

The Department of Internal Affairs

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Te Tari Taiwhenua

Building a safe, prosperous and respected nation

Gamblers spent \$118 million more in FY 2015/16

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Gamblers in New Zealand spent \$2209 million dollars on the four main forms of gambling in the 2015/16 financial year, \$118 million (5.6 per cent) more than the previous year, according to figures compiled by the Department of Internal Affairs. More was spent on all forms of gambling, though casinos had the largest increase.

Adjusting for the effects of both inflation and changes to New Zealand's population (18 years and older), we find that gambling expenditure* increased by 2.6 per cent, from an average of \$601 per person in 2015, to \$616 per person in 2016.

The take from TAB racing and sports betting increased 5.3 per cent from \$325 million in 2015 to \$342 million in 2016. This was driven by higher active customer numbers and additional fixed odds betting options. After adjusting for both inflation and changes in the adult population, expenditure on TAB racing and sports betting increased from an average of \$93 per person in 2015 to \$95 per person in 2016.

The take from NZ Lotteries' product sales increased 4.0 per cent from \$420 million in 2015, to \$437 million in 2016. After 11 years, Lotto chose this financial year to retire the "Big Wednesday" promotion and replace it with two weekly "Powerball" draws. This allows jackpots, the size of which drives Lotto sales, to grow more quickly and reach higher amounts more consistently. NZ Lotteries has also increased its retail presence in supermarkets, at fuel sites and through expanded digital offerings. After adjusting for both inflation and changes in the adult population, expenditure on NZ Lotteries' products increased from an average of \$121 per person in 2015 to \$122 per person in 2016.

The take from non-casino gaming machines increased 3.1 per cent from \$818 million in 2015 to \$843 million in 2016. After adjusting for both inflation and changes in the adult population, however, it appears that expenditure on non-casino gaming machines has actually remained constant at an average of \$235 per person in both 2015 and 2016. This coincides with declining numbers of venues and machines.

The take from the country's six casinos increased 11.1 per cent from \$527 million in 2015 to \$586 million in 2016. This increase was driven by positive macro-economic conditions, record tourism and significant improvements to casino facilities. After adjusting for both inflation and changes in the adult population, expenditure at casinos increased from an average of \$151 per person in 2015 to \$163 per person in 2016.

Communities benefited from an estimated \$654 million, equal to 29.6 per cent of gambling expenditure in 2016, for various purposes. This was a slight decrease on the \$655 million in 2014/15. The main driver for this drop is a 9.4 per cent decrease in the amount of Lottery grants awarded to communities in 2016, a result of over spending in 2014 and 2015, followed by under spending in 2016.

- The New Zealand Racing Board allocated \$143 million (\$140 million in 2014/15), mostly to support racing club activities and infrastructure;
- The Lottery Grants Board approved \$182 million (\$201 million in 2014/15) in grants for community services and projects;
- Non-casino gaming machine trusts raised an estimated \$275 million (\$260 million in 2014/15) for authorised purposes;
- Non-casino gaming machine clubs raised an estimated \$49 million (\$50 million in 2014/15) for their own purposes; and,
- Casinos paid nearly \$5 million (\$4 million in 2014/15) to their community trusts.

Details are available on the Department's website (dia.govt.nz) under [Gambling Expenditure Statistics](#).

* **Expenditure** means the gross amount wagered by gamblers, less the amount paid out or credited as prizes or dividends. In other words, "expenditure" is the amount lost or spent by players, as well as the gross profit of the gambling operator.

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