.

The Ministry has developed the following research and evaluation framework to guide the planning of gambling harm research programme within and beyond the three-year Strategy period. This framework addresses comments in the Gambling Commission's 2022 report on levy funding that the research programme should extend beyond the three-year levy cycle<sup>9</sup>.

**Table 2: Gambling harm research and evaluation framework**

Functions	Description
Monitoring of gambling harm	Monitoring and analysis of gambling harm, risks, service use, and the changing environment through a range of studies, such as longitudinal studies, prevalence surveys, and other intelligence gathering for up-to-date data and analysis on gambling harm in New Zealand.
Research to strengthen knowledge base	Research in areas where knowledge gaps exist, such as the impact of online gambling and eSport, alternative intervention and treatment options, and the use of administrative data to inform action and support gambling harm research capability in the sector.
Evaluation to understand what works	Evaluation to understand what works to prevent harm from gambling and to minimise its impacts on individuals, families, and society including reviews of strategies, policies, services, and other related initiatives.
Dissemination to support evidence-based decisions	Dissemination of commissioned gambling harm research findings through a range of platforms and tools, such as a centralised online platform, evidence briefs, and presentations to raise awareness of and support the use of evidence.

As part of the research and evaluation programme, the Ministry will develop a monitoring framework with performance and impact measures of progress in preventing and minimising gambling harm in New Zealand.

There is also funding for innovative research in gambling harm and for scholarships for emerging researchers. Further detail about research and evaluation priorities is set out in **Appendix Five** in the Appendices document.

<sup>9</sup> [https://www.gamblingcommission.govt.nz/GCwebsite.nsf/Files/Problem-Gambling-Levy-Report-2022/\\$file/Problem-Gambling-Levy-Report-2022.pdf](https://www.gamblingcommission.govt.nz/GCwebsite.nsf/Files/Problem-Gambling-Levy-Report-2022/$file/Problem-Gambling-Levy-Report-2022.pdf)

**Table 3: Research and evaluation budget in millions (GST-exclusive), 2025/26 to 2027/28**

Service area	2025/26	2026/27	2027/28	Total
Research	1.200	1.670	0.900	<b>3.770</b>
Evaluation	0.420	0.475	0.370	1.265
<b>Total</b>	<b>1.620</b>	<b>2.145</b>	<b>1.270</b>	<b>5.035</b>

Note: Budget sums may not total due to rounding

## Agency operating costs

Agencies' operating costs cover various responsibilities under the Act to be fulfilled, including the development, implementation and oversight of this Strategy and reporting on gambling harm prevention and minimisation activities.

In response to recommendation made by the Gambling Commission in their 2025 and previous reports on the problem gambling levy and endorsed by several submissions, the Ministry will lead a review of the strategy through an impact evaluation, with these costs reflected here.

Further detail about operating costs is set out in **Appendix Five** in the Appendices document.

**Table 4: Budget agency operating costs in \$ millions (GST exclusive), 2025/26 to 2027/28**

Agency	2025/26	2026/27	2027/28	Total
Health New Zealand Commissioning	0.610	0.628	0.629	1.867
Health New Zealand Health Promotion	0.493	0.493	0.493	1.479
Ministry of Health	0.593	0.844	0.494	1.931
<b>Total</b>	<b>1.696</b>	<b>1.965</b>	<b>1.616</b>	<b>5.277</b>

Note: Budget sums may not total due to rounding.



# Problem gambling levy

## Setting the problem gambling levy

Section 319(2) of the Act states that the purpose of the problem gambling levy is to 'recover the cost of developing, managing, and delivering the integrated problem gambling strategy'. The levy rates are set by regulation at least every three years. The next levy period is from 1 July 2025 to 30 June 2028.

Since the levy was first set in 2004, it has applied to gambling operators in four sectors: non-casino gambling machines (NCGM) also known as Class 4, casinos, TAB NZ and New Zealand Lotteries Commission (Lotto NZ).

The Government has indicated it will introduce legislation to regulate online offshore casino providers and for them to contribute to the problem gambling levy in due course. The Government has yet to make detailed decisions about the regulatory regime and implementation (expected in 2026), including how the new legislation will interact with the Act, so it is too early to predict what impact this may have on the current levy paying sectors. We note however the Act has mechanisms for an early reconsideration of the levy if there are significant changes to the gambling environment or to adjust levy payments by each sector for changes in forecast expenditure compared with actual expenditure.

Accordingly, the Ministry has prepared these levy estimates using the current four levied sectors.

## Process for setting the levy rates

The Act sets out the process for developing and setting the levy rates required to recover the cost of the strategy (see sections 318–320 of the Act). As part of this process, the Ministry consulted on the estimated annual funding requirements and four alternative sets of estimated levy rates for 1 July 2025 to 30 June 2028. After considering submissions, the Ministry revised its consultation document and submitted these proposals to the Gambling Commission and responsible Ministers.

The Gambling Commission obtained its own advice and convened a consultation meeting on 31 January 2025. It submitted its report to responsible Ministers on 13 February 2025.

After considering the Gambling Commission report, the responsible Ministers recommended new problem gambling levy rates and regulations to the Governor-General.

# The levy formula

The formula listed in section 320 of the Act 'provides a mechanism for allocating among gambling operators, and collecting from them, the approximate cost' of the Strategy.

The formula is:

$$\text{Levy rate for each sector} = \frac{\{[(A \times W1) + (B \times W2)] \times C\} \text{ plus or minus } R}{D}$$

where:

- A** = the estimated current player expenditure in a sector divided by the total estimated current player expenditure in all sectors that are subject to the levy
- B** = the number of customer presentations to problem gambling services that can be attributed to gambling in a sector divided by the total number of customer presentations to problem gambling services in which a sector that is subject to the levy can be identified
- C** = the funding requirement for the period for which the levy is payable
- D** = the forecast player expenditure in a sector for the period during which the levy is payable
- R** = the estimated under- or over-recovery of levy from a sector in the previous levy periods<sup>[1]</sup>
- W1** and **W2** are weights, the sum of which is 1.

The top line of the formula determines the dollar amount to be paid by each sector as its share of the total levy amount, taking into account any over- or under-recovery in previous levy periods.

The bottom line of the formula (**D**, forecast player expenditure in the sector) determines the levy rate that is necessary for a sector to pay its required contribution (the dollar amount) determined by the top line of the formula.

All other things being equal, the higher the forecast player expenditure for a sector, the lower that sector's levy rate will be. Player expenditure for each sector is defined in section 320(3) of the Act. For example, each levy rate is the amount per dollar of player expenditure a sector must pay. A rate of 0.85 means a sector must pay 0.85 cents for every dollar of player expenditure in the levy period to which the rate applies.

**Appendix Six** in the Appendices document steps through the detailed inputs into the formula and the underpinning data and calculations.

## The weightings (W1 and W2)

The levy formula requires a weighting to be applied between current player expenditure (W1) and presentations (W2) to help determine the cost (C) that each sector is required to pay in levy.

**Table 5** shows the proportion of expenditure (**A**) from each levy-paying sector's proportion of expenditure for the 2023/24 financial year. and presentations (**B**) attributed to each levy-paying sector for the 12-month period from 1 January to 31 to December 2023. These are the most recent years for which reliable and complete comparative data is available for all four sectors.

**Table 5: Share of expenditure (2023/24) and presentations (2023) by levy-paying sector**

Class 4		Casinos		TAB NZ		Lotto NZ	
Expenditure	Presentations	Expenditure	Presentations	Expenditure	Presentations	Expenditure	Presentations
0.371	0.543	0.212	0.204	0.133	0.102	0.284	0.150

The top line of the levy formula determines the amount each sector will pay. When a sector's proportion of expenditure is substantially different from its proportion of presentations (W1 and W2 respectively), the weighting between expenditure and presentations is critical to determine how much each sector will be required to pay.

## Levy rates

**Table 6** sets out each sector's levy rate for 2025/26 to 2027/28, expected payment amounts, and percent shares for the 30/70 weighting. The 30/70 weighting reflects changing patterns of player expenditure and presentations and recognises that too high a weighting on presentations alone does not adequately attribute to each sector its fair share of costs for low to moderate harm, or of Strategy activities such as public health not covered by presentations to intervention treatment services.

The top row of the table shows the levy rate for each sector, as the percentage of player expenditure it must pay as a levy. For example, a rate of 0.85 means that the sector must pay 0.85 cents for each dollar of player expenditure (as defined in Section 320(3) of the Act) from 1 July 2022 to 30 June 2025. The second row shows the expected levy amount each sector would pay if actual player expenditure matches the forecasts. The third row shows this amount as a percentage of the total expected in levy payments (having adjusted for R). The last row shows each sector's share of the total cost to fund the Strategy over the levy period.

**Table 6: Levy rates per sector: 30/70 weighting (all figures GST-exclusive)**

	NCGMs	Casinos	TAB NZ	Lotto NZ
Sector levy rates (% player expenditure)	<b>1.24</b>	<b>0.89</b>	<b>0.74</b>	<b>0.69</b>
Expected levy payment (\$m)	41.304	17.532	8.882	15.987
Share of total expected levy amount %	49.34	20.95	10.61	19.10
Share of total budget cost %	49.22	20.49	11.19	19.09