

20 June 2012

The Secretariat
Commerce Select Committee
Select Committee Office
Parliament Buildings
WELLINGTON 6011

Old Public Trust Building
131-135 Lambton Quay
Wellington 6011, New Zealand
PO Box 3806, Wellington 6140

Submission on the: Gambling (Gambling Harm Reduction) Amendment Bill 2012

From: The Arts Council of New Zealand Toi Aotearoa (Creative New Zealand)

Creative New Zealand **DOES NOT** wish to speak to this submission

Dear Sir / Madam

Creative New Zealand is an autonomous Crown entity established under the Arts Council of New Zealand Toi Aotearoa Act 1994. As New Zealand's national arts development agency, Creative New Zealand's purpose is to encourage, promote and support the arts in New Zealand for the benefit of all New Zealanders. Creative New Zealand receives funding through Vote: Arts, Culture and Heritage and the New Zealand Lottery Grants Board. In 2010/11 Creative New Zealand invested over **\$35 million** in the arts sector nationally.

Creative New Zealand would like to emphasise that a number of national and regional arts organisations throughout the country depend on receiving grants from charitable gaming trusts. The Bill requires all distributors of gambling machine proceeds to return at least 80 per cent of these funds into charitable organisations that are meeting priority needs in the same local authority area (ward, local board subdivision, or community board area) as the electronic gambling machines which generated the funds. As a result of this, national and regional arts organisations, many of which serve small communities throughout the country with their touring activities, would no longer be eligible to receive funds generated by gamblers' losses. For Creative New Zealand, this would raise serious concerns about these arts organisations' continued sustainability and minimise the opportunities for communities to benefit from local activities delivered by regional and national organisations.

Nonetheless, Creative New Zealand does endorse the Bill's intention to raise the minimum proportion of gambling proceeds that are distributed for authorised charitable purposes from the current threshold of 37.5 per cent. This may make additional resources available to arts and culture organisations, enabling them to strengthen their role in contributing to the well-being of their local communities.

Creative New Zealand notes the reference in the Bill's general policy statement to the Creative Communities Scheme and the potential of this scheme to serve as a model for distributing gambling proceeds within territorial authorities' districts. Territorial authorities administer the Creative Communities Scheme in-kind on Creative New Zealand's behalf to support local arts projects. Creative New Zealand can provide relevant information and advice on this grants scheme's administration, particularly with regard to the composition of assessment committees and managing conflicts of interest.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Wainwright', with a large, stylized loop at the end.

Stephen Wainwright
Chief Executive