CASINO IMPACT REPORT

AN ASSESSMENT OF THE SOCIAL AND ECONOMIC IMPACTS OF THE CASINO AT SKYCITY HAMILTON

Research report
June 2026

Photo by Petra Reid on Unsplash

Contents

Section 1:

Executive Summary

1.1 PURPOSE

SkyCity Hamilton Limited is applying for a renewal of the casino venue licence for the SkyCity Hamilton Casino. As part of this application process a Casino Impact Report (CIR) is required as per Section 134 of the Gambling Act 2003. Under Section 134(3) this Casino Impact Report must assess the social and economic effects of:

- The continued operation of the casino; and
- The closure of the casino.

This document provides that CIR. What follows is an assessment of the social and economic impacts on the local and regional areas affected by the operation of SkyCity Hamilton Casino[1]. The methodology used in the production of this CIR is outlined in Appendix One of this document.

When the expenditure, employment and other activities of the Casino are included in a model of the Hamilton City Council area economy, it generates a total (including flow on impacts) of 264 FTEs, $58.8 million in value added, and $20.5 million in household income.

1.2 BENEFICIAL EFFECTS

This impact assessment shows that SkyCity Hamilton Casino contributes to the Hamilton economy in several ways. The Casino:

- Employs 276 people (200 full-time equivalent, FTE)[2];
- Spends $14.1 million per annum in operational expenses with suppliers (of which 32% is spent in Hamilton);
- Pays labour costs of $16.5 million;
- Spends an additional $4.36 million per annum on capital items for the SkyCity Hamilton complex (of which 15% is spent in Hamilton), and;
- Distributes a further $0.09 million per annum in sponsorships.

In addition, during the period covered by this assessment the Sky City Hamilton Casino Community Trust (the Casino Trust) distributed about $0.99 million per annum to charities (66% in Hamilton).

When the expenditure, employment and other activities of the Casino are included in a model of the Hamilton City Council area economy, it generates a total (including flow on impacts)[3] of 264 FTEs, $58.8 million in value added, and $20.5 million in household income. The Casino impacts on the Waikato economy are marginally higher at 269 FTEs, $59.6 million in value added, and $20.71 million in household income.

When the gross impacts of the Casino expenditure on the local economy are aggregated with the tourism generation impacts associated with visitors to Hamilton, and the likely impacts of continued expenditure in Hamilton in the absence of the Casino are subtracted from the previous two items, the net impact of the SkyCity Hamilton Casino is an estimated 96 FTEs in employment, $40.7 million per annum in value added, and $10.1 million per annum in household income.

1 For the purposes of this assessment the Casino is considered to be the gaming operations of SkyCity Hamilton Limited together with the food and beverage operations operating from the gaming floor.

2 Of whom 164 reside in Hamilton and 194 in Waikato.

3 These flow on impacts exclude capital impacts, which in Hamilton add 4 FTE, $0.05 million in value added, and $0.3 million in gross household income.

This is the amount that is estimated to be lost to the Hamilton economy if the SkyCity Hamilton Casino licence were not renewed.

In addition to these economic benefits, the SkyCity Hamilton complex provides a significant entertainment option for residents in Hamilton and Waikato. The SkyCity Hamilton complex is described by local stakeholders as an 'asset' for the city and region, acting as a major drawcard for both locals and visitors to Hamilton's CBD. These stakeholders were clear that the SkyCity Hamilton complex is "much more than just a casino" but is a key part of the city's entertainment ecosystem. In particular, the venue spaces available in SkyCity Hamilton means the community can host events it might otherwise struggle to accommodate, such as the Volunteering Waikato Awards.

Beyond these entertainment and attraction benefits, the Hamilton and Waikato communities also benefit from the impact of the activities of the number of community organisations which receive financial assistance from the Casino through either the SkyCity Hamilton Casino Community Trust or direct corporate sponsorships.

1.3 ADVERSE IMPACTS

The adverse effects most often associated with casino operations are gambling harm and crime. In the case of the SkyCity's Hamilton Casino there is little evidence of crime directly associated with the operation of the Casino and the local police express very little concern with the impact of the Hamilton Casino in this regard.

As for gambling harm, there is no doubt that gambling-related harm is a real and continuing issue in New Zealand. Gambling harm creates serious health, social, and economic problems for the gambler and for their family and whanau. However this impact assessment found very low levels of gambling harm that can be directly attributed to the operations of SkyCity's Hamilton's Casino. This is likely due to the fact that entry to the Casino is strictly controlled and that the Casino operates a rigorous host responsibility policy (HRP) once people are inside[4].

This social impact assessment looked closely at the potential harm that SkyCity Hamilton Casino was causing among older residents, Māori, Pacific Peoples, and the growing Asian resident community in Hamilton. In each case the stakeholders consulted for this project were clear that the Hamilton Casino was not a noticeable source of harm to these communities.

4 Supported by both facial recognition cameras, and SkyCIty's own assurance processes to ensure compliance with the HRP.

1.4 THE EFFECT OF NON-RENEWAL

Non-renewal would deprive the community of funding for a range of organisations that are also contributing to the wellbeing of Hamilton and the Waikato region.

This impact assessment has concluded that the economic impacts of non-renewal, while not insignificant, would be marginal for the local economy. In the context of the wider Hamilton employment of 120,000 jobs and GDP of $17 billion per annum, the net loss (the estimated 96 FTEs in employment, $40.7 million per annum in value added, and $10.1 million per annum in household income) if the Casino licence were not renewed is a small fraction of the local economy. This relatively low impact is not unexpected given the size of the Casino relative to the economy overall.

However this conclusion should not be seen as discounting the Casino's value. The analysis has indicated that:

- SkyCity Hamilton Casino is a source of employment that is better paid than is typical for the sector and the loss of employment would adversely affect those individuals currently employed by the Casino;
- SkyCity Hamilton Casino provides an entertainment option in the city, and its removal would decrease the range of entertainment options available;
- The closure of the Casino would leave a largely empty building in the centre of town, as there appears to be currently no viable alternate uses for the space;
- SkyCity Hamilton Casino is obviously valued by its patrons, who have indicated high levels of satisfaction with the facilities at the Casino, and who would be expected to generate consumer surplus from their use of the Casino that is additional to the quantified impacts estimated here;
- Casino duty, DIA levy, company tax and PAYE would decrease resulting in lower income for central government;
- Non-renewal would deprive the community of funding for a range of organisations that are also contributing to the wellbeing of Hamilton and the Waikato region, and;
- Rather than reducing gambling harm, closure of SkyCity Hamilton Casino might increase the potential for harm should those Hamilton and Waikato residents who wish to keep gambling shift to more dangerous forms of gambling such as Class 4 gambling.

Section 2:

Introduction

2.1 THIS ASSESSMENT

SkyCity Entertainment Group Limited (SCEG) is the parent company of both SkyCity Hamilton Limited (SHL) and SkyCity Casino Management Limited (SCML).

SHL is the holder of the casino venue license for SkyCity Hamilton Casino. SCML holds a casino operator's license and manages Hamilton Casino on behalf of SHL through a management agreement. SHL is applying for a renewal of its venue license. As part of this application process, SHL needs to provide a Casino Impact Report (CIR) as required by section 134 of the Act.

The Act also sets out the requirements for CIRs, noting in section 134:

> *(3) A casino impact report must be prepared by a person approved by the Commission as independent of the applicant, and must report on the expected social and economic effects on the local and regional areas affected by the operation of the casino, and on New Zealand generally, of (i) the continued operation of the casino; and (ii) the closure of the casino*

In line with section 134(3) of the Act, this report outlines the economic and social impacts of the continued operation of SkyCity Hamilton Casino using the "With Casino" and "Without Casino" scenarios.

*The international literature regarding the social impacts of casino gambling shows that the industry has yielded both **positive and negative effects** on local communities and the lives of local residents.*

2.2 ASSESSMENT DESIGN

This impact assessment follows the approach adopted for the Christchurch Casino impact assessment (2017), refined during the Dunedin Casino assessment (2022), and enhanced again for the Queenstown Casino impact assessments, (2023). This approach was chosen as the basis of the Hamilton impact assessment because these impact assessments:

1. Were based on a thorough review of the literature on the impacts of casinos; and
2. Were accepted by the Gambling Commission as an appropriate approach[5].

This report uses Input-Output (I-O) models to estimate the Hamilton and Waikato economic impacts of the Casino on employment, household income, and value added, taking into account the trade diversion and tourism effects of the Casino. Appendix One explains the approach but in summary, the economic impact assessment involved the following elements:

- **Impact metrics:** This study reports on the commonly used metrics of value added (GDP), household income, and employment at a local and regional level.
- **Measurement approach:** This study uses appropriate I-O models for quantitative assessment of effects. The results take into account both the positive impacts of the Casino and the negative impacts of trade diversion away from other businesses when consumers switch spending to the Casino (illustrated by the closure scenario in Section 134(3)(ii) of the Act). Impacts on tourism are also considered.

5 The assessment also incorporates matters the Gambling Commission wanted included in the CIR

- **Issues with combining costs and benefits:** This study quantifies financial costs and benefits of market transactions and also describes, where possible, social costs and benefits but does not put a financial value on these;
- **Time frame:** The study takes a long-term operating perspective and uses four-year average data when modelling Casino operations. The period modelled is 21/22 to 2024/25, and;
- **Geographic focus:** The study looks at the local and regional impacts. The analysis indicates the likely magnitude of any national impacts based on its size relative to the Hamilton Casino and its associated national impacts.

When considering the social impact assessment part of the CIR it is important to remember that the impacts being assessed are those related to the operation of SkyCity Hamilton Casino and not of gambling in general (see below). The social impact assessment's purpose is to identify the expected social effects on the local and regional areas affected by the operation of SkyCity Hamilton Casino (and on New Zealand generally).

The international literature regarding the social impacts of casino gambling shows that the industry has yielded both positive and negative effects on local communities and the lives of local residents. For instance, Giacopassi et al (1999) found that 59% of the respondents favoured casino establishments in their communities. In this research, 65% believed that casinos enhanced the quality of their lives and 77% agreed that casinos led to positive effects on their communities' economy.[6]

Similarly, according to Taylor et al (2006), more than two-thirds (69%) of those surveyed in 2007 believed casinos brought widespread economic benefits to other industries and businesses in their region.[7] In the United States the American Gaming Association (AGA) conducts a regular *State of the States* research project that captures the state of the industry there, including how it is perceived by the public and elected officials. Research by the AGA in 2025 showed widespread support for casinos, with

- 85% saying casinos bring entertainment and dining options to areas or regions that might not otherwise be able to attract them;
- 86% agreeing that casinos increase tourism and bring conventions and meetings to areas where they are located;
- 82% saying the industry produces jobs and investments in the U.S. that cannot be outsourced to other countries, and;
- 82% agreeing that gaming creates "well-paying" jobs.

6 Giacopassi et al (1999) "Attitudes of community leaders in new casino jurisdictions regarding casino gambling's effects on crime and quality of life", *Journal of Gambling Studies*, 15 (2) (1999), pp. 123–147

7 Paul Taylor, Cary Funk, and Peyton Craighill of the Pew Research Center, in *Gambling: As the Take Rises, So Does Public Concern* (May 23, 2006, http://www.americangaming.org/assets/files/aga_2008_sos. pdf)

The social impact assessment presented here reflects a significant engagement and assessment process, carried out between February and September 2025. Appendix One has full details but the design can be summarised as a multi- phase mixed-method research design, comprising eight components:

1. A review of the literature about gambling and problem gambling in Hamilton and Waikato;
2. An analysis of the media and social media relating to gambling in Hamilton and Waikato, and the operations of SkyCity Hamilton Casino;
3. Interviews with (N=25) stakeholders and community representatives across Hamilton and Waikato;
4. An in-situ survey of Casino patrons (n=256);
5. An online survey of Casino members (n=426);
6. A survey of residential neighbours of the Casino (n=76);
7. A survey of business neighbours of the Casino (n=87);
8. A community survey of Hamilton (n=187) and Waikato residents (n=213)[8], and;
9. A nationwide survey (n=1,002).

Taken together, this means the project team consulted with over 2,000 people, across Hamilton, Waikato, and New Zealand in preparing this CIR.

Social impacts are regarded as the most difficult phenomenon for researchers to measure scientifically.[9] For this reason the design of the social impact assessment was peer reviewed by Gerard Fitzgerald,[10] and he worked closely with the social impact assessment team in a research oversight role throughout the process.

The social impact assessment presented here reflects a significant engagement and assessment process, carried out between February and September 2025.

8 A community survey of Hamilton and Waikato residents was added to the assessment design to supplement the numbers interviewed in the neighbourhood survey (76 households)

9 Oh, H. (1999) "Service quality, customer satisfaction, and customer value: a holistic perspective", *International Journal of Hospitality Management*, 18 (1)

10 Principal at Fitzgerald Applied Sociology and contributing author to Becker, H.A., and Vanclay, F. (eds) (2003) *The International Handbook of Social Impact Assessment: Conceptual and Methodological Advances*. Edward Elgar Publishing Cheltenham, UK

2.3 THE CASINO ENVIRONMENT IN NEW ZEALAND

Section 34 of the Act Defines casino gambling.

In this Act, casino gambling—

(a) means gambling—

(i) for which there are game rules; and

(ii) that satisfies those game rules; and

(iii) which is conducted in accordance with those game rules; and

(iv) to which both a casino venue licence and casino operator's licence apply; but

(b) does not include gambling conducted by TAB NZ

Under the Act, the number of casinos in New Zealand is capped at five. The casinos are located in Auckland, Hamilton, Dunedin, Christchurch, and Queenstown.[11] Data cited by the Ministry of Health (2025[12]) show that 5.5% of New Zealanders had played gaming machines at casinos, and 4.0% had played table games at casinos, in the previous 12 months.

The Department of Internal Affairs (DIA) is the primary gambling regulator and policy advisor to the Government on gambling regulatory issues. DIA administers the Act and its regulations, ensures compliance with the legislation, works with the gambling sector to encourage best practice, and publishes statistical and other information concerning gambling.

The Act sets out requirements for an "integrated problem gambling strategy focused on public health". The Ministry of Health is responsible for developing and implementing this strategy, which is refreshed at three-year intervals. The *Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28* is the latest of these strategy documents and took effect from May 2025. This strategy strengthens the focus on better meeting the needs of people affected by harmful gambling, and reducing gambling harm-related health inequities for priority populations, including Māori, Pacific, Asian, and young people.

The Gambling Commission is an independent statutory decision-making body established under the Act. The Commission hears casino licensing applications and appeals on licensing and enforcement decisions made by the Secretary of Internal Affairs in relation to gaming machines and other non-casino gambling activities. The Gambling Commission has the powers of a Commission of Inquiry.

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11 https://www.dia.govt.nz/Regulatory-Stewardship---Gambling

12 Ministry of Health (2025) Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28. Wellington: Ministry of Health. Also see Kupe data explorer: https://kupe.healthpromotion.govt.nz/nzgs/participation-frequency-and-expenditure/

2.4 SKYCITY HAMILTON CASINO

SkyCity Hamilton is an integrated entertainment complex located in the heart of Hamilton, New Zealand , and is owned by SkyCity Entertainment Group, New Zealand's largest entertainment company jointly listed on the New Zealand and Australia stock exchanges.

SkyCity Hamilton opened as Sky Riverside in September 2002, the sixth casino to open in New Zealand. The Casino was initially co-owned by Perry Group and Tainui Group Holdings but SkyCity gained 100% ownership in 2005. The Casino is licenced for 23 table games and 339 electronic gaming machines (EGMs).

As well as the Casino, SkyCity Hamilton includes a range of bars and restaurants, including two restaurant tenancies, a family-friendly twenty-lane tenpin bowling alley, a conference centre with multiple event spaces, and on-site parking for 330 vehicles.

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Section 3:

The Social Environment

3.1 ABOUT HAMILTON

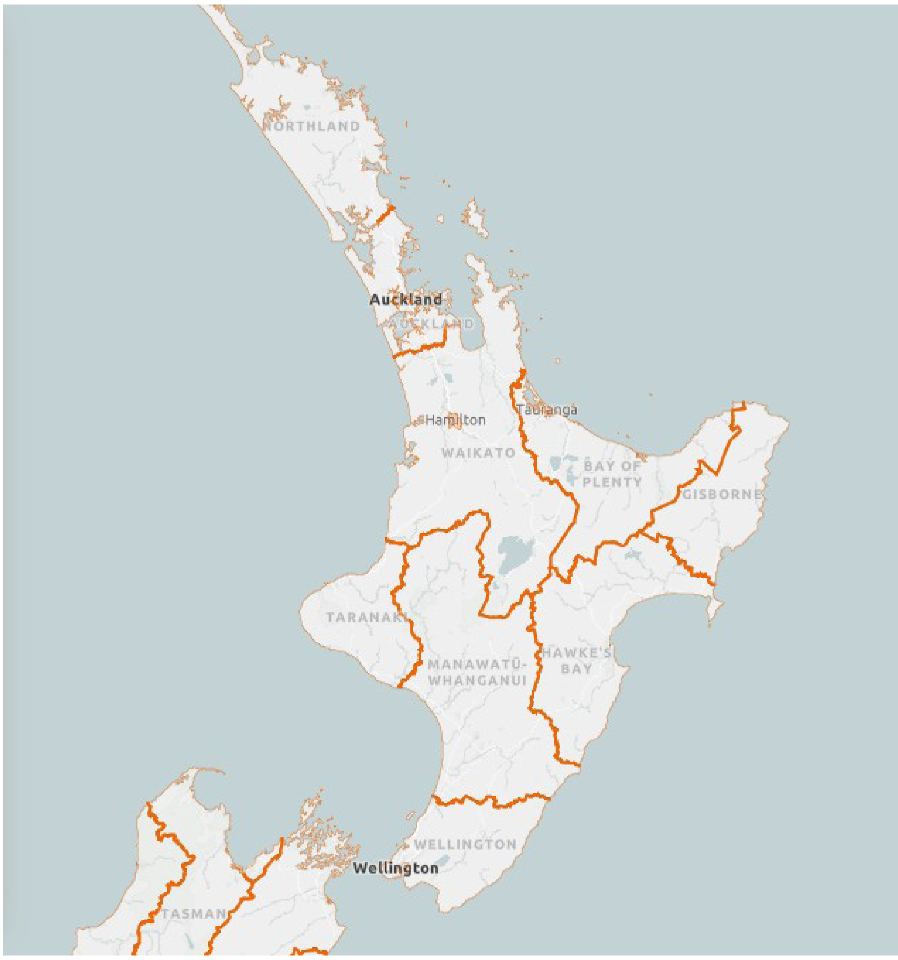
Hamilton is an inland city located in the Waikato region of New Zealand's North Island. It is situated on the banks of the Waikato River and covers an area of approximately 110 square kilometers.

Hamilton is part of the wider Hamilton Urban Area. Nearby towns of Ngāruawāhia, Te Awamutu and Cambridge are part of the Waikato and Waipa districts.

The Hamilton Urban Area is a New Zealand urban area in the Waikato region. It is the fourth-largest urban area in the country with a population of 174,741[13].

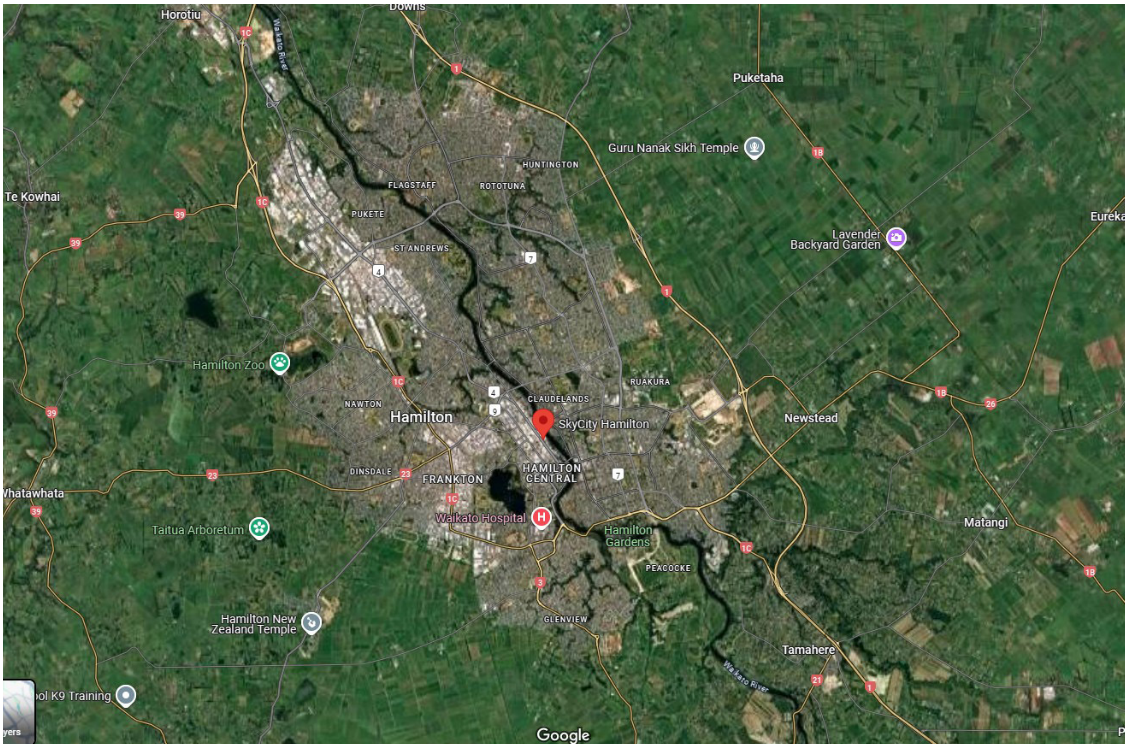
The urban area contains around a third of the population of the Waikato Region (498,771[14])

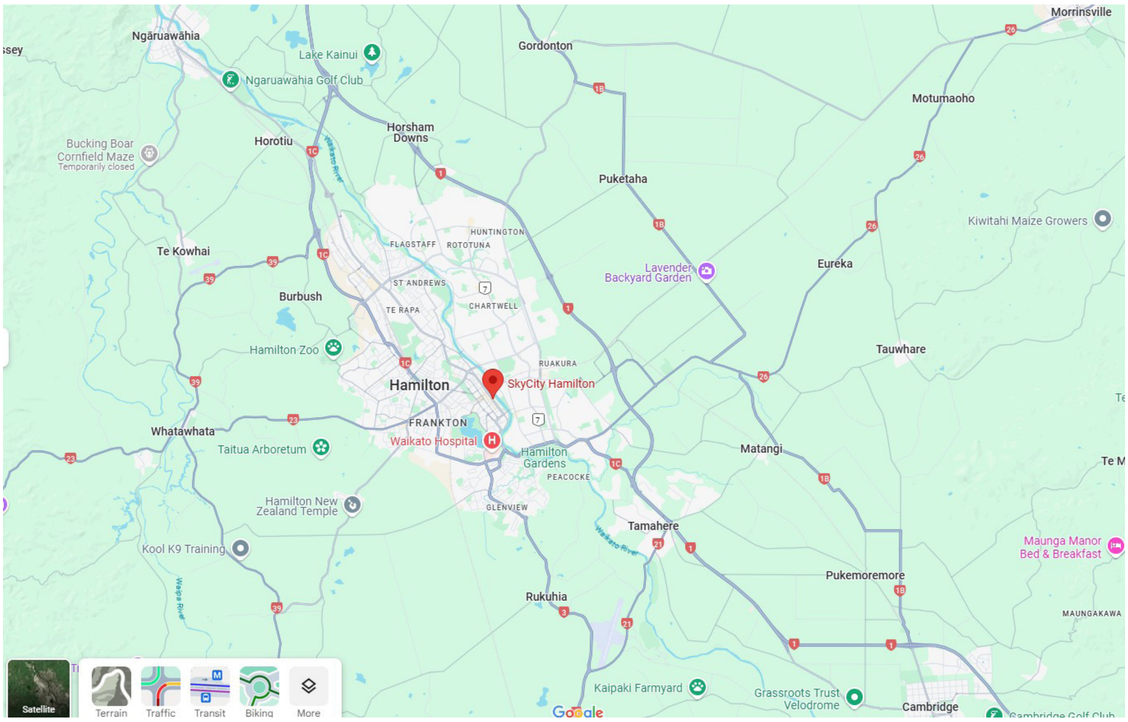
Figure 3.1: Location of Hamilton and the Waikato region[15]



13 Hamilton, Place and ethnic group summaries | Stats NZ https://tools.summaries.stats.govt.nz/places/TA/hamilton-city
14 Waikato Region, Place and ethnic group summaries | Stats NZ https://tools.summaries.stats.govt.nz/places/RC/waikato-region
15 https://www.stats.govt.nz/tools/stats-maps/

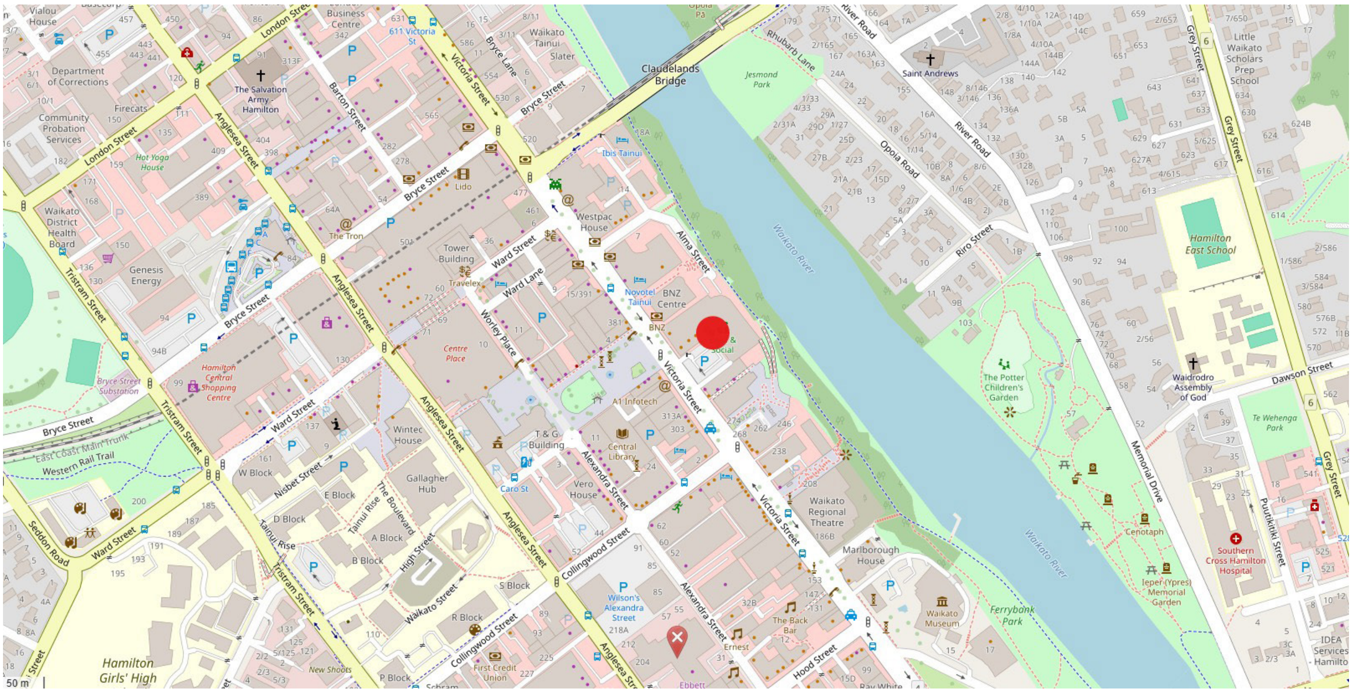
Figure 3.2: Hamilton and Environs: satellite and map[16]





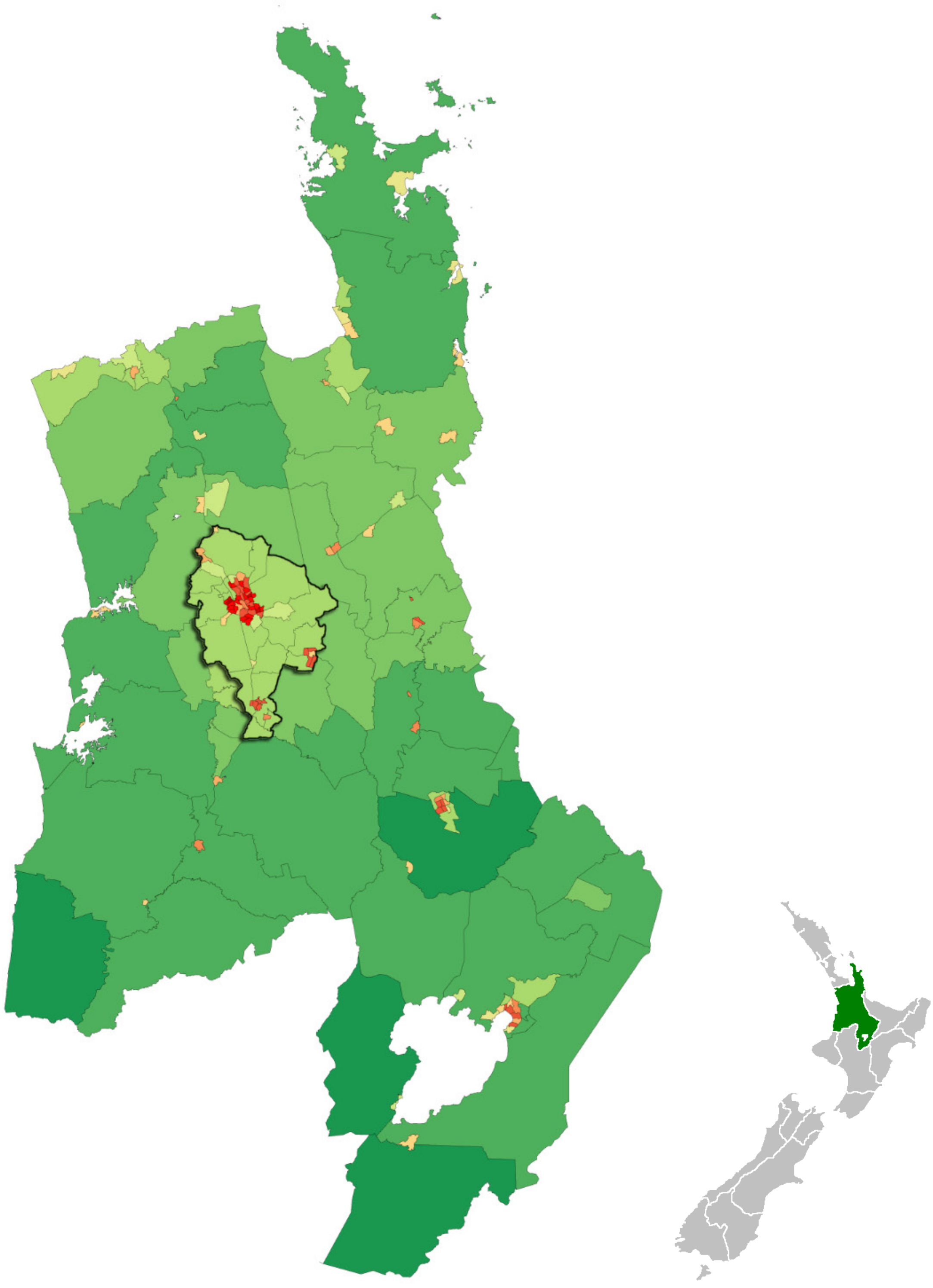
16 Source: Googe maps

Figure 3.3 Location of SkyCity Casino in Hamilton CBD[17]



17 Source: Open Street Maps

Figure 3.4: Hamilton urban area within the Waikato region[18]



18 Source: Wikipedia

Table 3.1: Suburbs and statistical areas of Greater Hamilton and population[19]

Bader	2,718
Beerescourt	2,325
Burbush-Baverstock	1,029
Chartwell	2,586
Chedworth	1,923
Claudelands	2,883
Crawshaw	3,261
Deanwell	2,076
Dinsdale North	3,993
Dinsdale South	4,107
Enderley North	2,481
Enderley South	2,994
Fairfield North (Hamilton City)	2,412
Fairfield South (Hamilton City)	2,268
Fairview Downs	3,402
Fitzroy (Hamilton City)	3,750
Flagstaff East	4,143
Flagstaff North East	3,093
Flagstaff North West	2,046
Flagstaff South	3,495
Forest Lake (Hamilton City)	2,622
Frankton Junction	675
Glenview	2,442
Greenhill Park	1,698
Greensboro	4,098
Hamilton Central	597
Hamilton East	3,981
Hamilton East Cook	2,175
Hamilton East Village	3,117
Hamilton Lake North	2,475

19 Source: Stats NZ

Hamilton Lake South	2,148
Hamilton West	1,209
Hillcrest East (Hamilton City)	3,225
Hillcrest West (Hamilton City)	2,973
Huntington	2,511
Kahikatea	3,522
Kirikiriroa	822
Maeroa	3,789
Melville North	3,147
Melville South	2,505
Miropiko	3,306
Nawton East	4,377
Nawton West	3,756
Peachgrove	3,618
Peacocke	369
Porritt	2,676
Pukete East	2,433
Pukete West	2,283
Queenwood (Hamilton City)	2,436
Resthill	2,439
Riverlea	2,679
Rototuna East	2,682
Rototuna North	2,310
Rototuna South East	2,247
Rototuna South West	2,193
Rototuna West	2,778
Ruakura	1,086
Saint Andrews East	2,577
Saint Andrews West	2,997
Silverdale (Hamilton City)	2,079
St James	2,025
Swarbrick	3,114
Te Manatu	4,296

Te Rapa North	135
Te Rapa South	213
Temple View	1,305
Western Heights (Hamilton City)	3,018
Whitiora	2,592

At the time of the 2023 Census Hamilton City had a usually resident population of 174,741. (Table 3.2). Hamilton City's usually resident population count has grown consistently across Census periods, outstripping the growth rate seen nationally and in line with the growth rate seen for the Waikato region as a whole (Table 3.3). For the third-year running, Hamilton was NZ's fastest growing city in 2025 reaching a population estimate of 192,100 people[20] with growth fuelled by both natural increase and migration.

On Census night 2023, there were approximately 177,000 people present in Hamilton City suggesting that the population primarily consists of usual residents.

Table 3.2: Usually resident population counts at Census periods (Source Stats NZ)

Category	2006 (count)	2013 (count)	2018 (count)	2023 (count)
Hamilton City	129,591	141,612	160,911	174,741
Waikato Region	380,826	403,641	458,202	498,771
New Zealand	4,027,947	4,242,048	4,699,755	4,993,923

Table 3.3: Inter-censual population growth rates

	2006-2013 growth	2013-2018 growth	2018-2023 growth
Hamilton	+9.3%	+13.6%	+8.6%
Waikato Region	+6.0%	+13.5%	+8.9%
New Zealand	+5.3%	+10.8%	+6.3%

20 https://www.stats.govt.nz/information-releases/subnational-population-estimates-at-30-june-2025

Hamilton is the city with the youngest median age in NZ (33.2 in 2023), compared to the national median of 38.1 with 44.2% of its population under 30 compared to 38.0% nationally (Table 3.4).

Table 3.4: Percentage of population by age Hamilton City and New Zealand, (2023 / 2018 Census. Source Stats NZ)

Category	Hamilton City 2023	New Zealand 2023
Under 15 years	20.9%	18.7%
15-29 years	23.3%	19.3%
30-64 years	43.2%	45.3%
65 years and over	12.5%	16.8%
Median age	33.2	38.1

Hamilton is a diverse community, home to over 170 different ethnicities. The largest ethnic groups include European (102,180), Māori (44,445) and Asian (39,798) with the proportion of both Māori and Asian populations higher than seen nationwide. Hamilton has one of the fastest growing Māori populations of NZ cities, experiencing a 1.7% annual percentage change to June 2025, compared to 1.2% nationally[21] (Table 3.5).

Table 3.5: Percentage of population that identify with each ethnic group[22] (level 1), Hamilton City and New Zealand, (2013–2023 Censuses. Source Stats NZ)

Category	2013 (Hamilton City)	2013 (New Zealand)	2018 (Hamilton City)	2018 (New Zealand)	2023 (Hamilton City)	2023 (New Zealand)
European	69.5%	74.0%	63.6%	70.2%	58.5%	67.8%
Māori	21.3%	14.9%	23.7%	16.5%	25.4%	17.8%
Pacific Peoples	5.1%	7.4%	6.1%	8.1%	6.8%	8.9%
Asian	13.8%	11.8%	18.5%	15.1%	22.8%	17.3%
Middle Eastern/ Latin American/ African	2.0%	1.2%	2.2%	1.5%	2.7%	1.9%
Other Ethnicity	1.6%	1.7%	1.2%	1.2%	1.0%	1.1%

21 https://regions.infometrics.co.nz/new-zealand/ethnicity/population/growth
22 People can identify with more than one ethnic group and will be counted in each group they give as a response. As a result, the total of all categories may be more than 100 percent

The median household income for Hamilton City is $96,500, which is in line with the national median of $97,000 but represents a stronger growth on the 2018 median than seen nationwide (Table 3.6)

Table 3.6: Median household income ($), Hamilton City and New Zealand, (2013–2023 Censuses. Source Stats NZ)

Category	Hamilton City	New Zealand
2013	64,100	63,800
2018	73,000	75,700
2023	96,500	97,000

3.2 HAMILTON'S ECONOMY

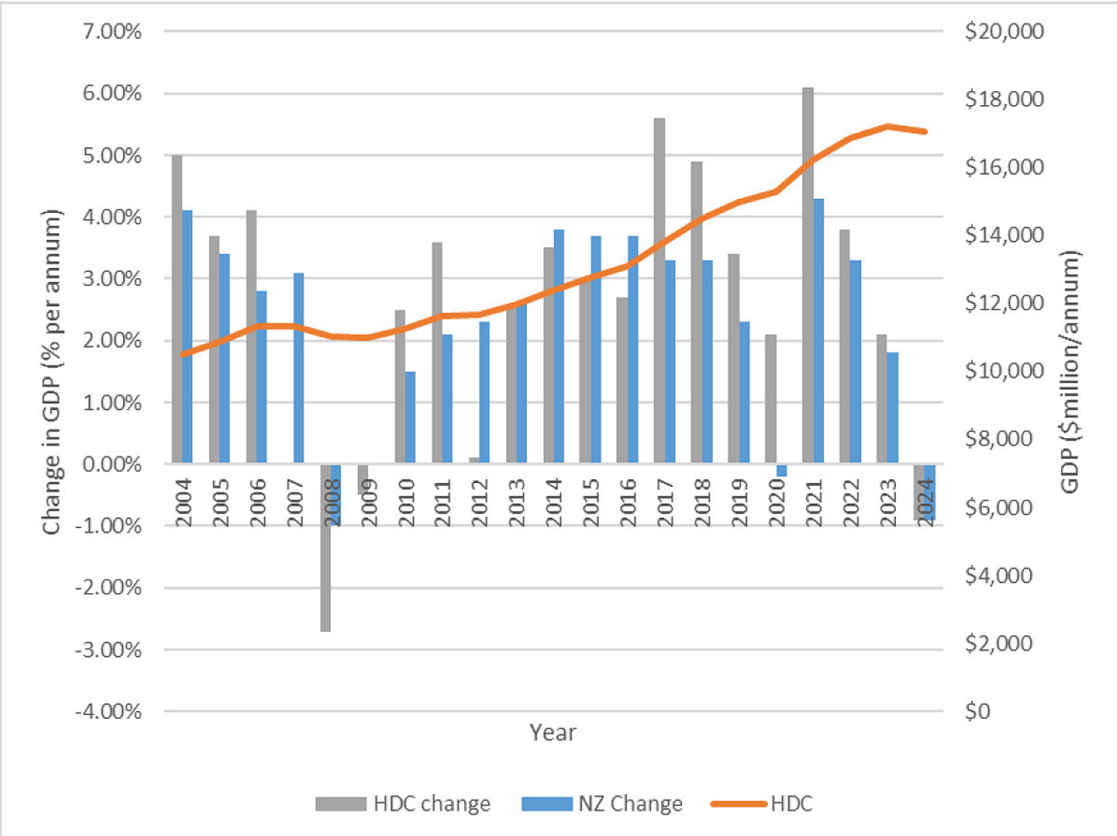
This section draws largely on the work of Infometrics from the Hamilton section of its Regional Economic Profile series[23] and partly from Statistics NZ 2023 Census data.

3.2.1 GDP AND EMPLOYMENT

GDP for Hamilton City Council (HCC) TLA is approximately $17 billion (2025), which has grown from $10 billion in 2004 and $12 billion in 2014 (Figure 3.5). Growth in GDP has been higher than for the country as a whole for 13 of the 22 years since 2004, and the economy (GDP) is 71% larger in Hamilton now than in 2004, compared with 62% for the country as a whole.

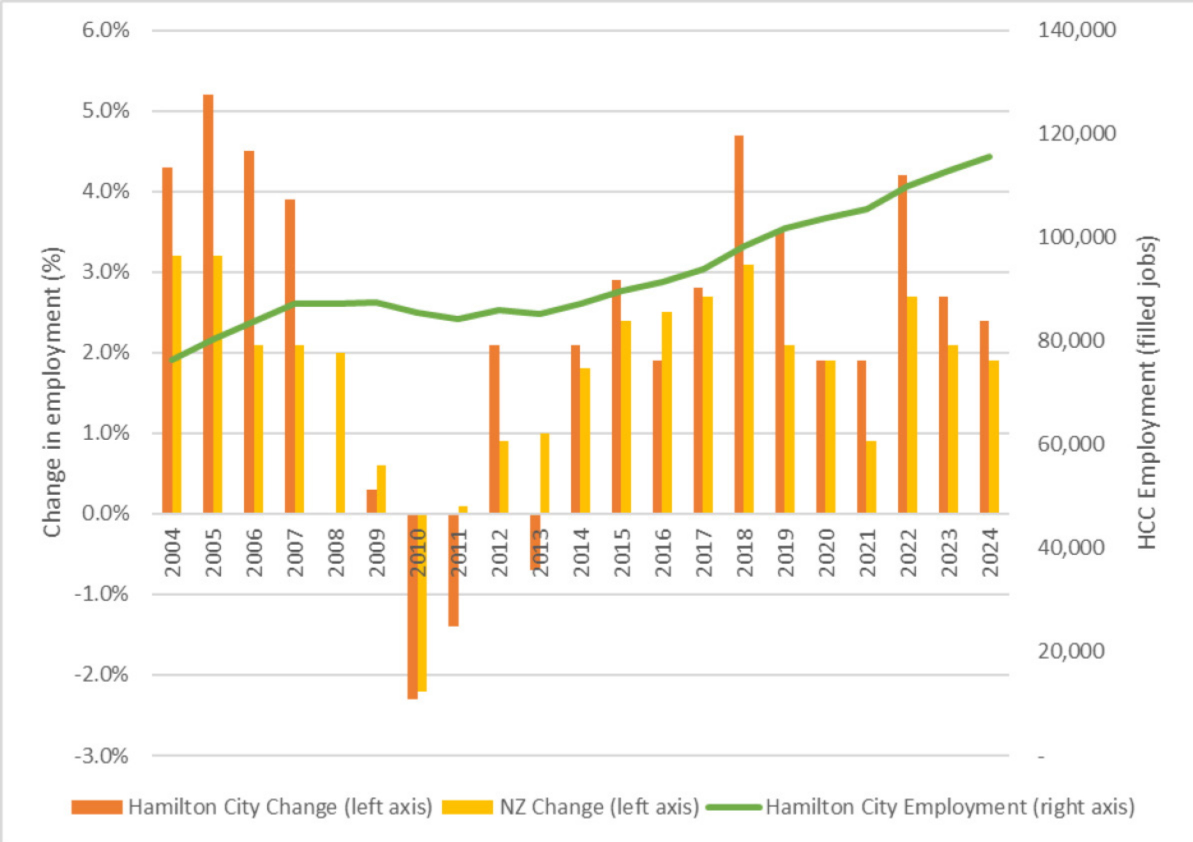
Employment follows a similar pattern, rising from 76,000 filled jobs in 2004 to 115,000 in 2025 (Figure 3.6). Employment growth was negative in 2010 – 2011 and 2013 likely associated with the recession. Neither GDP growth nor employment were significantly affected by the covid pandemic in the 2020 – 2022 period, likely because tourism is a small part of the economy local and regional economy.

Figure 3.5: GDP and change in GDP 2004 – 2025 for the HCC ($million/annum) (Source: Infometrics).



23 Regional Economic Profile | Hamilton City | Overview. Funded by Hamilton City Council.

Figure 3.6: HCC and NZ employment and change in employment, 2004 - 2024 (filled jobs). (Source: Infometrics).



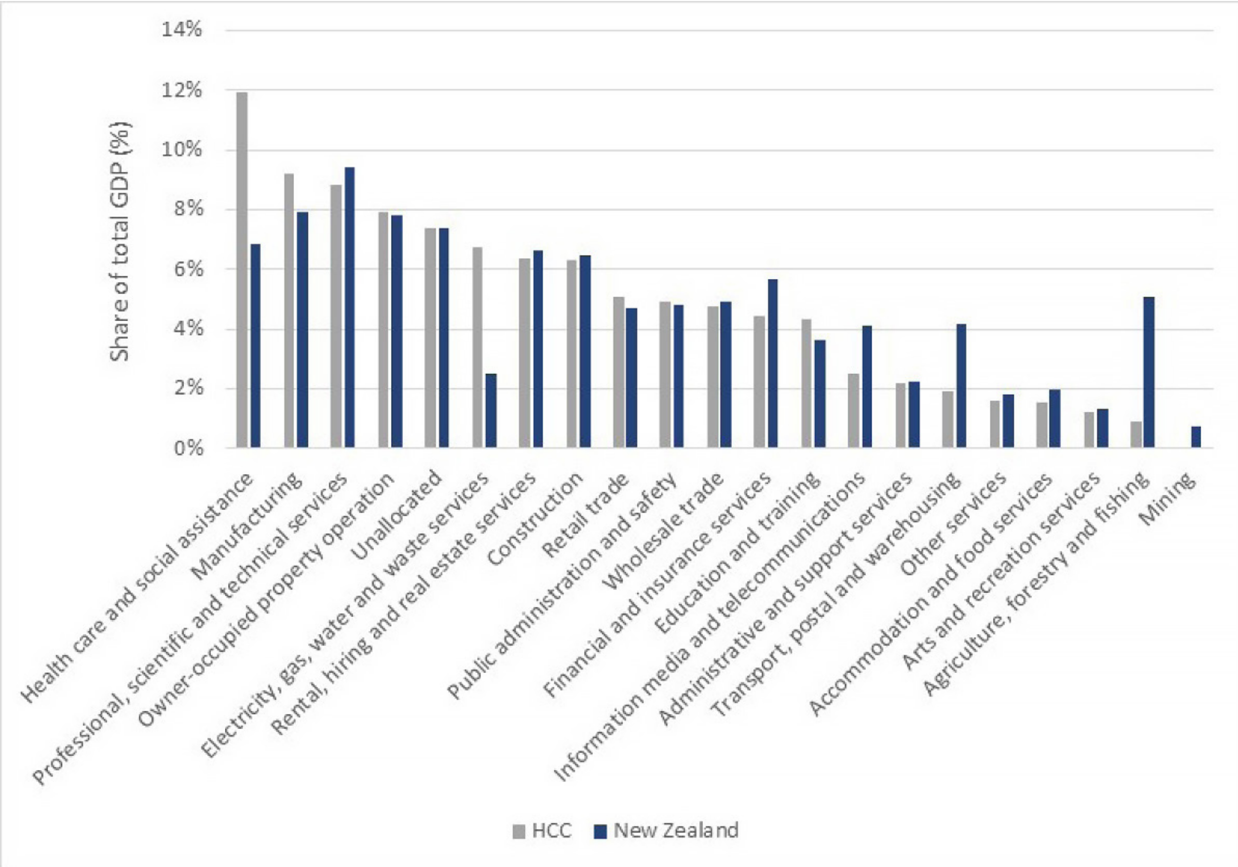
Health care and social assistance is the largest employment sector in the Hamilton area (11.95% of GDP) followed by manufacturing (9.2%) and professional, scientific & technical services (8.8%).

Of these only the healthcare / social assistance and manufacturing sectors are significantly larger in relative terms in Hamilton than in New Zealand. This is likely because of the role that Hamilton plays as the service hub for a larger population base of the Waikato region, having the major hospital and agricultural manufacturing capability.

Of the remaining sectors only the electricity, gas and waste services sector is larger in Hamilton City than in New Zealand as a whole (Figure 3.7). The reasons for this are unclear but could be related to the office locations for major generation or energy retail companies.

In general the sector distribution of employment in Hamilton is fairly similar to the country as a whole.

Figure 3.7: GDP by sector, HCC 2025. (Source: Infometrics).



3.2.2 GROWTH AND PRODUCTIVITY

The four highest growth sectors for Hamilton have been (1) information, media and telecommunications; (2) mining; (3) public administration and safety, and (4) professional, scientific and technical services (Figure 3.8).

However in terms of contribution to growth, the small size of the two highest growth sectors means that their overall contribution to growth was relatively small, with the largest contributions to the city growth coming from healthcare and social assistance, and from professional, scientific and technical services.

The sectors with the highest labour productivity are all relatively small in Hamilton, and most of the larger sectors have a labour productivity which reflects that of the country overall (Figure 3.9).

Figure 3.8: Average annual GDP growth by sector 2015 - 2025, HCC. Sectors sorted by 2025 size largest at top. (Source: Infometrics).

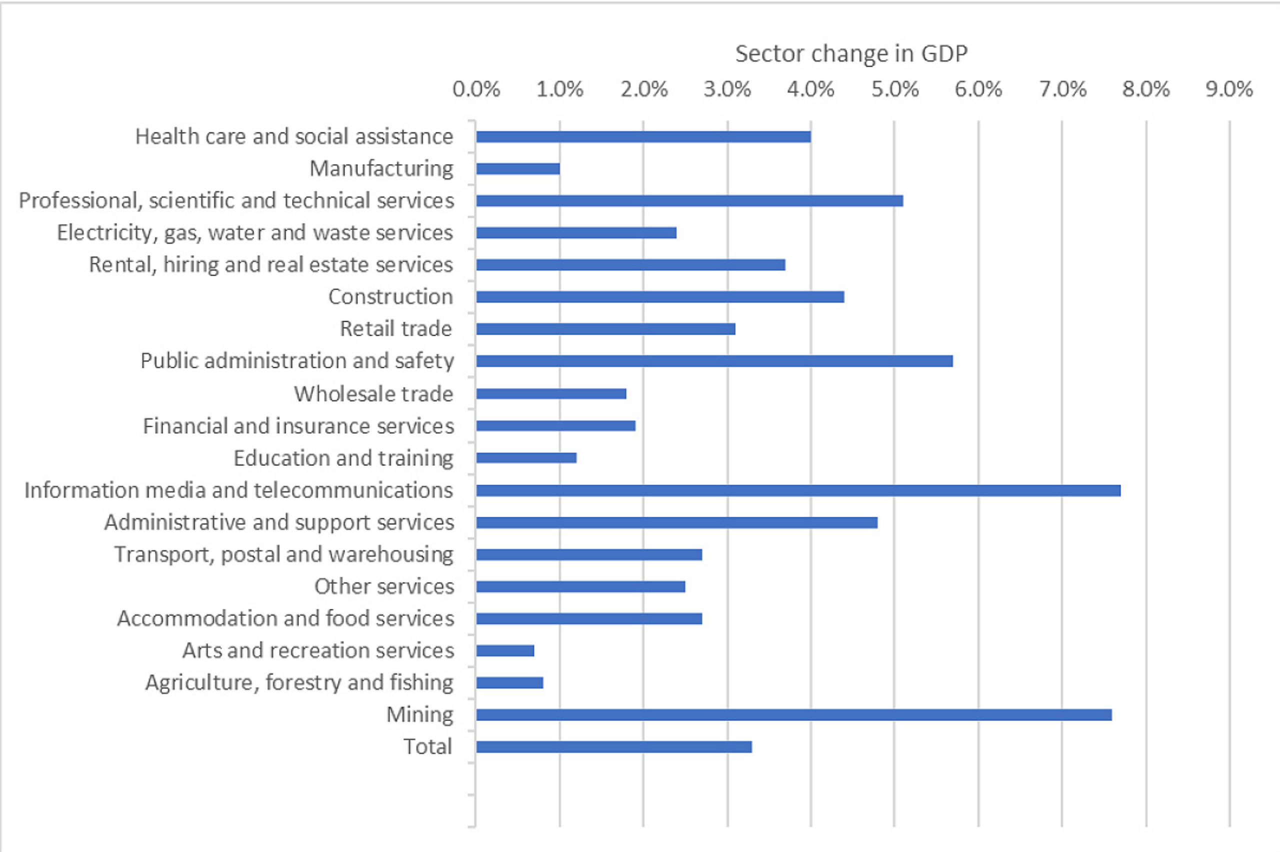
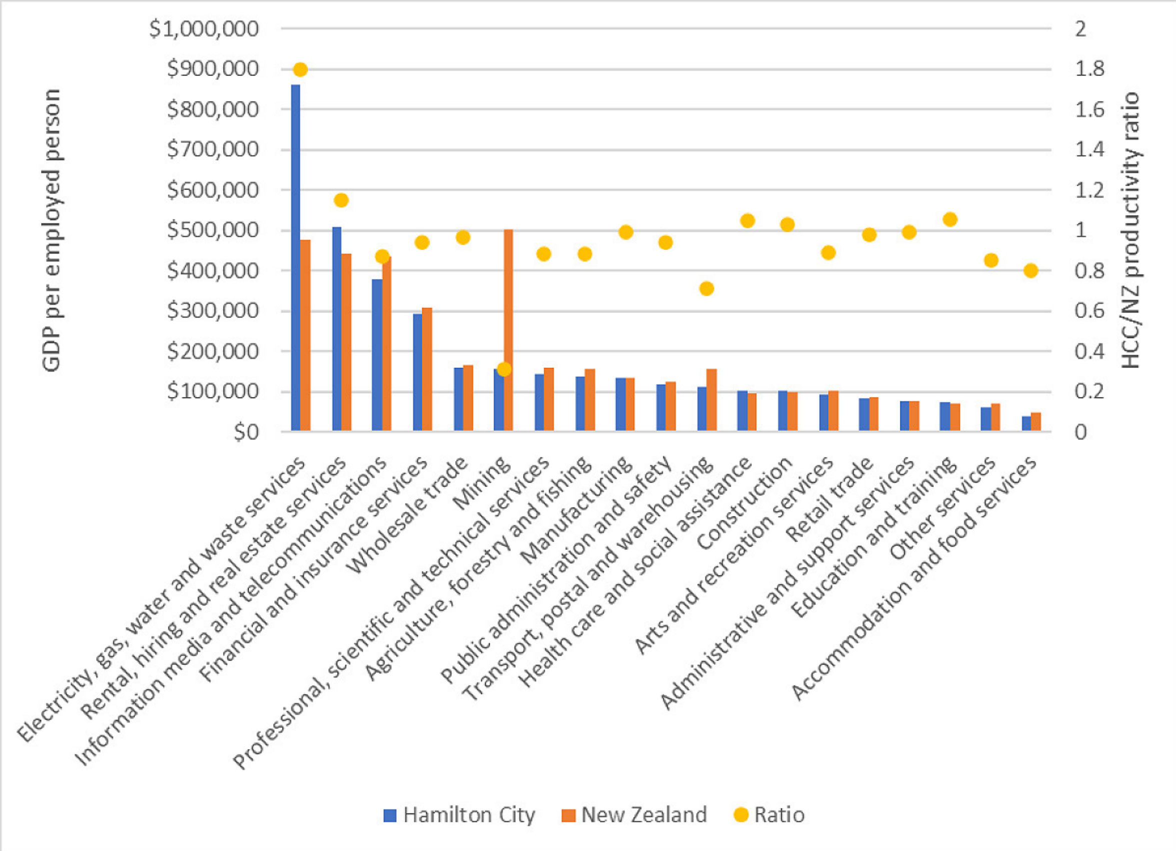


Figure 3.9: Labour productivity, HCC 2025. (Source: Infometrics).



Focusing specifically on the knowledge-intensive industries, Figure 3.10 shows the share of employment for these types of industries in HCC compared with NZ as a whole. HCC has a higher share of workers in knowledge-intensive industries than does the country as a whole, with this share growing at about the same as the national rate over the 20 years since 2005.

Figure 3.10: Knowledge intensive industries as a proportion of employment (filled jobs), HCC vs NZ 2005 – 2025. (Source: Infometrics).

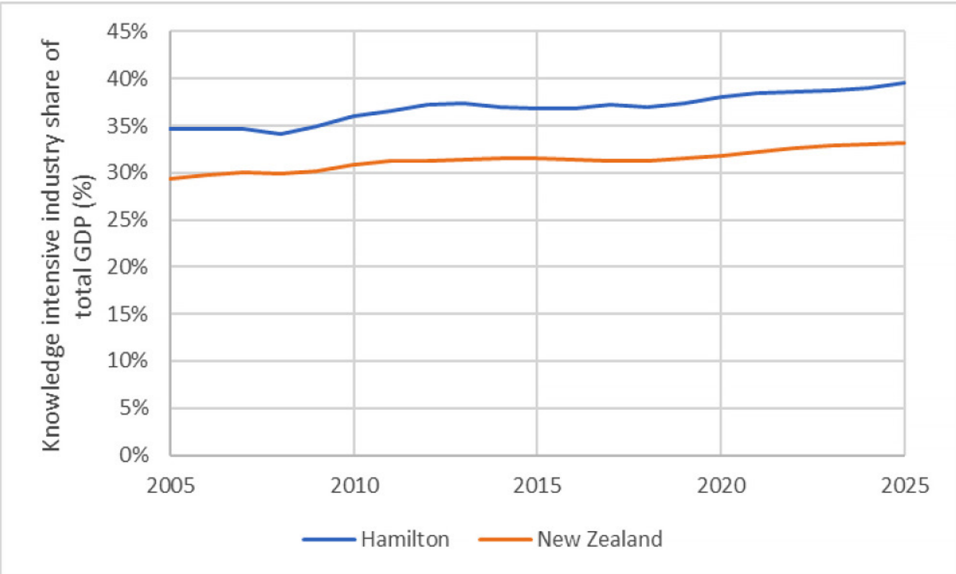


Figure 3.11 shows employment for tourism in the context of other major sectors in the Hamilton economy (those with filled jobs > 11,500). It shows that healthcare and social assistance is by far the largest sector, comprising 17% of the employment. Tourism ranks only seventh as a sector in the Hamilton economy, about the same size as public administration and safety.

Tourism has grown faster than in Hamilton than nationally in 13 of the last 22 years, and was less significantly affected by the covid pandemic than the national tourism sector (Figure 3.12). Possibly Hamilton tourism is more focused on the domestic market than is the case for New Zealand as a whole.

Figure 3.11: Tourism employment in the context of other major sectors (employment > 11500 filled jobs), HCC vs New Zealand, 2025. (Source: Infometrics).

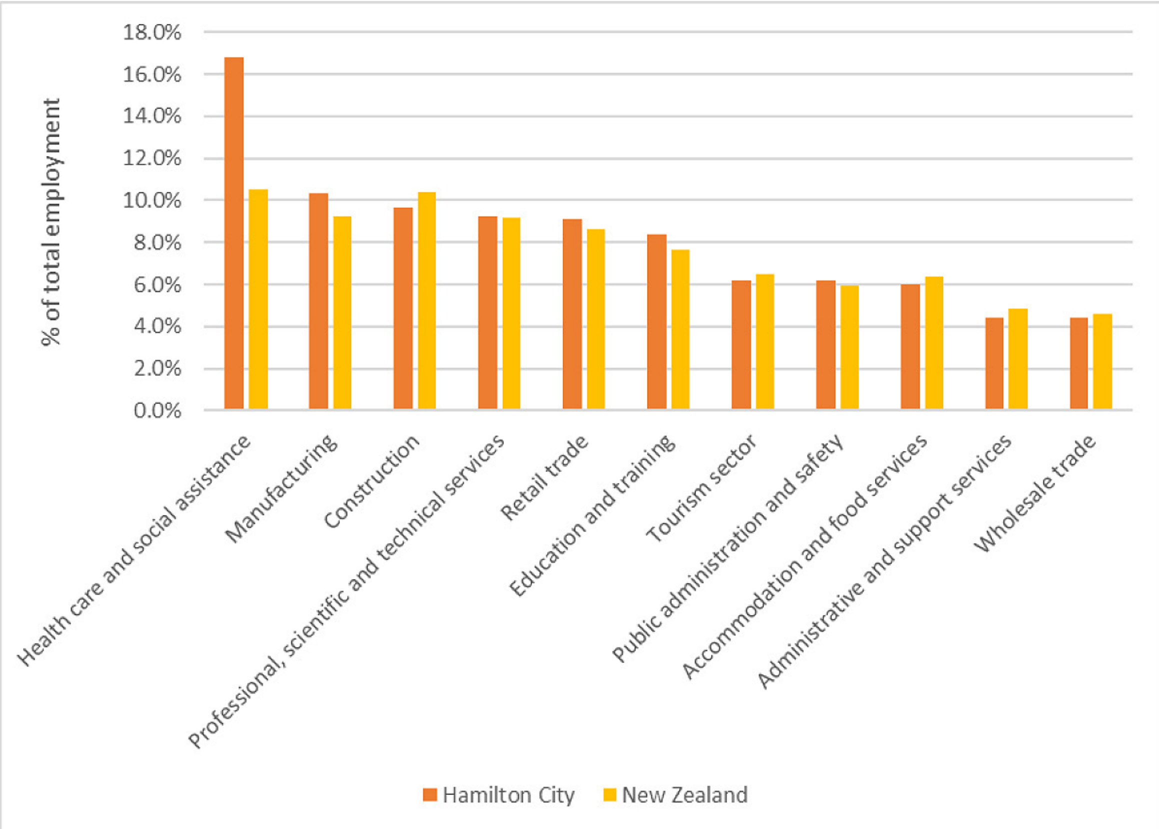
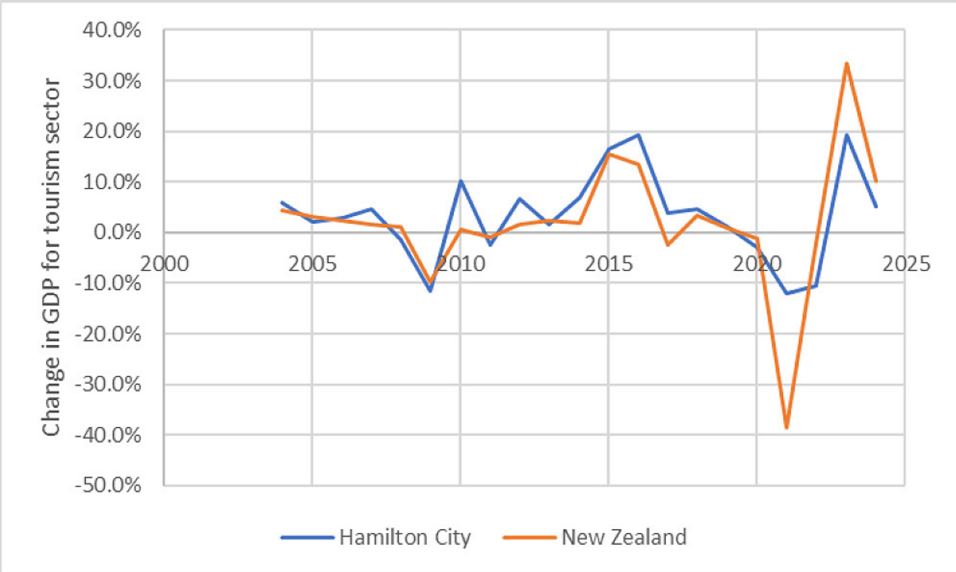


Figure 3.12: Annual change in tourism GDP, HCC vs New Zealand, 2002 - 2022. (Source: Infometrics).



3.2.3 WORKERS IN HAMILTON

29% of workers in HCC have a bachelor's degree or higher, and 15% had no qualification. This compares with 28% of all people in NZ having a bachelor's degree or higher, and 16% having no qualification. The HCC workforce is therefore very similar to the qualifications profile of the rest of the country.

3.3 THE CASINO NEIGHBOURHOOD

3.3.1 CONTEXT

For this assessment we have taken the locality of the SkyCity Hamilton Casino to be downtown Hamilton, with the immediate neighbourhood being the Census area (Statistical Area 1 (SA1) 7012240), the boundaries of which are indicated in Figure 3.13. For the purposes of comparison, Census data on the casino neighbourhood's "parent" suburb, Hamilton Central has been used. This has the Census area Statistical Area 2 (SA2) 179401 as indicated in Figure 3.14.

The following sections provide a socio-demographic profile of those who were residing in the Casino neighbourhood in 2023 based on the Census. The character of that population is presented in comparison with the parent suburb, Hamilton Central, the wider local government area of Hamilton City and the Waikato region as a whole. Unless otherwise indicated, all data comes from Statistics New Zealand's (SNZ's) published tables and was accessed from the SNZ website.

Figure 3.13: The Casino location and adjacent SA1 Census areas of downtown Hamilton

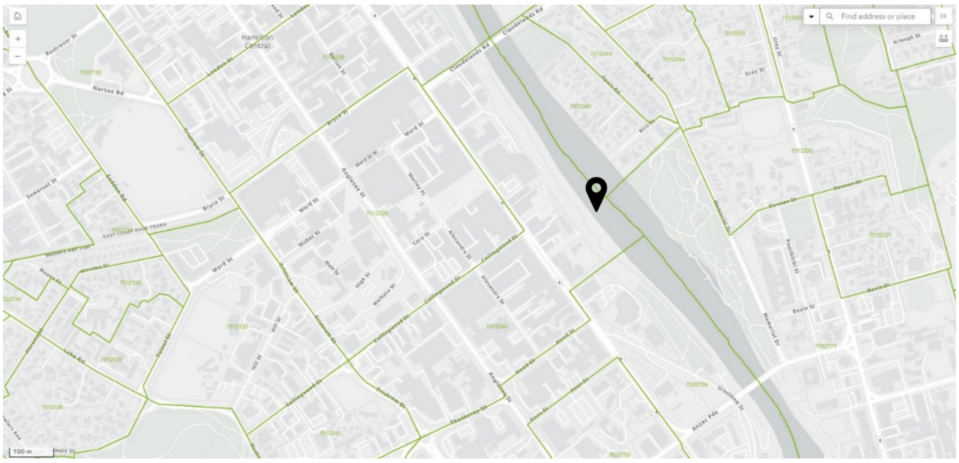
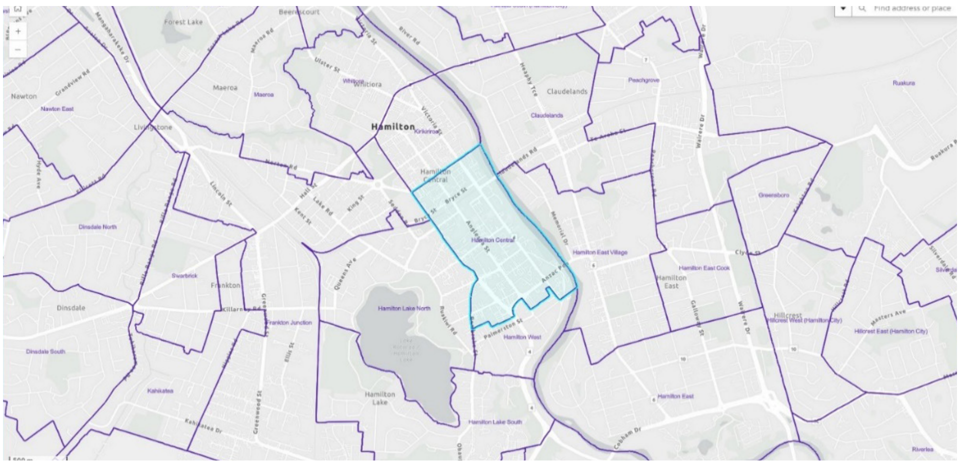


Figure 3.14: Hamilton Central SA2 suburb boundaries



3.3.2 POPULATION

In 2023 there were 96 people living in the neighbourhood of the Casino, made up of 54 males (56%) and 42 females (44%), In Hamilton Central there were 597 residents, 56% of them males and 43% females (1% identified as another gender).

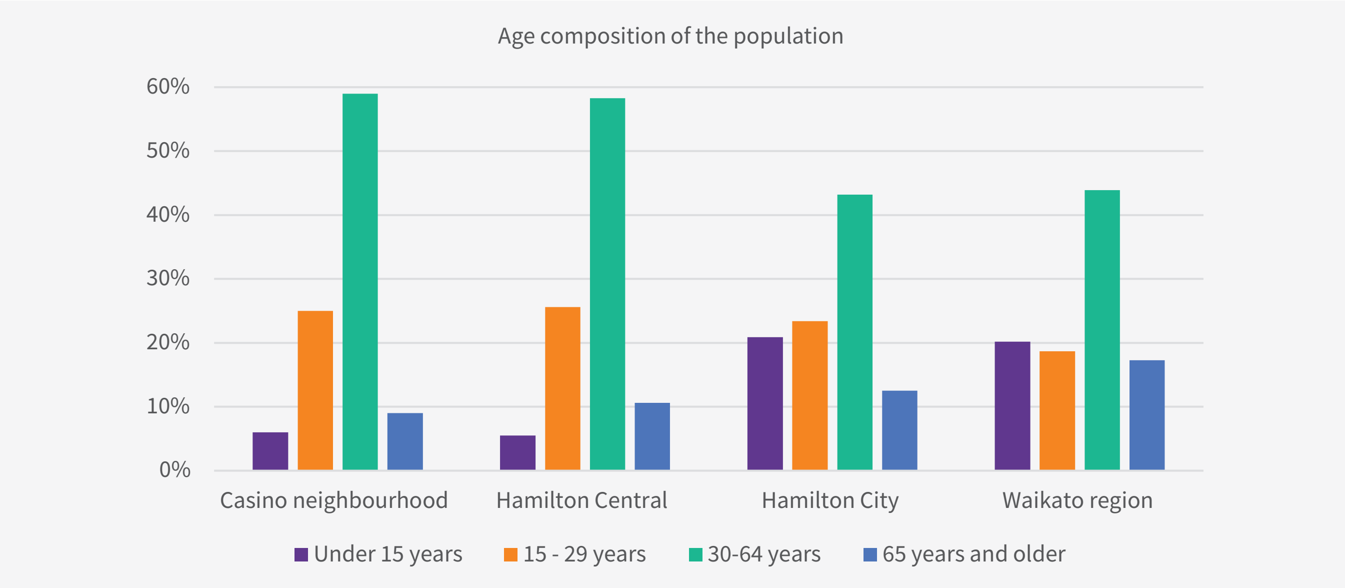
The usual residents of the Casino neighbourhood and adjacent area are noticeably older than elsewhere in the City. For example, the median age in the Casino neighbourhood is 40.3. compared to 33.2 in Hamilton City. The median age of residents of the Casino neighbourhood has on average been increasing, from 28.5 in 2015 to 33.3 in 2018 and to 40.3 in 2023.

In 2023, there were just 6 children (aged under 15) and 9 persons aged 65 or over living in the Casino neighbourhood with the majority being aged 30 – 64 (Table 3.7). The age group was split fairly evenly between under 45's (47%) and over 45's (52%).

Table 3.7: Age composition usually resident population

Area	Waikato Region	Hamilton City	Hamilton Central	Casino neighbourhood
Total	498,771	174,741	597	**96**
· Under 15 years	100,743	36,570	33	**6**
· 15-29 years	93,111	40,836	153	**24**
· 30-64 years	218,808	75,549	348	**57**
· 65 years and over	86,109	21,783	63	**9**
· Median - age	37.9	33.2	39.0	**40.3**

Figure 3.15: Age composition



3.3.3 RESIDENTIAL MOBILITY

The Census gathers data on how long each person has lived at their current residence. The majority of people living in the Casino neighbourhood, as is the case in Hamilton Central, have lived in their usual residence for less than 5 years (Figure 3.16). A quarter of the Casino neighbourhood population had lived there for less than a year.

However, there is a suggestion that the Casino neighbourhood, and the parent suburb Hamilton Central have become less transient, as the average number of years at usual residence has increased between Census periods (Table 3.8).

Predominantly the Casino neighbourhood is made up of NZ-born residents, with 28% born overseas. This is lower than is seen in the Hamilton Central area where 37% of residents were born overseas.

Figure 3.16 Percentage of population residing in their usual residence for less than five years

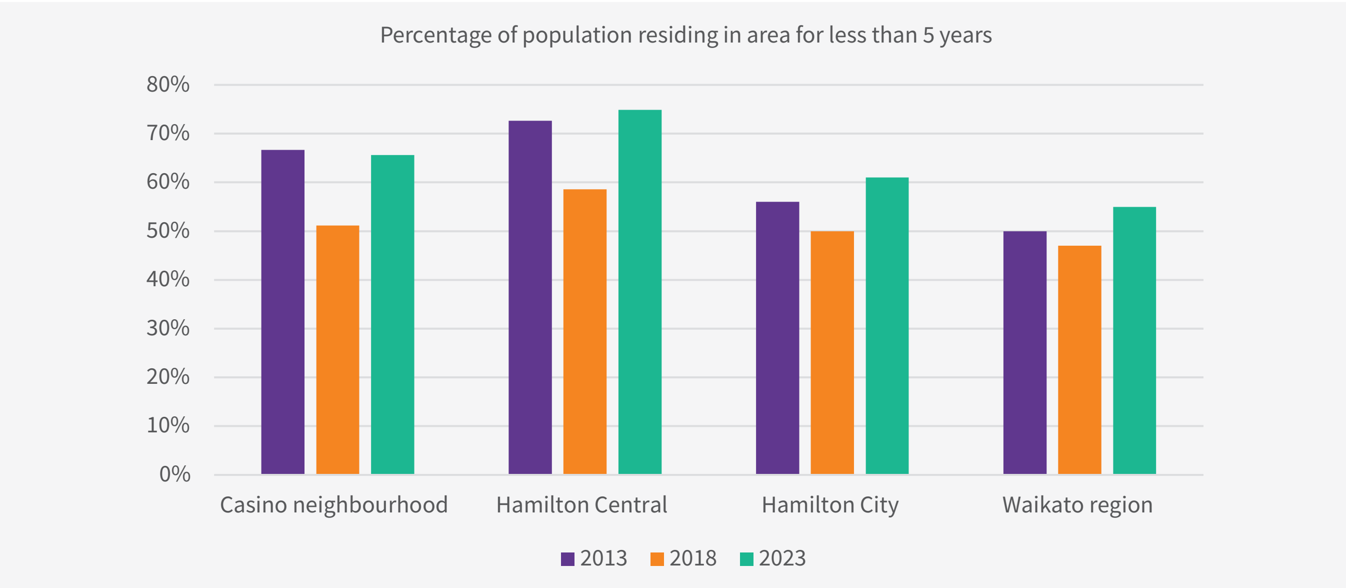


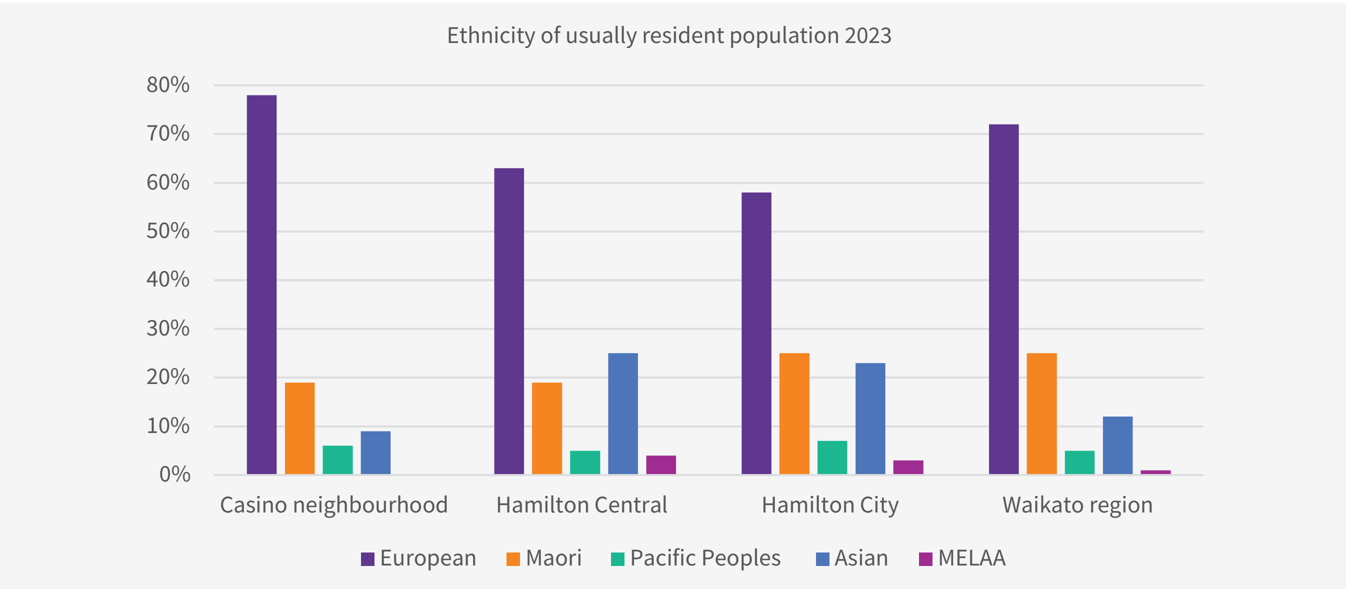
Table 3.8: Average (mean) – years at usual residence

Census year	2013	2018	2023
Area			
Waikato Region	7.7	8.0	7.9
Hamilton City	6.5	6.8	6.6
Hamilton Central	2.4	3.3	3.8
Casino neighbourhood	2.3	3.2	4.1

ETHNICITY

The Census data on ethnicity of the usual resident population indicates that the Casino neighbourhood is less ethnically diverse than the wider city regions, with a high proportion of residents identifying as European and fewer as Asian. 19% of the neighbourhood population identifies as Māori, which is in line with the proportion represented in Hamilton Central but lower than seen in the Hamilton City district and Waikato region.

Figure 3.17 Ethnicity of usually resident population 2023



FAMILIES AND HOUSEHOLDS

In the available 2023 Census data for marital status, the composition of the Casino neighbourhood and Central areas are similar, in that the majority of residents have never been married (52% in both areas). Just under a third were married (31% and 29% for the Casino neighbourhood and Hamilton Central respectively). Just over half (55%) of the Casino neighbourhood were non-partnered at the time of Census, compared to 62 percent in Hamilton Central.

Among the 39 female residents aged 15 or over in the Casino neighbourhood, 62% had children compared to 46% in Hamilton Central.

EDUCATION

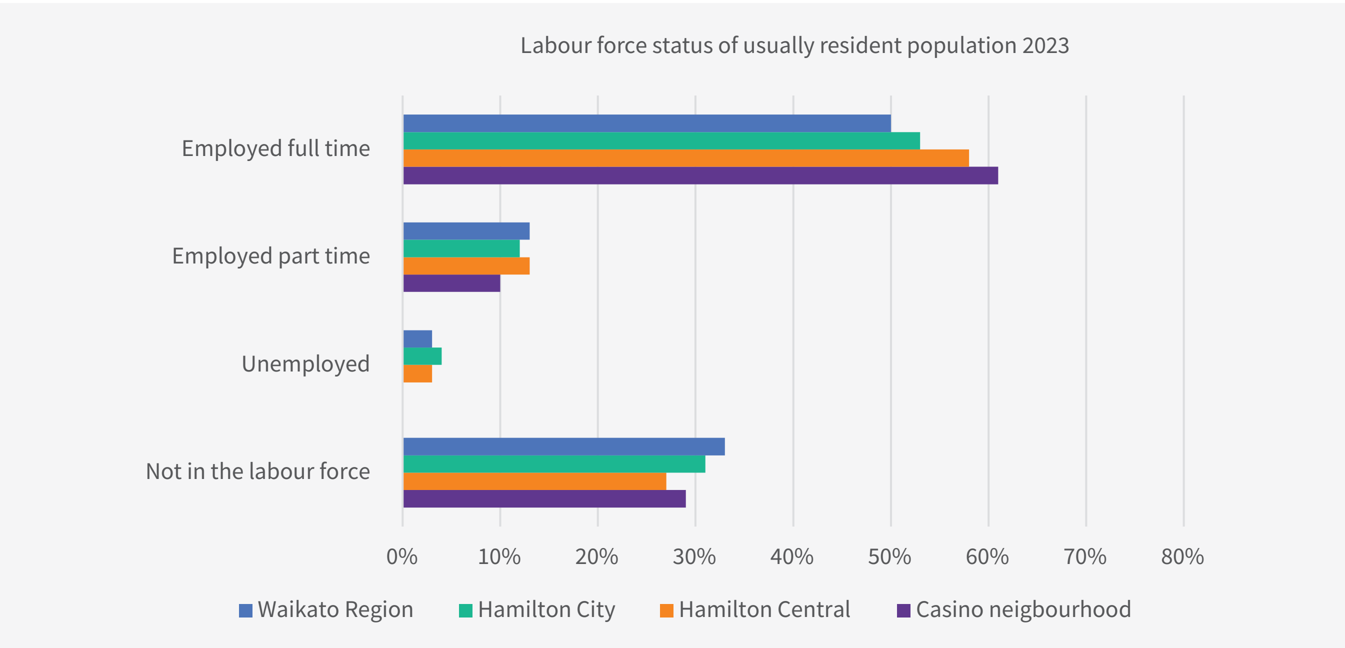
2023 Census data on educational attainment of residents show a similar profile for the Casino neighbourhood with that of Hamilton Central, in that over half (57% and 55% respectively) have a tertiary certificate, diploma, degree or post-graduate qualification. This is compared to 47% of Hamilton City and 42% of the Waikato region.

At the time of Census 16% of the Casino neighbourhood and 17% of Hamilton Central were in full or part time study, compared to 27% and 24% of the wider City and Waikato region.

3.3.3 EMPLOYMENT PATTERNS

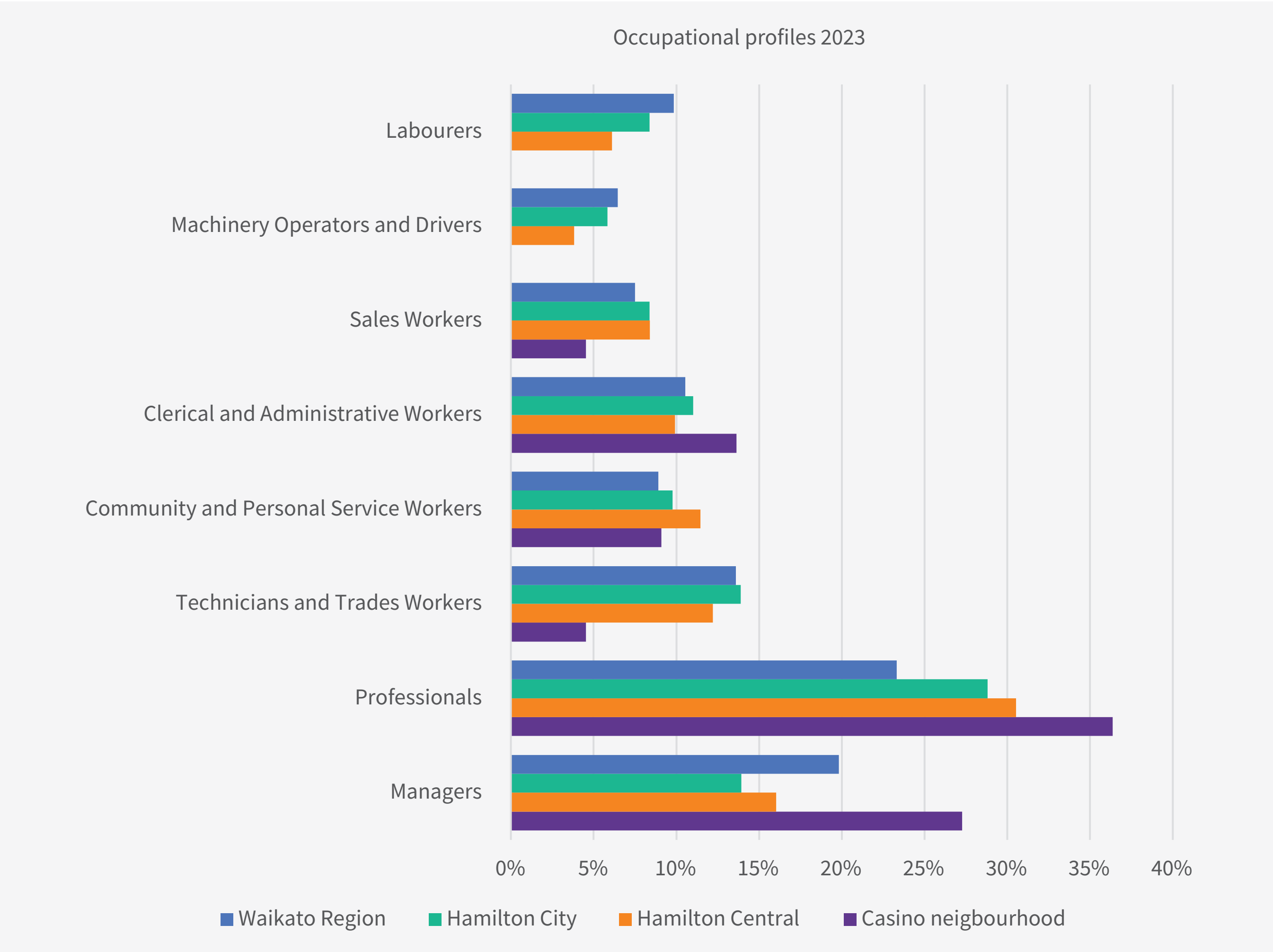
The 2023 Census data on the labour force status of the residents of the Casino neighbourhood indicates that, of the population (aged 15 or over) no one was unemployed and 61% were in full-time employment and 10% in part-time employment. The proportion in employment, either full-time or part time (71%), is higher in the Casino neighbourhood than in the wider city district and Waikato region (at 65% and 64% respectively).

Figure 3.18 Labour force status of resident population 2023



The residents of the Casino neighbourhood who were in the labour force tended to be working in a managerial, professional or clerical and administrative capacity, compared with residents of the wider area. There were no machinery operators / drivers or labourers living in the area and relatively fewer technicians and trade workers.

Figure 3.19 Occupational profiles

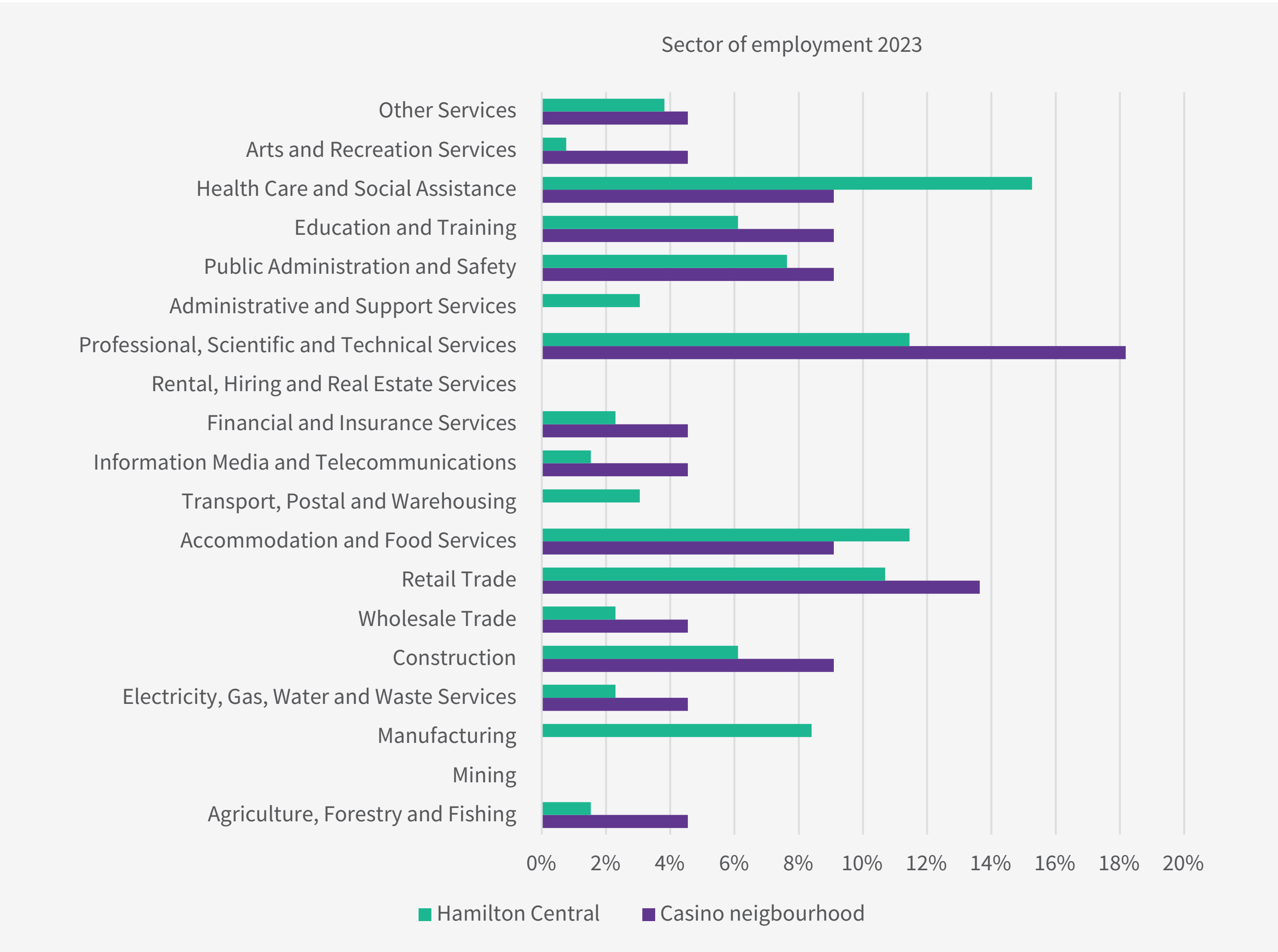


The working residents of the Casino neighbourhood work mainly in the Professional, Scientific and Technical services and Retail Trade sectors. A third (32%) of Casino neighbourhood residents work in these two sectors. These sectors are also represented strongly in the Hamilton Central area (accounting for 22% of the resident workforce), but the predominant sector in this area is Health Care and Social Assistance, which along with Accommodation and Food Services accounts for 15% and 11% of the workforce respectively.

The Census also recorded the occupations of those who worked in the Casino neighbourhood but did not necessarily live there. In 2023 a much greater number of people worked in the Casino neighbourhood than lived there: 3,060 vs 96.

Whilst most occupational groups are represented among those who work in the Casino neighbourhood, the area has high proportions of Accommodation and food services workers (19%) and Public Administration and Safety workers (20%).

Figure 3.20 Sector of employment



3.3.4 HOUSING AND LIVING PATTERNS

There was a total of 72 dwellings recorded in the 2023 Census for the Casino neighbouhood, two thirds of these (48) were occupied and all occupied dwellings were private dwellings and joined, rather than separate. The dwellings were relatively small in scale, with an average of 2.3 bedrooms. Of the remaining 24 dwellings, most were unoccupied at the time of Census due to residents being away (18), 3 were empty and 3 were under construction. Census data indicates that approximately half of the occupied private dwellings in the area are rented.

Comparatively the Casino neighbourhood has a smaller proportion of occupied dwellings than does the Hamilton Central area, with two thirds (67%) being occupied compared to 83% in its parent suburb. However, the occupied dwellings in both areas are most likely to be private dwellings and joined with an average of two bedrooms.

Section 4:

Economic Impacts

4.1 KEY METRICS

Table 4.1 shows the key financial metrics for SkyCity Hamilton for the period 2021/22 to 2024/25. These figures exclude non-casino operations and were adjusted for inflation to 2025 prices. Revenue over that period averaged $60.2 million, and operating expenses were $28.7 million. Labour costs were over half of the operating expenses, and profit after tax averaged $26.3 million. The profit after tax of $18.2 million excludes $8.0 million in interest income, which is not directly related to the casino operation.

Table 4.1: Key financial metrics for SkyCity Hamilton (casino operation only, inflation adjusted to June 2025)

Item	2022	2023	2024	2025	Average
Revenue ($m)	$52.3	$66.7	$63.5	$58.1	$60.2
Labour costs ($m)	-$14.5	-$16.5	-$17.2	-$17.6	-$16.5
Operating Expenses (incl labour) ($m)	-$25.6	-$29.3	-$29.8	-$30.1	-$28.7
Profit (EBITDA, $m)	$26.8	$37.4	$33.7	$28.0	$31.5
Depreciation and non-trading items ($m)	-$4.9	-$4.3	-$4.2	-$4.2	-$4.4
Interest and other items	$5.1	$7.3	$9.1	$10.5	$8.0
Taxation ($m)*	-$6.3	-$9.3	-$12.3	-$7.2	-$8.8
Net Profit after tax	$15.5	$23.7	$17.2	$16.5	$18.2

** Excludes tax on interest earned*

4.2 EXPENDITURE

The Casino operation (excluding the wider complex) spent an average of $14.1 million with suppliers in the financial years 2022 to 2025, (range $11.8M to $14.9M) (excluding wages and salaries). Of this $14.1 million, 32% is spent in Hamilton, 2% in Waikato not in Hamilton, and 66% elsewhere (including 2% overseas).

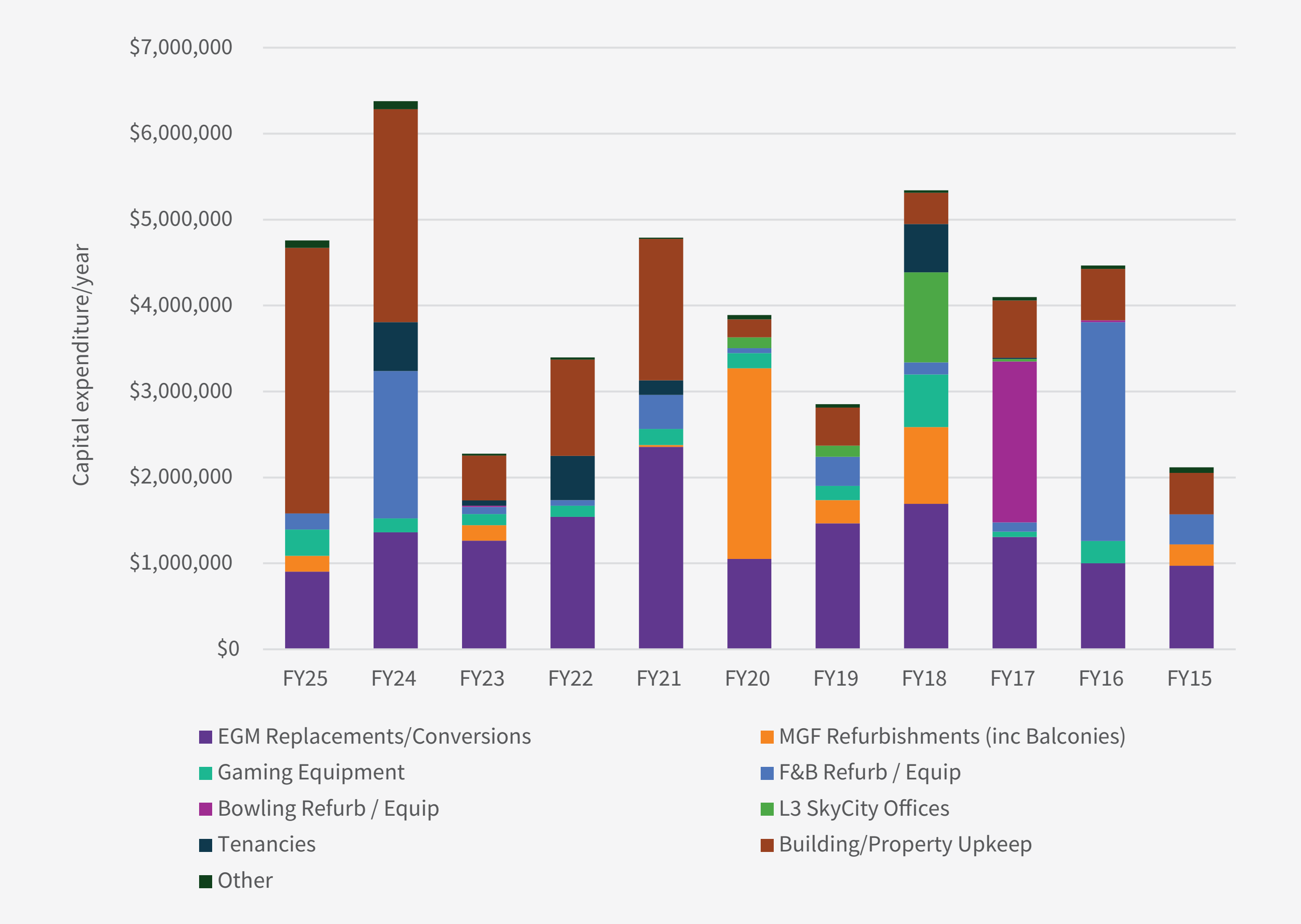
The largest categories of expenditure in Hamilton not including charitable disbursements are on civil, professional and other services (legal and accounting, 20%), retailing (department store 11%) and the grocery, liquor, and tobacco product wholesaling sector (13%). The latter sector is largely associated with the Casino's food and beverage activities.

Of the expenditure outside Hamilton, the largest sector of expenditure is payments to government (including the problem gambling levy) which comprises 43% of total spending excluding wages and salaries. Expenditure on grocery, liquor, and tobacco product wholesaling sector outside of Hamilton is 9% of total expenditure.

Figure 4.1 (overleaf) shows the capital expenditure by the Casino and the wider SkyCity Hamilton complex over the period 2015 – 2025. The average capital expenditure over that period was $4.03 million, of which 34% was electronic gaming machines (EGM) and 26% building and property upkeep. Over the 2022-2025 period for which modelling was undertaken, capital expenditure has been $4.36 million per annum, with 15% spent in Hamilton, 1% in the Waikato excluding Hamilton, and 69% in New Zealand. 15% was spent overseas, largely related to the EGM purchases.

The Casino spent an average of $14.1 million with suppliers in the financial years 2022 to 2025, (range $11.8M to $14.9M) (excluding wages and salaries).

Figure 4.1: Capital expenditure profile, SkyCity Hamilton complex 2015 to 2025



4.3 EMPLOYMENT

The SkyCity Hamilton complex currently (end of FY25) has a payroll of 315 people and 228 FTE (Table 4.1). We estimate that over the 2022 – 25 years the Casino-only portion of this employment is approximately 276 people and 200 FTEs, with approximately 39 staff involved in other business units[24]. For the Casino-only the total expenditure on salaries and wages, superannuation, life insurance, medical benefits, training, ACC levies, meals, welfare assistance, and other staff expenses has averaged $16.46 million (inflation adjusted) over the FY22 – FY25 period, which has increased in real terms from $14.5 million in 2022 to $17.6 million in 2025.

The Casino complex currently (end of FY25) has a payroll of 315 people and 228 FTE.

Table 4.2: Staff numbers and FTE, SkyCity Hamilton Complex

Financial year	Headcount	FTE
2025	315	228
2024	315	228
2023	311	225
2022	308	223

The median earnings of surveyed employees at the Casino is in the $60,000 to $75,000 range (Table 4.2), which is substantially higher than the median personal income for Hamilton of $42,200 (2023 Census data), indicating that employees at the Casino tend to experience higher personal income than is common in the city. Note though that the survey sample is small in relation to the total workforce, and there may be some response bias with higher paid employees more likely to respond.

Mean wages and salaries were $48,000 in 2025, and while we would expect the mean in a skewed distribution like earnings to be higher than the median, the size of the difference suggests that there is some response bias likely in the survey results.

24 There are some difficulties in separating out the other business units because there is overlap of some staff who work between business units.

Table 4.3: Employees by income category, SkyCity Hamilton complex. (Source: Staff Survey, 2025)

Income band	Proportion of Hamilton Casino employees
$15,001 to $30,000	5%
$30,001 to $45,000	11%
$45,001 to $60,000	11%
$60,001 to $75,000	34%
$75,001 to $100,000	14%
$100,001 to $150,000	7%
Over $150,001	5%
Prefer not to say	13%
Total	100%

41% of staff interviewed had worked at the Casino for longer than ten years and nearly a third (32%) had worked there for over fifteen years. The employment profile in the higher income brackets has been very stable: 85% of employees with incomes over $60,000 who responded to the survey had worked there for more than three years.

4.4 SKYCITY HAMILTON COMMUNITY TRUST DISTRIBUTIONS

Established in accordance with SkyCity Hamilton's casino venue license, as at 30 June 2025 the SkyCity Hamilton Community Trust (the Trust) has distributed 1,929 grants, totalling more than $13.6 million, to charitable organisations, both large and small, that have undertaken community assistance and development work in the greater Waikato area since 2003[25]. The Trust has a Board of Trustees who make decisions on grant allocations and set strategic priorities for the Trust.

Disbursements by location are shown in Table 4.4 below, and averaged $0.99 million per year for the 2022 – 2025 period. 64% of grants were to entities in Hamilton, 22% in Waikato, and 14% elsewhere in NZ. This expenditure is slightly inflated relative to contributions from SHL as a result of some carry over from low disbursements during the initial Covid period (2020).

Table 4.5 shows the Gambling Trust contribution history since 2007. It shows that the total contribution (not inflation adjusted) ranges from $520,000 in 2008 to $976,000 in 2024. Over the period for which casino win data is readily available (since 2011) the contribution has been between 1.30% and 1.37% of casino win over that period. These numbers include an average of $45,000 in found money, customer donations and unclaimed jackpots per year paid to the trust over that period.

The disbursement of funds is audited by PWC, and we have checked a sample of the disbursements through case studies. Although we are not able to confirm for all recipients, the audit and our own sampling indicate that the trust is disbursing funds as indicated, and is operating in conformation with its trust deed.

Established in accordance with SkyCity Hamilton's casino venue license, as at 30 June 2025 the SkyCity Hamilton Community Trust (the Trust) has distributed 1,929 grants, totalling more than $13.6 million.

Table 4.4: Charitable donations by location from Sky City Hamilton Casino Community Trust

Year	Hamilton ($000 disbursed)	Waikato	Elsewhere ($000 disbursed)	Total ($000 disbursed)
2022	$637,190	$48,700	$100,050	$785,940
2023	$899,962	$69,360	$36,750	$1,006,072
2024	$686,900	$344,220	$244,927	$1,276,047
2025	$292,407	$417,860	$175,000	$885,267
Average	$629,115	$220,035	$139,182	$988,332
Proportion	64%	22%	14%	100%

25 https://skycityhamilton.co.nz/about-us/community-trust/

Table 4.5: Gambling Trust contributions from SkyCity Hamilton 2007 - 2025

Financial Year	Casino Revenue Contribution	Found Money, Customer Donations and Unclaimed Jackpots	Total Contribution	Casino Win	% of Casino Win (Revenue Contribution)
2007	506,206	26,222	532,429		
2008	493,536	26,615	520,151		
2009	498,797	46,654	545,452		
2010	495,302	41,963	537,266		
2011	564,910	36,091	601,001	41,185,292	1.37%
2012	581,033	32,375	613,407	43,006,947	1.35%
2013	564,273	24,975	589,248	42,953,318	1.31%
2014	531,616	23,270	554,886	39,799,582	1.34%
2015	563,981	27,582	591,562	42,451,741	1.33%
2016	613,461	25,962	639,424	46,176,464	1.33%
2017	671,741	22,394	694,136	50,462,814	1.33%
2018	693,125	37,436	730,561	51,939,493	1.33%
2019	717,152	51,613	768,765	54,149,375	1.32%
2020	653,301	32,335	685,637	49,245,513	1.33%
2021	842,250	70,826	913,076	64,760,539	1.30%
2022	639,365	56,968	696,332	48,700,592	1.31%
2023	854,756	76,451	931,207	65,365,796	1.31%
2024	840,066	135,899	975,965	63,838,666	1.32%
2025	812,631	51,569	864,200	61,694,825	1.32%

4.4.1 OPERATIONAL INDEPENDENCE OF THE TRUST

The Gambling Commission directed the CIR team to review the operation of SkyCity Hamilton Community Trust. To this end a second round of interviews with the Trustees, Trust Manager, and previous Trustees was completed in March 2026. These interviews present a picture of a well-functioning, community-oriented trust that behaves independently, with no evidence of direct interference. But it remains connected to SkyCity in ways that could undermine perceived independence.

THE RELATIONSHIP BETWEEN THE TRUST AND THE CASINO:

There is strong confidence that SkyCity Hamilton ('the Casino') does not influence the granting decisions of the SkyCity Hamilton Community Trust. As one Trustee put in when asked about interference:

> *No, quite the opposite*

Those involved with the Trust are confident that decision-making processes are disciplined and transparent, with mechanisms such as independent grant platforms and scoring matrices supporting objectivity. Conflicts of interest are actively managed and there is a clear emphasis on ensuring funds serve community needs, with trustees who "know the community well" and are seen as acting in its interests.

A key factor underpinning this independence is the quality and integrity of the people involved. Leadership is repeatedly highlighted as critical, with individuals described as having the capability and judgment to maintain appropriate boundaries. The General Manager of the Casino sits as a co-chair on the Trust but this is seen as a strength rather than a weakness. More than one interviewee commented on this but it was captured best by one who said:

> *[She] does a really good job of keeping the Ttrust separate from the Casino*

And:

> *[She] really understands the distinction between the Trust and the Casino.*

In this sense, independence is being actively upheld through norms, values, and professional conduct.

Similarly, the operational systems of the Trust are described as robust and professional. One Trustee said:

> *all of our grant applications are run through SmartyGrants, which is an independent platform.*

Another said of the systems involved:

> *they're excellent.*

MANAGING CONFLICTS OF INTEREST:

Given the relatively small size of the Hamilton community, and the need to have Trustees who are engaged in the community, it is inevitable that conflicts of interest will arise. These are managed on a case-by-case basis, acknowledging the limits of strict independence in a small granting ecosystem. Typically:

> *Those trustees [with a conflict] will leave the room when the decision making comes.*

There is also confidence that the Trust is effective and grounded in community needs.

> *The Trustees know the community well*

And:

> *They've all already contributed to a thriving community*

Finally, there is a recognition that the Trust is modest in scale, and Trustees are not financially driven. This reinforces legitimacy and reduces concerns about self-interest.

> *The Trustees are not getting rich off their involvement.*

WHAT ELSE?:

There is a sense that previous structural changes to the Trust were not well handled or clearly communicated. This came up in the interviews only to the extent that, while current operations are stable, these historical governance decisions may have weakened confidence.

These interviews also pointed to ways this independence could be made more robust. Structurally, the Trust remains closely connected to the Casino through shared roles, administrative support, and using internal finance teams to administer the grant payments. While these arrangements may be efficient, they create a perception risk and blur formal lines of separation. As one external perspective noted

> *Why isn't the Trust totally separate from the Casino? The Christchurch Casino has done this – the administration is totally separate.*

Overall, the Trust can be characterised as functionally independent but structurally intertwined. It is working well because of strong leadership, sound processes, and a shared commitment to community outcomes. There could be an opportunity to future-proof that independence by making the Trust less reliant on individuals and more embedded in transparent, defensible structures that will stand up to external scrutiny.

Given the relatively small size of the Hamilton community, and the need to have Trustees who are engaged in the community, it is inevitable that conflicts of interest will arise.

4.4.2 GRANTS MADE BY THE CASINO CHARITABLE TRUST

Table 4.6: Trust funding recipients, FY25: Seed grants

Organisation name	Total Allocated	Applicant Primary Town/ City
LIVE BETTER (Cultural Centre Trust)	$10,000	Hamilton
Te Whare Toi O Ngaaruawaahia Inc	$10,000	Ngāruawāhia

Table 4.7 Trust funding recipients FY25: Community grants

Organisation name	Total Allocated	Applicant Primary Town/ City
Waikato Refugee Forum Incorporated	$30,000	Hamilton
The Refugee Orientation Centre Trust	$25,000	Hamilton
The Kids in Need Waikato Charitable Trust	$15,000	Waikato
The Community Waikato Trust	$30,000	Hamilton
Te Whare O Te Ata Fairfield / Chartwell Community centre	$25,000	Waikato
Te Whakaruruhau 2013 incorporated	$58,407	Hamilton
Te Po ki te Ao Mārama Tihei Mauriora	$6,000	Hamilton
Shama, Ethnic Women's Trust	$17,500	Waikato
Rural Youth and Adult Literacy Trust	$12,740	Port Waikato
Rainbow Hub Waikato	$40,000	Waikato
Orange Sky New Zealand Limited	$20,000	Wanaka
Meat the Need	$30,000	Nelson
Hamilton South Community Centre Association (Te Whare Kokonga)	$25,000	Hamilton
Graeme Dingle Foundation Waikato	$15,000	Hamilton
Diversity Counselling New Zealand	$45,000	Hamilton
Big Buddy Mentoring Trust	$20,000	Auckland

To better understand the value of these grants, the following sections provide case studies of organisations that have received funding through the Trust.

4.4.3 GRANT CASE STUDY 1: HERE TO HELP U

Here to Help U (HTHU) is a digitally enabled health and social connector service that exists to 'connect people and whānau to the right help, at the right time.'[26] It does this by connecting people with the social service and wellbeing support available in the local communities across Hamilton, Waikato and Tauranga. Founded just before the Pandemic, the service has now helped 215,000 people across the region.

A representative of HTHU said that the SkyCity Hamilton Community Trust was "vital" to the establishment of HTHU. The SkyCity Hamilton Community Trust covered HTHU's operational costs and ensured that "we don't have to worry about keeping the lights on".

This representative was not naïve about the harm done by gambling in general. However, she maintained that the benefits of the Trust to the community are large, and the funding is vital:

> *With us working with organisations like SkyCity, it means we can reach more people and help with the bigger supports that sit around those problems.*

This representative also believed that closure of the Casino would be severely detrimental to the community, as the funding for community groups is really tight in the current political climate, noting:

> *From a community provider point of view - it's tough out there.*

The loss of jobs, and loss of support from the trusts would be *"hugely devastating for Waikato."* This HTHU representative was clear:

> *Having funding from the Casino is vital for community support organisations.*

26 https://www.heretohelpu.nz/About

4.4.4 GRANT CASE STUDY 2: GO ECO

Go Eco is a charitable trust with a vision of healthy environments supported by thriving communities[27]. Go Eco advocates for the environment, serves as a centre for learning, and acts as a catalyst for change. GoEco supports people and communities to take meaningful action toward a healthy, connected, and enduring future.

Go Eco receives $50,000 a year from SkyCity Hamilton Community Trust, a substantial part of Go Eco's $300,000 operating budget. They have worked with SkyCity Hamilton Community Trust for seven of the last ten years.

The Chief Executive of Go Eco was clear that it would be "not easy" to replace this funding, particularly in the current policy environment. The CEO noted:

> *Organisations like ours who had government contracts as well – we no longer have those. One of our main sources of funding – the Community Environment Fund – has been cancelled. Withdrawn with 30 days' notice in a 5 year contract. We took a hit from that [and] the philanthropic funders are oversubscribed.*

The SkyCity Trust money is used to fund a food rescue initiative, *Community Abundance*. Go eco provide crates for a "crop-drop" program, whereby people can share excess seasonal produce they have grown. This produce is distributed to community centers as "free stores". They also partner with *The Serve* to provide hot meals to transients and the homeless.

Go Eco are complimentary regarding their experience dealing with SkyCity Hamilton Community Trust, noting:

> *The face-to-face meetings have been reaffirming.*

Nor does this CEO have an issue with receiving money from a Casino. They were adamant:

> *As an ethical discussion, I would say 'Show me where the CLEAN money is', and I'll take that. But there is no source of philanthropic funding in the country that [is].*

This CEO also noted that the money raised through the Casino and distributed through SkyCity Hamilton Community Trust *:*

> *Contributes to massive community infrastructure and service projects that are fundamental to keeping people connected and accessing food and resources that are not available anywhere else.*

27 https://goeco.org.nz/

4.4.5 GRANT CASE STUDY 3: TE WHARE KOROWAI TAANGATA O KIRIKIRIROA (HAMILTON CHRISTIAN NIGHT SHELTER)

Te Whare Korowai Taangata o Kirikiriroa
HAMILTON CHRISTIAN NIGHTSHELTER TRUST

Te Whare Korowai Taangata o Kirikiriroa (the Hamilton Christian Night Shelter) is dedicated to providing accommodation and support to homeless adults in Hamilton. Each year the Shelter provides over 20,000 bed-nights and supports more than 500 individuals.

SkyCity Hamilton Community Trust provides a three-year fund of $50,000 to the Shelter, which pays for a specific Mental Health and Recovery Support worker. This person assists with medications, IMIs[28], and taking clients to see mental health services.

The funding from SkyCity Hamilton Community Trust is considered vital. A representative from the Shelter noted that while the funding system has always been bad, the current policy environment is particularly challenging. They noted:

> *How unfathomable is it that the SkyCity Trust are the ones putting their hand up, when the government won't?*

This representative was also clear:

> *There have been times when receiving that funding [from SkyCity Hamilton Community Trust] has been the only saving grace. The only light at the end of the tunnel. It has played a pivotal part in helping [us] keep going.*

When asked about how they felt about receiving money raised from gambling the representative said:

> *At least they're giving something back for the harm they cause… And to be honest I'm not sure about SkyCity's contribution [to harm] because the people we see, SkyCity is not the place they are frequenting – it's online gambling. Which has exploded.*

28 An IMI is Intramuscular Injection, a clinical practice of injecting medication, such as long-acting anti-psychotics or sedatives, directly into a muscle

4.5 CASINO SPONSORSHIPS

4.5.1 OVERVIEW

The Casino spends an average of $92,000 per year (inflation adjusted) on sponsorship, ranging from $65,000 in 2022 to $104,000 in 2025. In addition there is another $84,000 per year spent with sponsored organisations on complimentaries, such as food and beverages in the function centre of the SkyCity Hamilton complex, hosting evenings, and mock gaming at the casino. These additional complimentaries are typically used for fundraising or awards evenings.

As with the grant recipients from the Trust, what follows are case studies of organisations that have received support from the Casino:

4.5.2 SPONSORSHIP CASE STUDY 1: WAIKATO CUP

The Waikato Cup is one of the premier race days on the New Zealand racing calendar, comprising three Group races. SkyCity Hamilton is the naming sponsor for the Cup. As well as providing cash sponsorship, SkyCity Hamilton also does the promotion of the Cup, ensuring it is marketed to a large (and high value) audience. This relationship has been running for ten years.

The CEO of Waikato Thoroughbred Racing was clear that SkyCity Hamilton:

> *Are very strong in their continued support for these events.*

He also noted how easy it was to do business with SkyCity Hamilton:

> *They are very easy to deal with.*

If this sponsorship was not available it would not be easy to replace. And the CEO reiterated that the value in the relationship went beyond the money spent, noting that it would be hard to find another sponsor who would bring "*the added benefits that having a partner like Sky City does.*

As far as accepting funding from an organization that makes its money from gambling, the CEO was amused at the question:

> *How do you think I feel? [Gambling is] what we do. It's our reason for being. So no, I don't have an issue with it*[29]*.*

The CEO also noted that any conversation about the value of the Casino needed to be considered holistically. He said:

> *They do an enormous amount for the community. They are involved in many different parts that make up the fabric that makes up Hamilton. To not have them in the community would be particularly hard to replace. They are a wonderful part of the community.*

29 A similar point was made by a couple of senior business stakeholders when asked about gambling harm related to the Casino. These stakeholders argued that the horse racing industry was essential to the Hamilton and Waikato economy, and that it was 'hypocrisy to be opposed to a casino but not horse racing. One stakeholder said "I just don't see how you can make a moral argument against casinos given how prevalent gambling is in all sorts of places [in New Zealand], so why pick on the Casino?". Another high profile member of the community said it made no sense to argue against casinos in an environment where Lotto was promoted as both fun and a way to support good works in the community.

4.5.3 SPONSORSHIP CASE STUDY 2: SKYCITY TIEKE CHARITY GOLF OPEN

SkyCity Hamilton is the naming rights sponsor of the Tieke Charity Golf Open. In 2025 all proceeds from the Open will be shared between Sanctuary Mountain Maungatautari and The Cancer Society. This event is one way that the Tieke Golf Club[30] gives back to the community. In this way the support of SkyCity is more about helping the Golf Club meet strategic goals than financial ones.

The CEO of Tieke Golf Club comes from the gaming sector, and he is comfortable taking money from the Casino. He mentioned that there is a significant difference between casinos and Class 4 gambling, and highlighted a personal feeling of distaste for 'pokies'.

He noted that the Casino has never asked the Estate to "send over customers" or leverage the relationship to solicit patrons in any way.

> *Not once have I ever been party to a conversation where SkyCity said 'we need more business on the gaming floor, how can we utilize your base to get more gaming, can we send out a note' […] there is never any gambling hard sell.*

30 Since opening in late 2021 Tieke has quickly earned marquee course status and a place in New Zealand's Top 20 Golf Courses: https://www.tiekegolf.co.nz/

4.6 WIDER IMPACTS ON HAMILTON ECONOMY

4.6.1 LOCAL RECREATION AND ENTERTAINMENT

As noted above, the majority (~77%) of visitors to the Hamilton Casino are from Hamilton City or the Waikato. Table 4.8 shows the Casino patronage and spend[31]. The Casino records an average 320,000 visits per year, which is a significant contribution to entertainment in a city with a population of ~190,000 (2025 est).

On average the carded players, who are the more regular visitors during the time period covered by this report, are estimated to provide about 57% of revenue while the uncarded, more typically casual, players provide about 43% of revenue.

Table 4.8: Casino recorded patronage and spend for FY22 to FY25

Year	Visits		Estimated spend per visitor		Proportion of visits		Proportion of revenue	
	Carded	Uncarded	Carded	Uncarded	Carded	Uncarded	Carded	Uncarded
FY22	125,485	110,191	$225	$171	53%	47%	60%	40%
FY23	171,003	168,840	$208	$168	50%	50%	56%	44%
FY24	177,936	174,492	$197	$161	50%	50%	56%	44%
FY25	193,337	162,506	$185	$161	54%	46%	58%	42%
Average	166,940	154,007	$204	$165	52%	48%	57%	43%

The SkyCIty Hamilton product mix includes on-site entertainment in the form of gambling, restaurant and bar with entertainment on some evenings. The combination is seen as a clear reason for visits to the Casino, with only 4 - 6% of patrons choosing to game elsewhere as an alternative entertainment if the Casino were not available. The patron survey results indicate that most (81% of the database respondents and 86% of the intercept respondents) were satisfied or very satisfied with the Casino facilities.

About a quarter of patrons visited the Casino solely for gambling – 24% for the database survey and 28% for the intercept. Only a small proportion (1% for the database and 3% for the intercept) are not involved in gaming at all. This suggests that the mix of activities at the Casino is an important part of SkyCity Hamilton's appeal to customers.

31 Unique visitors were not recorded for the period for which data are available. This will be rectified in future as all customers are now required to use an account (and unique identifier) when they play, allowing for recording of each visit.

Of the respondents who visited the Casino:

- 39% of the Hamilton residents surveyed would have stayed home had they not gone to the Casino (Table 4.9);
- 11% of the non-residents would have stayed in their accommodation if the Casino was not there, and;
- 2% of Hamilton residents and 34% of visitors would have undertaken spending elsewhere if the Casino were not there.

These results suggests that the Casino has qualities that around 40% of respondents could not find elsewhere in Hamilton, either for gaming or entertainment.

All the stakeholders consulted for this CIR consider the Casino to be very good at managing their patrons and ensuring good behaviour both within and around the Casino. They considered that the Casino worked well in the neighbourhood and was an important part of the entertainment mix in the city.

Table 4.9: Alternative activities for visitors to the Casino (intercept survey only).

Alternative activity without gaming (all responses)	**Impacts in Hamilton**		**Impacts in Waikato**	
Alternate activity	Residents	Visitors	Residents	Visitors
Different Gaming	4%	6%	4%	9%
SHL other activity	10%	6%	10%	9%
Other bar/restaurant	11%	13%	11%	14%
Movie/play/concert	8%	6%	8%	7%
Shopping	12%	13%	12%	14%
Other commercial	4%	4%	4%	4%
Non commercial	11%	8%	11%	9%
Stayed home/accommodation (resident)	39%	11%	40%	20%
Out of Town Spending	2%	34%	1%	14%

4.6.2 TOURISM AND THE CASINO

The intercept survey data (Table 5.2, see next section) indicates that 56% of patrons are from Hamilton City, 21% from elsewhere in the Waikato not in Hamilton, and 22% from elsewhere in New Zealand. Only 1% were from overseas[32].

The 113 respondents who did not live in Hamilton were asked whether they would have come to Hamilton or whether their stay in Hamilton would have been shorter in the absence of the Casino. 39% of the non-Hamilton respondents to the patron intercept survey said that they either would not have come, or would have come to Hamilton for a shorter time if the Casino was not there. The average decline in stay for visitors was 0.38 nights (average length of stay was 1.02 nights),and for visitors to the Waikato region the decline in stay was 0.61 nights (1.2 nights average stay). From a visitor point of view then it appears that the loss of the Casino would have a significant impact on the average length of stay.

It seems likely that the Casino is an important draw for some visitors to Hamilton, given that 60% of visitors from outside Hamilton would either not come to Hamilton or stay for a shorter period in the absence of the Casino. We consider that the net difference in time that they would stay with versus without the Casino represents the tourism impact associated with the Casino.

We estimate the impact of the Casino on tourism by multiplying the impact on visitor nights by the average spend per night. We estimate average spend per visitor of $328/night from the International Visitor Survey (2025)[33], which is also consistent with average spend reported by people attending events at Forsyth Barr stadium. While most visitor-patrons to the Casino are not international visitors, they are expected to have higher spending than the average domestic visitor[34] their accommodation stays more closely match those of international visitors than typical domestic visitors[35]. Using the total Casino patronage figures (Table 4.8) of 320,948, and assuming that 44 % of patrons, that visitor-patrons visit the Casino 1.5 times on average per visit to Hamilton, and that there is a reduction in stay of 0.38 nights per visitor-patron, we estimate a reduction of 36,000 fewer visitor nights per year to Hamilton. We used the average spend per visitor-night of $328 to give a total Hamilton Casino-dependent visitor spending of $11.7[36] million per year (GST incl).

It seems likely that the Casino is an important draw for some visitors to Hamilton, given that 60% of visitors from outside Hamilton would either not come to Hamilton or stay for a shorter period in the absence of the Casino.

32 Because the patron database survey was significantly different from the intercept survey in terms of the reported importance of the Casino, we have used only the intercept survey. We consider that the intercept survey was less likely to exhibit bias as a sample of the patrons who visited the Casino, and the intercept survey represents that actual visits during the period over which the survey was undertaken. Future work in this area will be greatly assisted by the now compulsory use of cards for play, which will allow better tracking of spend, origin etc.

33 International Visitor Survey, 2025. *International Visitor Survey (IVS)* | Ministry of Business, Innovation & Employment.

34 The domestic travel survey suggests $802 / overnight trip which is estimated to be $240 / person-night, a slightly lower cost than has been used here.

35 This number from the International Visitor Survey is also consistent with average spend reported by people attending events at Forsyth Barr stadium. While most visitor-patrons to the Casino are not international visitors, they stay in accommodation more closely aligned to international visitors (52 % in hotel, 20 % with friend or relative) than to domestic visitors (25 % in hotels and 45 % with friend or relative) , many of whom stay in private accommodation, and are expected to have higher spending than the average domestic visitor.

36 320,498 x 44 % visitor -patrons / 1.5 Casino visits per trip x 0.38 nights less x $328 / night =$11.7 million

We estimated the nature of the tourism expenditure using the breakdown of regional tourism expenditure in the 2012 Statistics NZ Domestic Travel Survey Tables and then analysed the flow on impacts of this using the input output tables for the Hamilton and Waikato regions developed for this study[37]. The results of the flow on impacts from lost tourism revenue without the Casino present are shown in Table 4.10 for Hamilton and for the Waikato in Table 4.11

Table 4.10: Estimating flow on impacts in Hamilton from $11.7m tourism spend lost in the without casino scenario

Sector	Tourism Value Generated Hamilton City		
	Employment (FTE)	Value added ($m)	Household income ($m)
Accom	36.7	$3.19	$2.01
Food & Bev	31.8	$1.88	$1.48
Retail	5.6	$0.55	$0.39
Retail COGs	0.0	$0.00	$0.00
Pax Travel	1.9	$0.24	$0.18
Entertainment (heritage & artistic)	1.4	$0.14	$0.11
Tourism Activities (sport & Rec)	5.3	$0.54	$0.44
Petrol	0.6	$0.06	$0.04
Petrol COGs	0.0	$0.00	$0.00
Other	12.4	$1.37	$0.98
TOTAL IMPACTS	95.8	$7.97	$5.61

Table 4.10 shows that the associated economic impacts in Hamilton are 95.8 FTE jobs and $7.97 m / year of Value Added including $5.61 million of earned gross household income.

37 These tables include the Casino as a separate sector.

Table 4.11: Estimating flow on impacts in the Waikato region from $10.1m tourism spend lost in the without casino scenario

Sector	Tourism Value Generated Hamilton City		
	Employment (FTE)	Value added ($m)	Household income ($m)
Accom	31.4	$2.78	$1.70
Food & Bev	27.3	$1.66	$1.26
Retail	4.6	$0.47	$0.34
Retail COGs	-	$0.00	$0.00
Pax Travel	1.6	$0.21	$0.15
Entertainment (heritage & artistic_	1.1	$0.12	$0.09
Tourism Activities (sport & Rec)	4.5	$0.45	$0.36
Petrol	0.5	$0.05	$0.03
Petrol COGs	-	$0.00	$0.00
Other	11.4	$1.18	$0.84
TOTAL IMPACTS	82.5	$6.92	$4.77

The visitors who came from outside Waikato said that they would have stayed an average of 0.61 nights fewer if there had been no Casino, implying 31,000 fewer visitor-nights per year and a total Waikato Casino-dependent visitor spend of $10.1m / year (GST incl). Table 4.13 shows that the associated economic impacts in the Waikato region are 82.5 FTE jobs and $6.92 m / year of Value Added including $4.77 million of earned gross household income.

4.6.3 NEIGHBOURING BUSINESSES

The SkyCity Hamilton Casino is on the third floor of the SkyCity Hamilton entertainment complex (ground floor entrance from Victoria St). It incorporates a number of businesses within the building operated by SHL and tenants (3 businesses) and is part of the central business precinct in Hamilton City.

The businesses around the Casino were surveyed for their views of the Casino (Table 4.12). There were 87 respondents, which were predominantly retail (41%) and hospitality (38%) and a variety of other businesses (Table 4.12). About half (59%) were standalone businesses, with the remainder being part of larger businesses in Hamilton (6%) and New Zealand (32%). 6% were part of an international company.

A few businesses (13%) indicated that the Casino was a factor in their choice of location (brings in customers), and 10% “strongly agree” or “agree” that closure of the Casino would have a *major* impact on their business, with most being “neutral” or “disagreeing” that closure would have a major impact. A greater proportion (64%) agreed that the closure of the Casino would have *some* impact on the economy in that location or in Hamilton more widely (52%).

About a third (32%) considered that if the Casino closed some other entertainment attractions would readily replace it. And a quarter (24%) of respondents considered that Hamilton would be better off without the Casino.

The survey indicates that for individual businesses, Hamilton Casino is not generally considered to have a major impact on their operation but that it is considered to be of some benefit to the neighbourhood and town in general.

There is a small number of respondents in the neighbourhood business survey who have negative views about the Casino. Responses to other questions suggest that these negative views are largely associated with a dislike of gambling and casinos rather than because of a negative effect on their business.

Table 4.12: Business types in neighbourhood business survey, Hamilton

Business Type	Number of responses	Proportion of responses
Retail	36	41%
Accommodation and food services	33	38%
Arts and recreation services	5	6%
Health care and social assistance	3	3%
Financial and insurance services	2	2%
Manufacturing	1	1%
Professional, scientific and technical services	1	1%
Rental, Hiring and Real Estate services	1	1%
Other services	5	6%
Total	87	100%

4.7 QUALITATIVE INSIGHTS INTO OTHER BUSINESS BENEFITS OF THE CASINO

In addition to material presented in the previous section, in the stakeholder interviews for this CIR the notion of SkyCity's business benefits for Hamilton and the Waikato region were mentioned often.

For instance, a representative from *Love the Centre* (Hamilton Central Business Association), noted that SkyCity Hamilton was a major drawcard for both locals and visitors, contributing to the vibrancy of the CBD. She said:

> *It is a draw card for entertainment… not just the Casino but obviously the hospitality aspect – Bowl and Social, etc.*

Similarly, the Chief Executive of Hamilton City Council was clear that SkyCity Hamilton is "much more than just a casino", and that the entertainment complex at SkyCity was "an asset" for the city (with *Bowl and Social* being singled out for particular praise).

Another senior business stakeholder pointed out:

> *Some of the best restaurants in town [are in SkyCity] at a time when hospitality in general is suffering.*

Stakeholders also noted that there was a limited presence of large businesses in Hamilton's CBD, meaning SkyCity's presence provided a vote of confidence in the CBD and the future of the city. One stakeholder said:

> *We don't have a lot of large businesses as such based in town… so to have Sky City is good for us.*

The CEO of Hamilton City Council talked about how SkyCity was "mindful of the needs of the city". For instance, SkyCity is a partner in the regeneration / reinvigoration of the CBD which is also one of HCC's strategic goals[38]. This involves attracting more tourism to the CBD, driving the needs for accommodation. And also attracting residents, with the goal of more inner city residents

Other business stakeholders noted that the SkyCity Hamilton complex was a tourism asset that provides wider economic and social benefits to the community. In particular, the venue spaces available in SkyCity Hamilton means the community can host events it might otherwise struggle to place – such as the Volunteering Waikato Awards. A representative from WaikatoNZ (the local RTO) said:

> *We see them, you know, as a really powerful visitor proposition for the city with those other activities.*

The Chief Executive of Hamilton City Council was clear that SkyCity Hamilton is "much more than just a casino", and that the entertainment complex at SkyCity was "an asset" for the city.

38 https://hamilton.govt.nz/strategies-plans-and-projects/projects/central-city/central-city-development

SkyCity Hamilton also aligns with WaikatoNZ's plans to position Hamilton as the hub for exploring the Waikato. For this strategy to work Hamilton needs appropriate hospitality spaces, which SkyCity provides. This means SkyCity "*has been a big part of the Hamilton hub messaging*".

These business stakeholders also emphasised that SkyCity Hamilton is a good corporate citizen that plays a significant role in the business ecosystem. One of these stakeholders captured this best when he said:

> *I feel like they do really actively contribute to our city.*

A representative from the local Chamber of Commerce noted how often other organisations used SkyCity's facilities for events, and particularly when large venues were required. But he also noted how the GM of SkyCity Hamilton is "a high-profile member of the local business community", and one who has done a particularly good job of advocating for women in senior management roles around the city[39].

The Chamber of Commerce representative noted that SkyCity is clearly an asset for Hamilton, and that SkyCity's presence has done a great deal to promote business in the city,

As noted above, business stakeholders also cited the contribution of the SkyCity Hamilton Community Trust to Hamilton and the Waikato region. More than one of these stakeholders talked about the Trust as a source of funding "in an environment where it can be hard to raise money". Another talked about how the Trust is a valued funder in the Waikato community.

> *SkyCity Trust is a well-known funder in the region. A number of organisations rely on the fund from the SkyCity Community Trust for achieving the outcomes that they do*

One of the benefits flowing from the Trust that might have been overlooked is their commitment to building capability in the community. For instance, one trustee noted

> *Rather than just supporting people like food banks, we're also supporting programs [that] actually teach people how to cook or how to be resourceful. So other types of life skills which actually help them be more resilient*

As should be obvious from the above, these business stakeholders believe that the benefits of the SkyCity Hamilton complex outweigh any costs.

39 Others also mentioned the contribution of the GM to the city. Another stakeholder said of the GM "She is very approachable… she comes to our AGM every year and I think really – who wants to go to an AGM?" Others also noted the GM's presence at grassroots gatherings, with one saying "I do think [the GM] has good relationships across the board."

Section 5:

Beneficial Social Impacts

5.1 ENTERTAINMENT BENEFITS

The most obvious social benefit of SkyCity Hamilton is that it provides a significant entertainment option for residents in Hamilton and the wider Waikato region, as well as for visitors to Hamilton.

In the latest *Quality of Life Survey,* Hamilton residents rated their overall quality of life in line with the national average (77% positive), with this increasing to 79% for the Waikato region including Hamilton (79% positive)[40]. While Hamilton trailed the national average in ratings for being 'a great place to live' (69% agreed or strongly agreed, vs a national average score of 73%), the Waikato region exceeded the national average (76% agreed or strongly agreed).

Hamilton City Council's own *Hamilton Kirikiriroa Pulse Survey*[41] puts satisfaction with the City even higher, with the latest survey showing that 83% of residents rate their overall quality of life as good (41%) or very good (32%) or extremely good (10%). 41% are proud of the way the City looks and feels, and open-ended responses reveal that the City's facilities are a driver of their positive views.

In the community survey conducted for this CIR, 52% of respondents agreed that SkyCity Hamilton is an important part of the City's entertainment offering, and 64% agreed that SkyCity Hamilton offers a fun night out with family and friends. 69% of residents said they had been to SkyCity Hamilton - with these split roughly two thirds saying they gambled while there and a third who said they did other things while there (see Table 5.1).

Table 5.1: Community engagement with SkyCity Hamilton Casino

I have been to the Casino and have gambled	42%
I have been to the Casino but didn't do any gambling	27%
I have never been to the Casino at SkyCity Hamilton	31%
Total n	400

In the survey of patrons conducted on site at the Casino for this CIR, 44% of respondents said they were visiting from outside Hamilton and 23% from outside Hamilton and the Waikato region (see Table 5.2). Of those visiting from outside Hamilton, 19% said visiting SkyCity Hamilton Casino was the primary reason for their visit to the city and region.

In the community survey conducted for this CIR, 52% of respondents agreed that SkyCity Hamilton is an important part of the City's entertainment offering, and 64% agreed that SkyCity Hamilton offers a fun night out with family and friends.

40 The Quality of Life Project is a partnership started in 2001 by a number of New Zealand local government councils to understand people's perceptions of the quality of life in large urban areas. The latest report is Ipsos (2025). *Quality of Life Survey 2024: topline report. A report prepared on behalf of Auckland Council, Wellington City Council, Christchurch City Council, and Dunedin City Council*, 24 January 2025

41 https://hamilton.govt.nz/your-city/data-and-statistics/understanding-our-community/hamilton-kirikiriroa-pulse-survey

Table 5.2: Where patrons reside

Hamilton	56%
Elsewhere in Waikato	21%
Elsewhere in New Zealand	22%
Overseas	1%
Total intercept survey n	256

This patron's survey shows a high level of satisfaction with the SkyCity Hamilton Casino, with 86% saying they were satisfied or very satisfied with the Casino on their last visit.

Table 5.3: Patrons' satisfaction with the Casino

Very satisfied	46%
Satisfied	40%
Neutral	9%
Dissatisfied	3%
Very dissatisfied	2%
Total intercept survey n	256

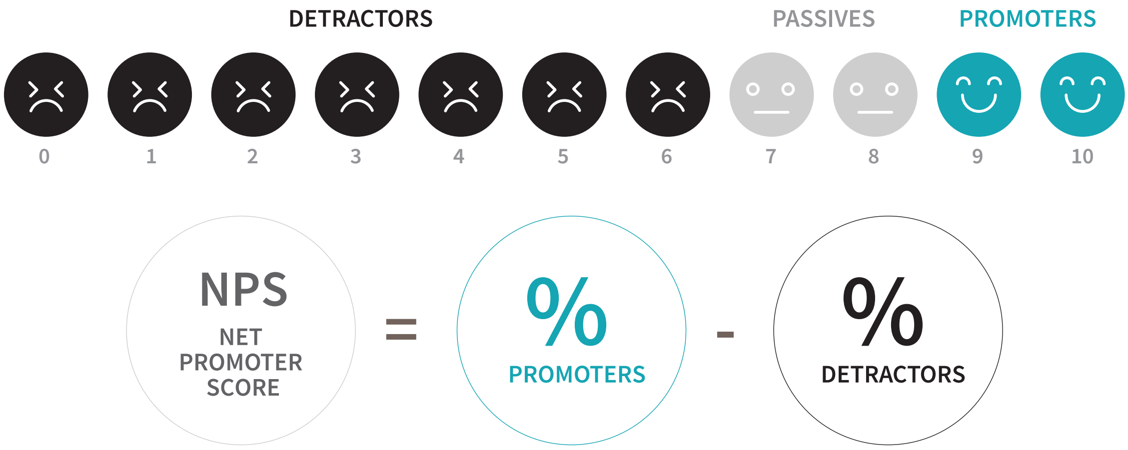
To measure how well their experience matched their expectations, all of the Casino patrons surveyed were asked:

> Based on your last visit, how likely are you to recommend the Casino at SkyCity Hamilton to your family, friends or colleagues?

This question is a variation of the Net Promotor Score[42] developed by the Harvard Business School and is an internationally recognized method for summing up customer experience. In this method, the ratio of promoters to detractors is calculated using an eleven-point scale (0-10). Those who rate the provider as a 9 or 10 are considered "promoters"; while those who rate the provider between 0 and 6 are considered "detractors".[43] By subtracting the percentage of detractors from the percentage of promoters a "net" promoter score can be calculated (Figure 5.1).

42 Net Promotor Score™ Satmetrix
43 Scores of 7 or 8 are considered neutral

Figure 5.1: The logic of the NPS 'Net' scoring system



The net promoter approach results in scores that run from -100 to +100 and scores in the middle of this distribution (i.e., around zero) are typical. The overall score given by SkyCity Hamilton patrons surveyed was +5%.[44]

This result arises because while 36.4% of all patrons scored SkyCity Hamilton as a 9 or 10 out of 10, 31.7% scored it between 0 and 6 out of 10. Subtracting the first from the second gives a net score of 4.69%, which rounds to 5%[45].

Over a quarter of the patrons surveyed (28%) rated their likelihood to recommend as a 10, the highest possible rating. Only a small number of respondents had a particularly negative experience at SkyCity Hamilton – with 7% rating their likelihood to recommend at zero.

These entertainment benefits were also front and centre in the stakeholder interviews completed for this CIR. A local businessman, philanthropist, and Trust Waikato Trustee noted that SkyCity Hamilton had "become an important part of the community" as an entertainment venue, a tourist attraction, and a place to hold events.

Similarly, a representative from Waikato NZ talked about how SkyCity Hamilton was an important partner in marketing the city and region. This representative was clear that the entertainment offering at SkyCity Hamilton was much broader than the Casino options, noting the appeal of Bowl and Social and the range of hospitality offerings in SkyCity Hamilton. Talking about the entertainment benefits she said

> " *not so much from the gambling casino side, but from the eateries that they have in their venue…and those family activities along with the business event and the conventions centre side.*

44 This is the combined score from both patron surveys. The intercept patrons (n=256) had an NPS score of -7 while the database survey of patrons (n=426) gave a score of +12

45 Note in the net promoter score design the 32.0% of patrons who rated SkyCity Hamilton a 7 or 8 out of 10 are not counted toward the final score

5.2 THE JOY OF GAMBLING

While assessing the impact of SkyCity Hamilton it is important not to understate the benefits that accrue from the pleasure that some people experience while gambling. This is perhaps best captured by Patrick Basham and John Luik (2011) who, writing in *Economic Affairs*, note:

> [G]ambling may be considered a recreational outlet, similar to entertainment and leisure products and services. Those who participate in gambling activities do so voluntarily and, in return, receive intrinsic benefits from their consumption. [C]onsumers gambling for entertainment purposes are purchasing gambling just as they would purchase tickets for the cinema or a symphony.

And:

> In fact, gambling is a terrific form of entertainment. Within this charged environment, individuals become part of a world away from the burden and drudgery of their daily routine. Adults find themselves at play, interacting and socialising in a safe environment amongst their peers … perfectly rational people play because they get their kicks at a price they find reasonable.[46]

There is no doubt that gambling can be harmless entertainment that people enjoy. The 2018 Health and Lifestyles Survey shows that 67.2 percent of New Zealanders had participated in some form of legal gambling in the previous 12 months.[47] Contrary to how it may appear from a non-gambler's perspective, gamblers do not necessarily anticipate they will make money from gambling. Parke (2015) states:

> Players mostly realise that they are paying for a leisure experience. They are not expecting to be paid, except for a small minority, who are going to earn an income as a professional gambler.[48]

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46 All Basham P, Luik J. *The Social Benefits of Gambling*. Economic Affairs. 2011;31(1):9-13.
47 Cited in True, J. and Cheer, M. (2023) *Gaming Machine Gambling Statistics and Research Paper:*
48 Parke, J. (2015). *Gambling, leisure and pleasure: Exploring psychosocial need satisfaction in gambling.* Presentation at the KPMG eGaming summit. https://assets.kpmg/content/dam/kpmg/pdf/2016/07/im- esummit-report-2015.pdf.

Section 6:

Adverse Social Impacts

6.1 CASINOS AND HARM

The most common adverse effects associated with casino operations are gambling harm and crime. These are then related to a lowered quality of life for residents[49]. In the case of SkyCity Hamilton the previous section notes there is no evidence that residents in Hamilton or the Waikato have a distinctly lowered quality of life compared to residents in other urban areas of New Zealand. This makes sense because, in terms of gambling harm and crime, this CIR finds little of either impact that can be directly attributed to the operation of the SkyCity Hamilton Casino.

49 Gambling Research Exchange Ontario (ND) *Perceived Negative Social Impacts and Benefits from Casino Development,* Research Snapshot, Gambling Research Exchange Ontario https://www.greo.ca/en/index.aspx

6.2 GAMBLING HARM

6.2.1 QUANTITATIVE ASSESSMENT OF GAMBLING HARM

It is hard to sustain an argument that the SkyCity Hamilton Casino is creating a significant additional problem gambling issue in Hamilton.

There is no doubt that gambling-related harm is a real and continuing issue in New Zealand. Gambling harm creates serious health, social, and economic problems for the gambler and for their family and whanau. In 1999 the Australian Productivity Commission estimated that seven people are adversely affected to varying degrees by a severe problem gambler's behaviour[50]. According to figures from the latest New Zealand Gambling Survey (NZGS) this 'second hand' gambling harm affected 380,000 adult New Zealanders in the year to 2025[51].

As noted in the previous section, gambling is a common activity for between 70 and 80 percent of New Zealanders. For most of these there is little risk of harm. Jarrod True and Martin Cheer (2025) argue that New Zealand has a very low problem gambling rate by international standards[52].

True and Cheer (2025) also show that Hamilton City's share of presentations to problem gambling services aligns with the City's share of the national population. The latest data show that Hamilton City's share of the national population is 3.7% with the City accounting for 3.8% of *new* presentations to problem gambling services in the year July 2022 to June 2023, and 4.4% of *all* presentations to problem gambling services in that period. Given these figures it is hard to sustain an argument that the SkyCity Hamilton Casino is creating a significant additional problem gambling issue in Hamilton[53].

At the same time it is likely that the SkyCity Hamilton Caino is only making a small contribution to that problem gambling issue in Hamilton. The quantum of harm associated with the Casino might be in the order of tens of presentations to problem gambling counselling services in any given year. This is because, according to Ministry of Health data, nationally the casino sector accounts for approximately 20% of all presentations to problem gambling services. In the year 2022/2023 there were a total of 4,411 presentations to these services, with 196 in total in Hamilton City. If the 20% figure for casinos is correct, this means around 40 people being assisted in Hamilton across that year are directly attributable to the operations of SkyCity Hamilton.

50 Productivity Commission (1999) *Australia's Gambling Industries, Summary,* Report No. 10, AusInfo, Canberra

51 https://www.health.govt.nz/statistics-research/surveys/new-zealand-gambling-survey

52 True, J. and Cheer, M. (2025) *Gaming Machine Gambling Statistics and Research Paper: Information for Territorial Authorities,* True Legal, Hamilton, Updated July 2025.

53 The representatives from the Problem Gambling Foundation consulted for this impact assessment were clear that there is plenty of gambling related harm in Hamilton and across the Waikato region. There is a waiting list of 3-4 weeks to get help, and the demographics of those seeking help "affects all kinds of people … from the homeless to CEOs". The PGF are particularly worried about Class 4 EGMs and increasingly about online gambling. This form of gambling might affect young people disproportionately because of its accessibility. A representative from the PGF said "it's easy, it's always on their phones, they can access it anywhere. Once upon a time you had to wait until after work but now you can do it on your lunch break".

This analysis is not to diminish the harm that gambling does, nor to suggest that 40 people seeking help is inconsequential, but merely to put the contribution of SkyCity Hamilton into perspective in the Hamilton context. This might be best captured by one of the Problem Gambling Foundation representatives consulted for this assessment who said:

> *The harm is substantial but from a host responsibility, safer betting, gambling point of view, we are very very happy with [SkyCity] Hamilton[54].*

The research is clear that problem gambling is most commonly associated with electronic gaming machines (EGMs). The Department of Internal Affairs notes that approximately two in five regular gamblers on gaming machines experience problems with gambling[55].

SkyCity Hamilton has over 330 EGM. But the quantum of gambling harm that can be attributed to the Casino's EGMs is uncertain because the casino environment has stricter qualifying criteria and a much more intensive host responsibility policy than other non-casino gambling venues and a much more intensive host responsibility policy.

In terms of qualifying criteria, to enter SkyCity Hamilton Casino you must be 20 years old or older, and proof of age can be requested. SkyCity Hamilton is clear that it provides a "world-class environment" and requires "a neat and tidy standard of dress at all times". The Casino takes these obligations very seriously denying entry to nearly 800 people in FY24 and 400 people in FY25 for not meeting that dress code (Table 6.1).

Table 6.1: Denial of entry SkyCity Hamilton Casino

Reason	FY24	FY25
Underage / No ID	4065	2057
Intoxicated	5178	3451
Dress code	798	401
Total	10041	5909

54 This person then added "Some people think it is safer to bet at the casino than class 4 – you've got your facial recognition, you've got your 200kg bouncers on the till. […] There is still significant harm coming out of the casino, but in terms of what they can realistically do to prevent it – to catch that harm – I think they do a good job".

55 'About problem gambling'. Department of Internal Affairs, https://www.dia.govt.nz

Once inside the Casino, SkyCity Hamilton takes host responsibility very seriously. This is outlined in its Host Responsibility Programme[56], which it describes as representing a "New Zealand, and international, standard in harm prevention and minimisation for New Zealand and internationally". The Programme contains what it describes as *a wide range of initiatives designed to ensure our guests enjoy a safe and responsible gaming environment*. These include:

- Training for all staff in the responsible service of alcohol; for example: (i) Intoxicated patrons will be excluded from entering the premises, and (ii) Alcohol consumption will be monitored and controlled;
- Training for all staff in problem gambling awareness and the responsible provision of gambling, including taking all practicable steps to ensure that anyone under 20 years of age is not allowed in the gaming areas;
- Providing information about problem gambling and support for customers including helpline numbers;
- Self-identified exclusion for those wishing to control their gambling.
- Working closely with customers with gambling problems and their family members/whanau, and with problem gambling providers, to provide (i) Information about problem gambling and support for customers - including helpline numbers (ii) Potential exclusion from the Casino, and (iiI)Taking all practicable steps to ensure children are not left unattended;
- Promoting acceptable behaviour, so that any person who is intoxicated, abusive or threatening to staff or customers, causing conflict, or who is otherwise unpleasant, may be escorted from the premises;
- Setting limits on the time customers are able to be onsite within the casino (not necessarily gaming) and the time customers are able to play without taking a break, and;
- Having SkyCity staff regularly check in and interact with our customers to ensure they are gaming responsibly, playing within their means and taking breaks.

SkyCity also has brochures available on their *Precommitment* protocols, *Responsible Gaming,* and *Taking a break from the game* in both English and Chinese. The corporate self-exclusion brochure is available in Arabic, Chinese, French, Hindi, Khmer, Korean, Māori, Samoan, Thai, Tongan, and Vietnamese.

56 https://skycityhamilton.co.nz/about-us/host-responsibility/

Figure 6.1: Host responsibility publications

Your guide to setting playing limits on Gaming Machines

How to set your limits

1. Insert your Premier Rewards card into any Gaming Machine.
2. Touch the 'Set Limits' icon on the screen.
3. Tap in your 4-digit PIN NUMBER and select ENTER.
4. The 'SET LIMITS' window will appear.
5. Set your playing limit by DAY, WEEK and/or MONTH by touching the applicable icon(s).
6. Set your playing limit by TIME and/or SPEND by touching the 'TIME LIMIT - HOURS' and/or 'SPEND LIMIT - DOLLARS' icon(s).
7. Enter a dollar value and/or length of time as applicable.
8. Touch 'Yes' to confirm these limits.
9. A confirmation screen will appear and the 'SET LIMITS' icon will change to 'CHECK LIMITS'.
10. Your limits have been successfully set.

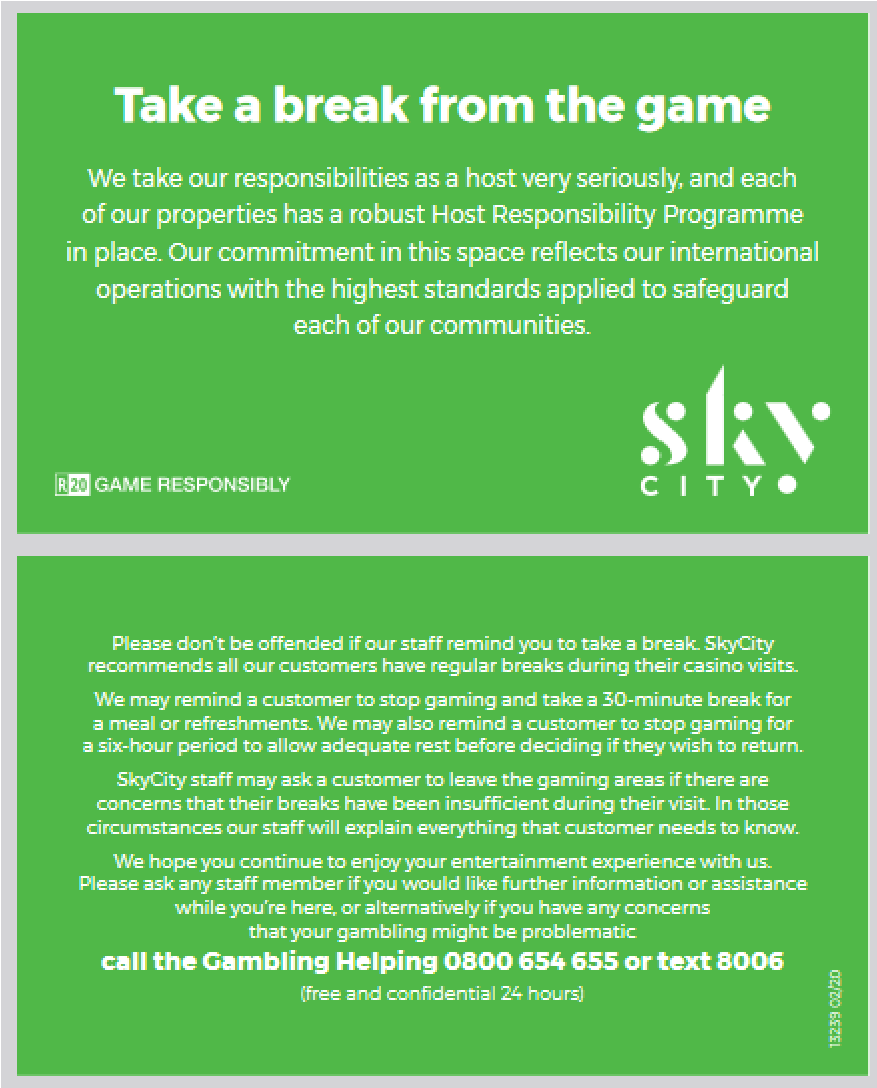
Warnings

A message will appear on the screen when you are approaching your set limits.

A message will appear on the screen when you have reached your limits.

Your 'CHECK LIMITS' icon will change to 'LIMIT REACHED' when you have reached your set limits.

Figure 6.1: Host responsibility publications (cont.)



Take a break from the game

We take our responsibilities as a host very seriously, and each of our properties has a robust Host Responsibility Programme in place. Our commitment in this space reflects our international operations with the highest standards applied to safeguard each of our communities.

R20 GAME RESPONSIBLY

sky CITY

Please don't be offended if our staff remind you to take a break. SkyCity recommends all our customers have regular breaks during their casino visits.

We may remind a customer to stop gaming and take a 30-minute break for a meal or refreshments. We may also remind a customer to stop gaming for a six-hour period to allow adequate rest before deciding if they wish to return.

SkyCity staff may ask a customer to leave the gaming areas if there are concerns that their breaks have been insufficient during their visit. In those circumstances our staff will explain everything that customer needs to know.

We hope you continue to enjoy your entertainment experience with us. Please ask any staff member if you would like further information or assistance while you're here, or alternatively if you have any concerns that your gambling might be problematic

call the Gambling Helping 0800 654 655 or text 8006

(free and confidential 24 hours)

13239 02/20

Figure 6.1: Host responsibility publications (cont.)

RESPONSIBLE GAMING

Casino gaming is a fun entertainment activity that is responsibly enjoyed by most people. However, for some people gaming can cause harm.

The key to responsible gaming is to stay in control and remember it's just entertainment.

Responsible Gaming Tips

Treat gaming as entertainment. The odds of any gaming product mean that over a period of time, the casino - not the player - comes out ahead.

Set a budget and stick to it. Do not borrow money or use money intended for everyday expenses.

Set a time limit and stick to it.

Accept losses as the cost of entertainment - don't 'chase' them. All gaming products are based on odds and the outcome of the game can't be controlled.

Balance gaming with other entertainment activities.

Gaming Machines

Gaming Machines are designed to provide entertainment, not make players money. You might sometimes have a win, but over time the odds will favour the casino.

What has happened in previous games makes no difference to the game you are playing.

It doesn't matter if:

- You play a machine straight after someone has had a big win
- You play a machine that hasn't had a big payout for a long time
- You play at certain times of the day or night
- You play on certain days of the week
- You press the buttons a certain way.

The machine decides whether you win or lose. The player has no control over it.

R20 GAME RESPONSIBLY

sky CITY

A FOCUS ON SELF-IDENTIFIED EXCLUSION

Self-identified exclusion involves customers meeting with SkyCity to impose a self-exclusion for a period of 3, 6, 9, 12 or 24 months. At this meeting with SkyCity customers are encouraged to nominate a support person (such as a family member) and select a counselling service. They are then photographed and issued an exclusion order which prohibits them from the gaming areas of all SkyCity operated premises in New Zealand.

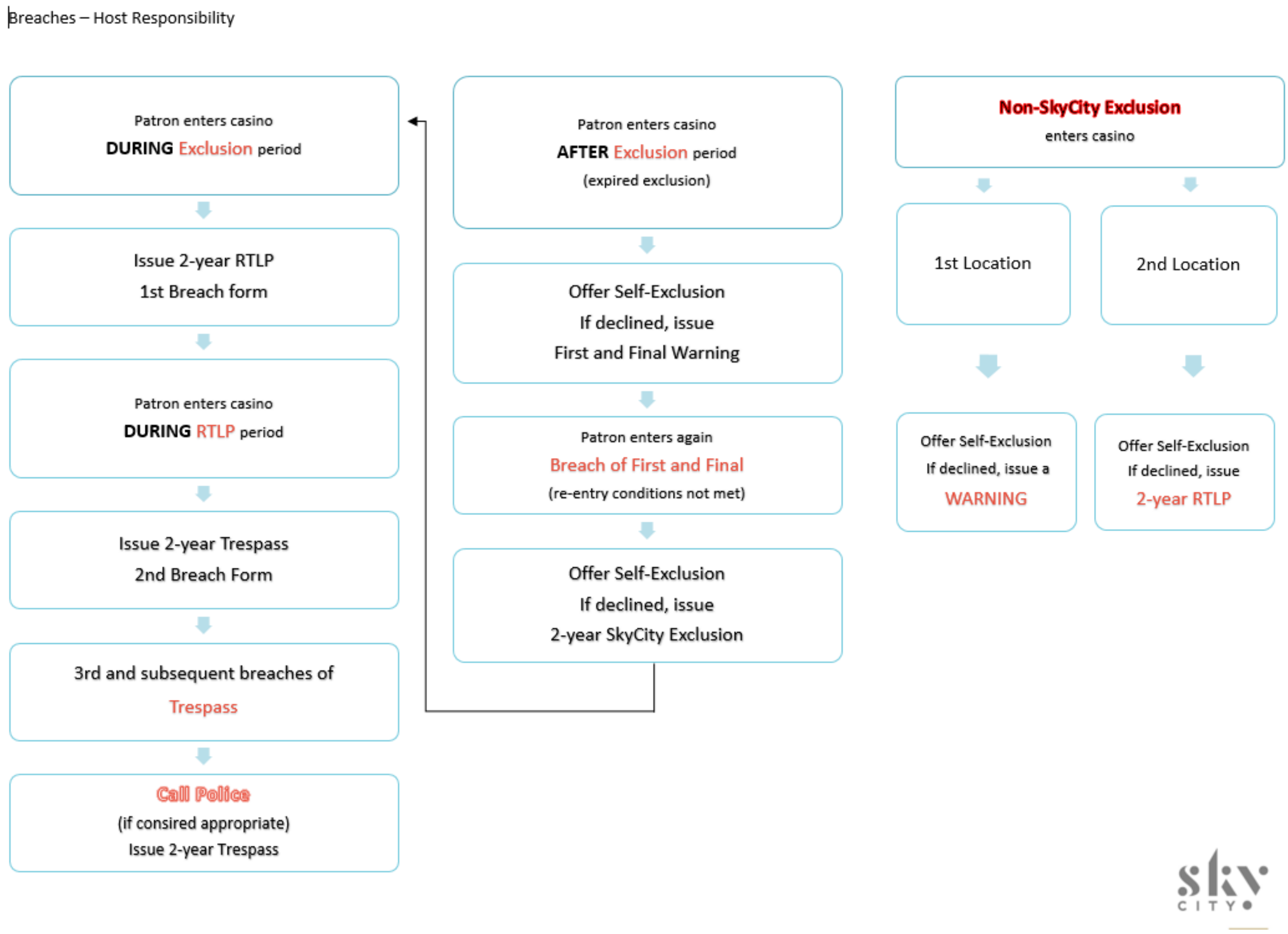
Once the self-exclusion period ends, re-entry criteria are strict and re-entry is at SkyCity's discretion. This means SkyCity being sure that gambling behaviour is under control before re-entry is granted. Those not meeting the re-entry conditions are not be able to apply to enter the SkyCity gaming areas, even if their self-exclusion period is ended.

Although this process is voluntary, once the exclusion order is issued it cannot be cancelled. It will remain in force for the period the customer has nominated and until they have met the re-entry conditions.

A FOCUS ON GAMBLING LIMITATION

SkyCity also has a voluntary pre-commitment system in place. This enables customers to set limits on how much they spend or how long they play. This system also signals customers that they are "approaching limits". Once a limit is reached, SkyCity Host Responsibility Executives are alerted.

Figure 6.2: SkyCity Hamilton's exclusion process map



SkyCity runs facial recognition software on its CCTV cameras to monitor for HRP breaches. There are 180 cameras in the Hamilton Casino.

While facial recognition cameras are only active in and immediately around the gaming floor and at ATMs, surveillance cameras monitor and record activity both on and in the surrounding areas of the premises. SkyCity is able to retain surveillance and facial recognition footage to supply to SkyCity's regulators and/or government agencies where required and/or permitted by law[57].

SkyCity also monitors repeat withdrawals and multiple declined transactions at certain ATMs located at its premises for indicators of problem gambling which, when triggered, will be linked to facial recognition images taken at those ATMs. No patron card or bank account details are captured as part of this process and any facial recognition images which are not matched to potential problem gambling behaviours are deleted after 48 hours of the relevant activity.

FACIAL RECOGNITION AT SKYCITY CASINOS

The facial recognition system at SkyCity's casinos, which was designed by the New Zealand company Torutek, provides the ability to recognize faces even if individuals try to disguise themselves with such devices as sunglasses and hats. The technology works via cameras which record visitors' faces when they enter the casino. A special algorithm compares those faces to faces in a database. The system was rolled out late in 2019. In the prior CIR completed for SkyCity Queenstown Casino, their Host Responsibility Stakeholders' Meeting Minutes from July 2022 noted that facial recognition was working well to identify banned patrons. An increase in exclusions after the introduction of the software reflects a high success rate of identifying breaches of self-exclusion.

The Casino's *Host Responsibility Policy* Is highly regarded by stakeholders. For instance, the Department of Internal Affairs used to conduct a mystery shopper campaign that sends undercover gamblers to test whether patrons showing signs of potential gambling addiction were adequately dealt with by venue staff. During the fieldwork period for this CIR SkyCity was running its own regular mystery shopping exercises to ensure ongoing compliance with the HRP.

Sky City Hamilton holds quarterly stakeholder meetings to engage with different members of the community. This forum is used to update the community on procedures, problem gambling instances, and measures taken to address them.

57 Where not required for compliance with any applicable legislation or regulation, footage captured by the surveillance and facial recognition cameras will be deleted within a reasonable timeframe after collection.

Note that since the completion of the fieldwork for this CIR, carded play has become mandatory in SkyCity Hamilton. This means that to play in the Casino customers will need a SHOW card, that verifies their identity and provides an extra level of safeguards for their play. Sign-up for the card requires a legal form of photo ID. The card allows SkyCity to monitor gameplay patterns and encourage safer gaming behaviours, with key features including prompted and mandatory breaks, and daily and weekly limits applied to all forms of game play. SkyCity's Chief Operating Officer, Callum Mallett, noted that:

> *Carded play gives us the tools to better support our customers. We can make earlier interventions where needed and ensure gaming remains a safe and enjoyable experience*[58]

6.2.2 QUALITATIVE INSIGHTS INTO GAMBLING HARM

None of the stakeholders consulted for this CIR had specific concerns about gambling harm directly attributable to the operation of SkyCity Hamilton.

A representative from the Problem Gambling Foundation (PGF) was clear that SkyCity Hamilton's contribution to gambling harm in Hamilton was much lower than other Class 4 venues in the City. They said:

> *[Casinos] are not our big concern. The TAB, Class 4 gambling and unregulated online are our biggest harm producers [of gambling harm] at the moment.*

This representative put this difference down to SkyCity Hamilton's Host Responsibility Policy and its commitment to harm minimisation. This person noted:

> *In the casinos they have security – it is a tighter, more regulated situation. Casinos are more closely monitored*[59]*.*

And went as far to say:

> *Quite frankly, I'd like to see the all the class 4 machines inside the casinos, where they have the money and the resources to monitor it.*

This representative noted that SkyCity Hamilton responded to feedback from the PGF and that they had a good relationship with the casino. A second representative from PGF echoed this feedback noting:

> *We have meetings with SkyCity on a regular basis.*

"Quite frankly, I'd like to see the all the class 4 machines inside the casinos, where they have the money and the resources to monitor it."

58 https://asgam.com/2025/07/23/skycity-launches-mandatory-carded-play-across-its-three-new-zealand-casinos/

59 Similarly, this stakeholder thought that gambling harm related to online gaming would be reduced if casinos operated that mode. They said "I said to [SkyCity's Host Responsibility Manager], when's the Casino going to take over the regulation of online gambling? Because at least if SkyCity owns it, it could be regulated."

A number of the stakeholders consulted identified SkyCity Hamilton's Host Responsibility Manager for his commitment to minimising gambling harm. One of the PGF representatives noted:

> *[He] is very, very good to work with. We work very effectively with him on the exclusions, he's very good at spotting harm that is happening within the Casino and addressing it … I think he genuinely runs a good ship around host responsibility and gambling.*

The prevailing attitude among the other stakeholders consulted for this project is that SkyCity is a responsible operator who takes their obligations seriously. This was captured by one business leader who said:

> *They run a very tight ship … they are a good operator with good processes [and] there is lots of oversight already.*

Rather than identify specific concerns with the operation of the Casino in particular, the only real criticisms (a small number of) the stakeholders consulted for this CIR expressed were either with casinos in general or the gaming industry as a whole.

For instance, the representatives from the Problem Gambling Foundation noted that SkyCity Hamilton encouraged people into the Casino through discount meal deals and free parking, and that this might link to future gambling-related harm (see below).

"They run a very tight ship … they are a good operator with good processes [and] there is lots of oversight already."

6.3 GAMBLING HARM AND AT-RISK POPULATIONS

6.3.1 WHY AT-RISK POPULATIONS MATTER

The previous section has addressed the question of gambling harm in general. Nationwide research shows that some population groups are more at risk of gambling harm than others, particularly Māori, Pacific peoples, some Asian communities, young people, and people on lower incomes[60].

The PGF representatives consulted for this review expressed this concern, noting that "gambling harms is an equity issue" and that this harm "disproportionately impacts Māori, Pacific Peoples, [and] Asian Peoples". The PGF representatives also referred the CIR team to Ministry of Health's *Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28* which also noted young people, disabled people, older people, and women were more likely to report gambling harm than other groups.

Nationwide research shows that some population groups are more at risk of gambling harm than others, particularly Māori, Pacific peoples, some Asian communities, young people, and people on lower incomes

6.3.2 IMPACTS ON MĀORI RESIDENTS

As noted above, Māori are more likely to experience gambling harm than other population groups. One longitudinal study by the Ministry of Health found that Māori and Pacific adults are five to eight times more likely to become problem gamblers than other New Zealanders[61]. The latest *New Zealand Gambling Survey* shows that Māori are 2.24 times more likely to be moderate-risk or high-risk gamblers than non-Māori[62]. In 2023, 25.4% in the Hamilton City region identified as Māori, compared to 17.8% of the national population. 6.8% identified as Pacific peoples compared to 8.9% of the national population.

Table 6.2: Percentage of population that identify with each ethnic group (Level 1), Hamilton City and New Zealand, Māori and Pacific Peoples highlighted (2023 Census, Stats NZ)

	2023 (Hamilton City)	2023 (New Zealand)
European	58.5%	67.8%
Māori	25.4%	17.8%
Asian	22.8%	17.3%
Pacific Peoples	6.8%	8.9%

The representation of Māori and Pacific peoples in the patron survey completed for this social impact assessment (Table 6.3) is in line with their representation in the Hamilton City region.

60 Ministry of Health. 2025. Strategy to Prevent and Minimise Gambling Harm 2025/26 to 2027/28. Wellington: Ministry of Health.

61 Cited in Te Ao - Māori News *Gambling harm to Māori and Pasifika part of Health Ministry review* Sunday 5 September 2021

62 New Zealand Gambling Survey (NZGS) 2023/24. https://www.health.govt.nz/statistics-research/surveys/new-zealand-gambling-survey

Table 6.3: Casino patrons by ethnicity

Location	
Pakeha European	56.6%
Māori	24.0%
Asian	8.8%
Pacific peoples	7.0%
Middle Eastern/Latin American/African	0.4%
Other (please specify)	6.2%
Prefer not to say	5.3%
Total n	682

Casino staff report levels of at-risk gambling activity by Māori and Pacific peoples at a lower level than is represented in the patronage profile.

Table 6.4: Casino exclusions by ethnicity (N) – FY24

Chinese	9
Caucasian	25
Korean	4
Filipino	2
Other Asian	6
Māori	13
Pasifika	4
Indian	25
Other / Not disclosed	7

Given these exclusion numbers it is hard to substantiate an argument that the operations of SkyCity Hamilton are contributing to gambling harm amongst Māori in Hamilton.

The stakeholders consulted for this CIR were of a similar mind. One representative from Te Kōhao Health[63] explicitly noted that SkyCity Hamilton was not a major source of harm for Te Kōhao Health's problem gambling services. In fact this representative complimented SkyCity Hamilton for their proactive harm minimisation and collaborative approach. This representative singled out SkyCity Hamilton's Host Responsibility Manager, noting:

> *I think we got really, really lucky having [him] at the Casino because he actually drives all of that… he makes sure every single person... including right down to the cleaning staff... must attend the gambling host responsibilities training.*

As noted when discussing gambling harm in general, the Māori health providers are most worried about online gambling and Class 4 EGMs. This is important in the context of Hamilton because, talking about EGMs in the city, the representative from Te Kōhao Health said:

> *They're everywhere. They're in pubs, clubs, rugby clubs, sports clubs, bowls clubs*

and added:

> *That type of thing sort of normalizes it... uncle was playing there, auntie was playing... baby comes and I'll let her push the button.*

"I think we got really, really lucky having [him] at the Casino because he actually drives all of that… he makes sure every single person... including right down to the cleaning staff... must attend the gambling host responsibilities training."

63 Te Kōhao Health is a Marae based provider of health, social, employment, Whānau ora, education and justice services to a predominantly Māori (80%) client base.

6.3.3 IMPACTS ON ASIAN RESIDENTS

In 2023 22.8% of the population in the Hamilton City area identified as Asian (Table 6.5)

Table 6.5: Percentage of population that identify with each ethnic group (Level 1), Hamilton City and New Zealand, Asian peoples highlighted (2023 Census, Stats NZ)

	2023 (Hamilton City)	2023 (New Zealand)
European	58.5%	67.8%
Māori	25.4%	17.8%
Asian	22.8%	17.3%
Pacific Peoples	6.8%	8.9%

Asian patrons were under-represented in the Casino patrons survey where they accounted for 8.8% or respondents (Table 6.6)

Table 6.6: Casino patrons by ethnicity

Location	
Pakeha European	56.6%
Māori	24.0%
Asian	8.8%
Pacific peoples	7.0%
Middle Eastern/Latin American/African	0.4%
Other (please specify)	6.2%
Prefer not to say	5.3%
Total n	682

While Asian people are underrepresented as patrons they are overrepresented in the exclusion statistics. As Table 6.7 shows, patrons identified as 'Asian' comprised almost half (48%) of the exclusions in FY24.

Table 6.7: Casino exclusions by ethnicity (N) for FY24, Asian peoples highlighted

Caucasian	25	25
Chinese	9	
Korean	4	
Filipino	2	46[64]
Other Asian	6	
Indian	25	
Māori	13	13
Pasifika	4	4
Other / Not disclosed	7	7
Total		

A representative from Asian Family Services consulted for this impact assessment believed that this might be because some of these Asian migrants come from countries where gambling is illegal, making them "unprepared for the dangers of legal gambling".

Data from Asian Family Services shows that, nationwide, over the past five years 19% of their sessions dealing with gambling harm were Casino related. This suggests that this group could be more at risk from casino gambling than other population groups. This AFS representative said:

> *" Generally for the clients we supported, definitely the Casino is the most one. People seek help because they do gambling at the Casino*

SkyCity Hamilton's Host Responsibility Manager also noted that there was an increase in young Indian males using the Casino. One hypothesis is that these are students or workers who feel somewhat isolated in Hamiton and are using the Casino because it offers a safe space.

64 This table demonstrates the problematic nature of the definition 'Asian'. This definition includes those with their origins in East, South and Southeast Asia but excluding peoples from the Middle East, Russia and Central Asia. A line is generally drawn at either Pakistan or Afghanistan. Countries north or west of this line are excluded. Rasanathan, K., Craig, D., & Perkins, R. (2004). Is "Asian" a useful category for health research in New Zealand? In S. Tse, A. Thapliyal, S. Garg, G. Lim, & M. Chatterji (Eds.), Proceedings of the Inaugural International Asian Health Conference: Asian health and wellbeing, now and into the future (pp.8 - 17). New Zealand: The University of Auckland, School of Population Health.

This accords with other research done by Asian Family Services that shows that loneliness is the second most common risk factor for Asian gambling (behind lack of financial budgeting / planning). Given this, and because the Casino is open late and is a safe environment, it might attract both Asian residents and, in particular, international students from Asia.

While a representative from the Waikato University International Students Association did not respond to the CIR team's request for an interview, when similar concerns were raised in Queenstown, the international student representative from The University of Otago's International Students Association[65] did not think this was a serious problem because most international students from Asia were too young to visit. S/he said:

> *"You'll find that most of the Asian students here that are quite young so are going into the Casino is quite an intimidating experience as well.*

6.3.4 IMPACTS ON OLDER RESIDENTS

It is certainly the case that customers of the SkyCity Hamilton Casino skew older than the population. In 2024 16%[66] of Hamilton City's population were aged 60 and over, compared to a national average of 22%, but this group accounted for 47% of the patrons in the patron survey. Even compared to the eligible population (i.e., removing those under 20), those over 60 only comprise 30% of Hamilton City's population (Table 6.8) [67].

Table 6.8: Patron age distribution

	Patrons	Population	Eligible Population
0-19	0%	25%	0%
20 – 39	20%	28%	37%
40 – 59	33%	25%	33%
60+	47%	22%	30%
NET	100%	100%	100%

Despite this over-representation among Casino patrons, the data shows that older patrons are much less likely to be excluded from the Casino than other patrons, with over 60's accounting for just 2 exclusions in the year to June 2024 (Table 6.9).

65 Formerly known as International Committee (ICOM). Established in 2020, the Otago International Students' Association (OISA) serves to represent international students and domestic students with international background studying at the University of Otago. OISA is the umbrella body for all OUSA affiliated cultural clubs to relay the issues and concerns of international.
66 https://rep.infometrics.co.nz/hamilton-city/population/age-composition
67 These figures are different to the total population statistics quoted in the introductory text because this table only shows the population share of the over 20 population in Hamilton (i.e., it removes those under 20).

Table 6.9: Exclusions by age, (FY24)

Age bracket	N	%
20 – 29	22	23%
30 – 39	30	32%
40 – 49	10	11%
50 – 59	3	3%
60+	2	2%
Not disclosed	28	29%

When asked about older residents in particular (and at-risk populations in general), a representative from the Casino was clear:

> *Irrespective of age or ethnicity, affordability – we treat all customers the same in following the HRP. It could be said with older customers, we do talk to them more, just to see how they are going, make sure they are all good. We do know the older customers well, so generally know their personal circumstances as well.*

The sensible conclusion from this is that while a number of stakeholders worry that older residents in Hamilton might be at more risk of gambling, there is little evidence this is the case. In the qualitative research component of the social impact assessment, a representative from Age Concern Waikato was not aware of any systemic problem with problem gambling among the older residents in Hamilton. S/he said:

> *I've had a chat with our Elder Abuse practitioners here and the other staff. To be honest none of them have come across any of our older clients having gambling problems here in Hamilton or the greater Waikato.*

"I've had a chat with our Elder Abuse practitioners here and the other staff. To be honest none of them have come across any of our older clients having gambling problems here in Hamilton or the greater Waikato."

The Problem Gambling Foundation thought the Casino targeted older people through providing things like free parking and discounted meals. The representative consulted for this assessment called this "a bit naughty" and worried that:

> *This introduces a hook to the gambling cycle – getting the first gamble – which may lead to more gambling.*

6.4 ANTISOCIAL BEHAVIOUR

As noted above, the second most common adverse effect associated with casino operations is crime. As with gambling harm (see previous section), despite these concerns there seems very little crime or anti-social behaviour that can be directly attributed to the operation of SkyCity Hamilton's Casino.

There seems very little crime or anti-social behaviour that can be directly attributed to the operation of SkyCity Hamilton's Casino.

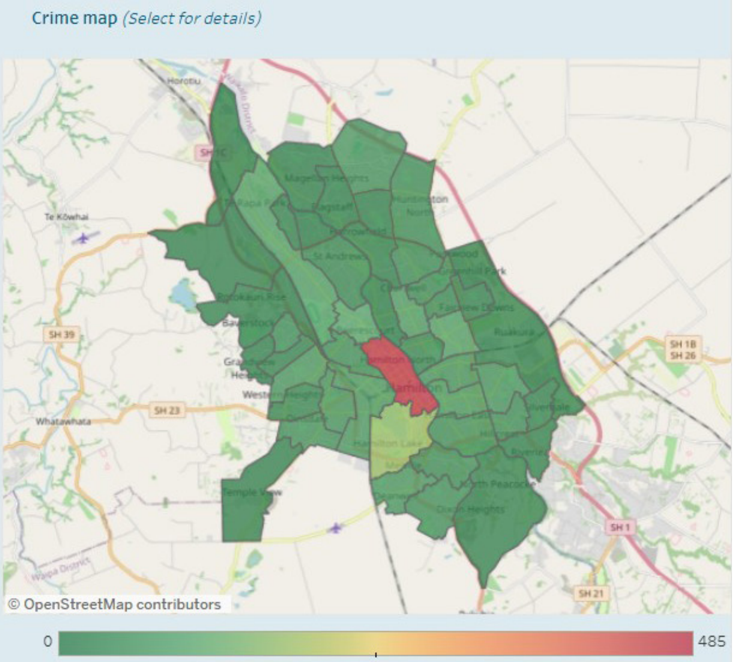
6.4.1 QUANTITATIVE ASSESSMENT OF ANTISOCIAL BEHAVIOUR

While the crime rate in Hamilton City has decreased significantly in recent years (from a peak of 523 criminal proceedings per 10,000 population in 2017 to 270 in 2025)[68] it remains ahead of New Zealand as a whole (national average of 225 criminal proceedings per 10,000 population in 2025).

NZ Police data also shows that violent crime has been declining across Hamilton for all but one of the crime categories tracked (Figure 6.3). On the other hand, property crimes increased across the same period (Figure 6.4).

Figure 6.3: Recorded violent crime in Hamilton City, January 2024 to December 2024 (source Crime Snapshot | New Zealand Police)

Crime Type	Previous	Selected	
Assault	1,748	1,783	↑
Sexual Assault	130	106	↓
Abduction	21	16	↓
Robbery	353	293	↓
Total	2,252	2,198	↓

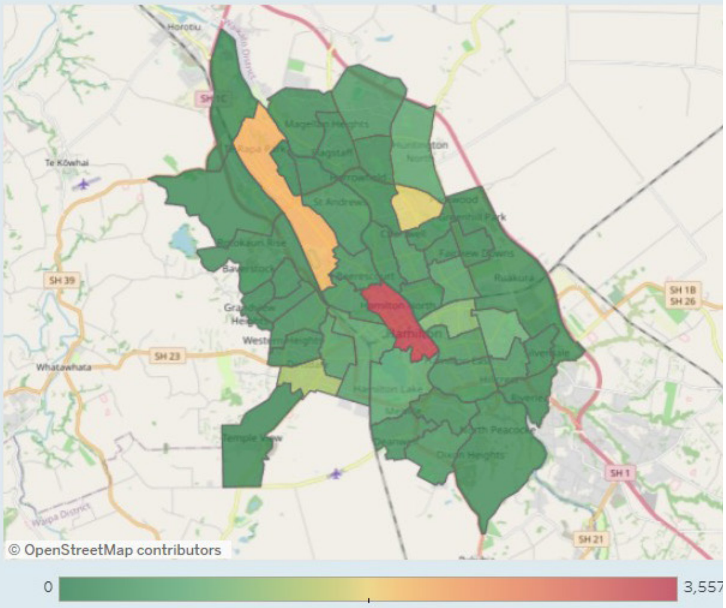


68 https://qem.infometrics.co.nz/hamilton-city/social/crime-rate

Figure 6.4: Recorded property crime in Hamilton City, January 2024 to December 2024 (source Crime Snapshot | New Zealand Police)

Crime Type	Previous	Selected	
Burglary	3,733	3,843	↑
Theft	13,423	15,358	↑
Total	17,156	19,201	↑

Crime map *(Select for details)*



It is certainly the case that only a minority of the residential neighbours of the Casino report that antisocial behaviour and crime have an impact on them (16% report crime and 11% report antisocial behaviour as having a moderate to extreme disturbance on their lives at home). However, they were more likely to identify noise from buses, trucks, and other road traffic (22%), and just 7% reported concerns about noise from industries or businesses nearby. When asked directly if these immediate neighbours noticed having the Casino as a neighbour, 92% said they rarely or never notice.

Table 6.10: Neighbourhood views[69]

	%
I never notice the operation of the Casino	74%
I rarely notice the operation of the Casino	18%
I sometimes notice the operations of the Casino	3%
I often notice the operations of the Casino	4%
I always notice the operations of the Casino	1%

69 Source: Casino neighbourhood survey n:76

6.4.2 QUALITATIVE INSIGHTS INTO ANTI-SOCIAL BEHAVIOUR

The qualitative data collected for this CIR demonstrates that local stakeholders have few concerns about antisocial behaviour in Hamilton being exacerbated by the Casino. For instance, the Area Commander at NZ Police in Hamilton was clear that the Casino itself is not problematic from a policing perspective. She said:

> *We really don't have a problem with Sky City Casino*

The Commander noted there were some minor issues involving homeless people around or near the Casino campus but these were merely a 'nuisance activity'. She said:

> *[SkyCity] attracts a little bit of our local vagrants or homeless people... more during the daytime, just with some nuisance activity outside the perimeters*

But she was also clear:

> *The antisocial behaviour in the daytime is not necessarily because of the Casino – it's just where it's situated.*

This Commander was complimentary about the way in which SkyCity discharged its responsibilities, and its willingness to work with Police on compliance issues. She said:

> *Sky City Hamilton are very, very firm on upholding their responsibilities around alcohol… they obviously put quite high standards in place.*

The Commander also noted that the Class 4 gaming venues in the CBD provided more challenges than the Casino, leading to "stronger enforcement" in and around those venues.

> *We've never had to do that with the Casino... but we've got some [other venues] where we had to take really active measures.*

When asked what else SkyCity could do to address antisocial behaviour caused by its operation the local Area Commander had no suggestions. This is because she sees them as a responsible operator who are committed to fulfilling their obligations:

> *I really don't [have any suggested improvements] and that's a really positive thing, I think.*

Stakeholders have few concerns about antisocial behaviour in Hamilton being exacerbated by the Casino.

Hamilton has a City Safe patrol operating in the CBD to deal with nuisance behaviour. The team is composed of 19 officers, with five patrolling the CBD between 6.30am and 8.30pm. The City Safe Operations Manager was adamant:

> *There's really no problem with antisocial behaviour in the CBD and especially around the Casino.*

He also noted that SkyCity's security staff actually make the CBD safer by enhancing good behaviour around the (SkyCity) facility. This decreases antisocial behaviour around the immediate area. It also means the City Safe team can focus their efforts on those areas.

He was particularly complimentary about how the SkyCity security staff and the City Safe Officers have a history of working well together. The Head of Customer Care and Security at SkyCity Hamilton echoed this sentiment, noting that SkyCity works closely with the police and City Safe officers and that:

> *This collective approach is working really well.*

The head of Customer Care noted that the fact that older residents come to the Casino late at night shows what a good job it has done in making customers feel safe. A representative from the latest Chamber of Commerce made the same point, noting the Casino

> *provides a safe haven for gamblers but also for other people looking for somewhere safe to have a drink late at night.*

This representative noted what a good job the Casino had done in this regard, creating a genuinely safe place to be. He pointed out that bad behaviour is not tolerated in the casino, and that even a raised voice might get you ejected. He said

> *[The General Manager] takes no prisoners!*

The Casino

"Provides a safe haven for gamblers but also for other people looking for somewhere safe to have a drink late at night."

6.5 MONEY LAUNDERING

SkyCity Hamilton Casino is a regulated reporting entity and is subject to the Anti-Money Laundering and Countering Financing of Terrorism Amendment Act 2017 (AML/CFT Act). The purpose of this Act is to keep New Zealand free from illegal activity conducted through businesses and financial institutions. The AML/CFT Act places obligations on Sky City Casino, such as:

1. A requirement to know its customers,
2. A requirement to verify the identity of its customers conducting certain transactions, and
3. Where necessary, a requirement to verify the source of a customer's wealth or the source of a customer's funds

While SkyCity's Financial Crime Team is based in Auckland, some AML functions are delivered by the front line staff at the SkyCity Hamilton Casino. Section 59 audits of the AML Programme are undertaken in line with legislation every two to three years[70]. DIA also audits the AML programme and processes every two years. As part of these Audits, Hamilton is assessed. The risks of money laundering and terror financing are assessed at each site, with a particular emphasis on the effectiveness of certain types of controls.

The purpose of these audits is to test the design and operational effectiveness of Casino controls. Hamilton has not been singled out for specific remediation but the Financial Crime team has enhanced processes in response to audit findings over time.

There are regular meetings between the Financial Crime team and operational managers in Hamilton allowing the sharing of processes and issues. In addition separate audits, such as cash handling and Cage audits cover certain elements of the AML process.

None of the stakeholders consulted for this CIR expressed any concerns relating to money laundering and the operation of the Casino. One high profile stakeholder was adamant:

> *"There is no-one in Hamilton more careful and precise about money than the Casino – they're better than the banks*

70 Section 59B of the Anti-Money Laundering and Countering Financing of Terrorism Amendment Act 2017 (2017 No 35).

Section 7:

The Effects of Non Renewal

7.1 ECONOMIC CONSEQUENCES

7.1.1 WITH VS. WITHOUT SCENARIOS

This section uses the data collected to assess the impact if the Casino were to close. It does this by comparing two scenarios:

- The modelled impact of the Casino on the Hamilton and Waikato economies (With Casino scenario), and;
- The modelled alternative spending of those who would no longer visit the Casino if it were closed (Without Casino scenario).

7.1.2 WITH CASINO SCENARIO

For the purposes of estimating the economic impacts of the Casino, budgets for the period 2022 – 2025 were analysed, with all figures inflation adjusted to June 2025 using the CPI. The impact of COVID-19 is not apparent in the revenue of the Casino, and although 2022 had lower revenue than the other three years in the period of study, there is insufficient evidence to attribute that to the covid pandemic.

The Casino revenue averaged $60.2 million per year over the 2022 – 2025 period. Labour costs were approximately one quarter of this, and operating expenses approximately half of revenue. EBITDA was $31.5 million, and profit after tax (NPAT) was $18.2 million.

Table 7.1: Casino key financial measures, FY22 to FY25 (inflation adjusted)

Item	2022	2023	2024	2025	Average
Revenue ($m)	$52.3	$66.7	$63.5	$58.1	$60.2
Labour costs ($m)	-$14.5	-$16.5	-$17.2	-$17.6	-$16.5
Operating Expenses ($m) (including labour)	-$25.6	-$29.3	-$29.8	-$30.1	-$28.7
Profit (EBITDA, $m)	$26.8	$37.4	$33.7	$28.0	$31.5
Depreciation and non-trading items ($m)	-$4.9	-$4.3	-$4.2	-$4.2	-$4.4
Interest and other items	-$0.1	$0.0	$0.0	-$0.1	$0.0
Taxation ($m)*	-$6.3	-$9.3	-$12.3	-$7.2	-$8.8
Net Profit After Tax (NPAT)	$15.5	$23.7	$17.2	$16.5	$18.2

** Excludes tax on interest earned*

FLOW-ON IMPACTS OF CASINO EXPENDITURE

Discussions were held with both casino suppliers and Casino accounting staff so that Casino expenses could be allocated to appropriate industry groups, and an assessment made of their geographic source. For the purpose of assessing economic impacts, the source was split between HCC, Other Waikato (excluding HCC), and Outside Waikato. This gave us expenditure by industry by location.

Further detail on the assignment to sector and location is provided in Appendix 1.

The expenditure within Hamilton, broken down by industry, was incorporated into a HCC economic model developed for this project , and a similar process was carried out for incorporating expenditure within Waikato (including Hamilton) into a Waikato economic model. This enabled calculation of the total economic impact on the HCC and the Waikato region of the operations of the casino.

PATRON EXPENDITURE

The Casino Net Revenue[71] was used as the basis for estimating patron expenditure. For these purposes direct cash incentive payments to patrons were deducted from the total revenue. This was necessary for the purposes of equalising expenditure in both the With Casino and Without Casino scenarios and ensures that calculating the negative economic impacts of expenditure which the casino displaces from other forms of household consumption is appropriately based.

GROSS IMPACTS OF WITH CASINO SCENARIO

Within Hamilton the Casino directly generates 200 FTE jobs[72], $16.04 million of earned gross household income[73] and $50.0 million of value added. The latter figure includes wages & salaries, profit, interest, depreciation and taxes – including gaming taxes.

Once capital expenditure[74] and indirect effects are taken into account the Casino generates total impacts in Hamilton of:

- 268 FTE jobs;
- $20.8 million of earned gross household income, and;
- $59.2 million of value added.

71 Net of patron winnings
72 Of those employed, 164 live in Hamilton, 30 live elsewhere in Waikato, and six live outside Waikato
73 i.e. excluding income from dividends
74 Note this slightly overestimates the capital impacts because it includes the capital expenditure for the whole SkyCity Hamilton entertainment complex. We do not think the differences are material because less than 10% can be directly attributable to other businesses, and much of the remaining expenditure would be required if the casino operated without the other businesses (eg property upkeep, office space etc).

From the Waikato region perspective the impacts are very slightly higher and are estimated to be:

- 273 FTE jobs;
- $21.1 million of earned gross household income, and;
- $60.1 million of value added.

Table 7.2: Direct and flow-on impacts in Hamilton from the Casino

Indicator	Direct operations	Hamilton (including flow on) Operations	Hamilton (including flow on) CAPEX[75]	Total Hamilton (including flow on)
Employment (FTEs)	200*	264	4	268
Value Added ($m)	$50.0	$58.76	$0.5	$59.2
Gross Household Income ($m)	$16.04	20.49	$0.3	$20.8

** Of whom 164 reside in Hamilton*

Table 7.3: Direct and flow-on impacts in Waikato from the Casino

Indicator	Direct operations	Waikato (including flow on) operations	Waikato (including flow on) CAPEX	Total Waikato (including flow on)
Employment (FTEs)	200*	269	4	273
Value Added ($m)	$50.0	$59.62	$0.5	$60.1
Gross Household Income ($m)	$16.04	$20.74	$0.4	$21.1

**Of whom 194 reside in Waikato*

COMPARISONS OF GROSS IMPACT

The direct employment impact of the Casino estimated above on turnover (net of incentive payments back to players) of around $60.2 million is equivalent to 3.3 FTE/$million revenue, which is considerably higher than the national average for gambling of 1.6 FTE/$million revenue.

The Casino's total impact of 4.5 FTE/$million is also higher than the national average. Nonetheless the employment impact per $ million is considerably less than most other entertainment industries and alternative activities which players might otherwise undertake. For example Food and Beverage services has a total impact of 14.9 FTE/million revenue, and Sport and Recreation Services has a total impact of 8.8 FTE/million.

75 For the purposes of modelling the total capital expenditure for the complex was attributed to the Casino in proportion to the total expenses of the SkyCity Hamilton entertainment complex. Thus we have used only 81% of the total capital expenditure for the complex in estimating flow on effects of the casino.

7.1.3 WITHOUT CASINO SCENARIO

It is our view that input-output models give the most useful view of the impacts at a TLA and regional level, provided that trade diversion effects are taken into account. The Without Casino scenario allows the impact of this trade diversion to be taken into account by assessing the impact of the spending that the Casino patrons would be likely to undertake in the absence of the casino.

To estimate the level of trade diversion, the intercept and database surveys asked patrons what they would have done had they not gone to the Casino[76]. Three key assumptions were made in estimating this trade diversion. It was assumed that:

- Those Hamilton/Waikato residents who said they would have otherwise stayed at home would, in the long term, have transferred their Casino spend to a typical mix of Hamilton/Waikato household consumer spending;
- Those visitors who said they would otherwise have stayed in their accommodation would have spent nothing additional in the absence of their visit to the Casino, and;
- Those patrons who said they would have gone to some other activity would have spent the same amount at this activity as they actually spent at the Casino.

The value of the spend diverted away from household consumption and from other activities was calculated using Net Casino Revenue[77] and multiplying this by the proportion of visitors undertaking each alternative activity.

This calculation of diverted spending is shown in Table 7.4 and estimates that $33.62 million per annum would still be spent by Hamilton residents in Hamilton in the absence of the Casino, and $10.58 million by visitors, giving a total of $44.19 million in continued expenditure in Hamilton in the absence of the Casino.

The figure for spending that would remain in Waikato is higher at $51.72 million because visitors to Hamilton from the Waikato would divert their spending out of Hamilton but still within the Waikato region.

The total economic impact of this diverted spend was estimated by applying relevant economic multipliers generated through the economic models for Hamilton and the Waikato region to these impacts. These are shown in Table 7.5 and give an estimated total of 264 FTEs of employment retained in the HCC area, $26.0 million value added, and $16.0 million in household income in the absence of the Casino. For the Waikato the total flow on impacts from diverted spending are 315 FTEs of employment, $31.8 million per annum in value added, and $19.7 million per annum in household income (Table 7.6).

There is a reasonable presumption that if the casino were to close, the SkyCity Hamilton complex building and its tenancies may be utilised for other activities, in which case the economic activity with those alternates may need to be considered. Property valuers and consultants Colliers were commissioned to assess the

76 Coded as Question 15 in both surveys.
77 Net of cash prizes given by the casino back to consumers, which the casino treats as expenditure.

potential alternate uses of the SkyCity entertainment complex (Lomas, 2025[78]). Their conclusions are (Appendix 3, Section 8, page 13, final paragraphs):

> Should the Casino cease to operate and the building be preserved in its existing form and configuration, we would expect limited market demand for leasing vacant space and prolonged vacancy periods could be expected. Tenanted premises (Palate, Shanghai and The Instillery) are likely to experience a sharp decline in custom and consequently revenue, as the property became substantially vacant. It would also become uneconomic to continue operating mechanical, electrical and security services with only 8% of the building's lettable area occupied.
>
> Should SkyCity Hamilton cease to operate from the subject property, we would also expect a marked decrease in foot traffic in the immediate area, which will have a flow on effect to nearby retailers and businesses.
>
> In conclusion, the adaptive re-use or refurbishment of this specialised building is deemed uneconomic at the present time, and should the majority of the building become vacant, we expect prolonged vacancy periods would apply.

We therefore conclude that if the Casino premises were to become vacant, then the transferred spending would be the only likely economic activity that would occur in its place. As noted earlier we have assumed that the economic activity associated with the bowling alley, conventions, and food and beverage outlets would be transferred elsewhere.

This assumption is conservative in the context of the economic impacts of the Casino, and it is possible that it would not be economic to continue these activities in situ without the Casino or to establish these activities elsewhere, and the value added and employment associated with them would also be lost to the Hamilton economy.

We therefore consider that in making the assumption that they would continue elsewhere we are potentially underestimating the economic impacts of non-renewal of the casino licence, but that it is preferable to err in this direction than to potentially overestimate the economic impacts of non-renewal of the casino licence.

78 Lomas, A. Valuation Consultancy, SkyCity Hamilton, 340 – 346 Victoria St, Hamilton. Colliers contract report prepared for SkyCity Hamilton.

Table 7.4: Spending transferred in the absence of Skycity Hamilton

Alternative activity without gaming (all responses)	Impacts in Hamilton % of spend		Spend Transfer Hamilton $m / year			Spend Transfer Waikato $m / year		
	Hamilton Residents	Visitors	Hamilton Residents	Visitor	Total ($m)	Hamilton Residents	Visitor	Total ($m)
Different Gaming	4.12%	5.81%	$1.38	$0.61	$2.00	$1.90	$0.33	$2.22
SHL other activity	9.68%	5.81%	$3.25	$0.61	$3.87	$4.46	$0.33	$4.79
Other bar/restaurant	10.64%	12.68%	$3.58	$1.34	$4.92	$4.90	$0.72	$5.62
Movie/play/concert	7.56%	5.87%	$2.54	$0.62	$3.16	$3.49	$0.33	$3.82
Shopping	12.05%	13.48%	$4.05	$1.43	$1.92*	$5.55	$0.76	$2.21*
Other commercial	3.96%	3.57%	$1.33	$0.38	$1.71	$1.83	$0.20	$2.03
Non commercial	11.12%	7.75%	$3.74	$0.82	$4.56	$5.12	$0.44	$5.56
Stayed home/accommodation (resident)	38.80%	0.00%	$13.04	$0.00	$13.04	$17.88	$0.00	$17.88
Stayed at home or in accommodation (non-resident)	0.00%	11.13%	$0.00	$1.18	$1.18	$0.00	$0.63	$0.63
Imported goods					$3.56*			$4.10*
Out of Town /region Spending	2.07%	33.91%	$0.70	$3.59	$4.28	$0.95	$1.91	$2.87
Total Transferred Spend	**100%**	**100%**	**$33.62**	**$10.58**	**$44.19**	**$46.08**	**$5.64**	**$51.72**
Total Spend Transferred from Hamilton/Waikato			**$32.92**		**$39.91**	**$45.12**		**$48.85**

** Retail spend consists of the cost of goods sold and the gross margin of retailers. Under the convention of I – O tables, multipliers should be applied only to the gross margin. The balance should be treated as costs of goods sold – and the presumption is that the vast majority of these are manufactured outside Waikato.*

Table 7.5: Estimating flow on impacts in the Hamilton City Council area from trade diversion in without casino scenario

Item	Multipliers from Hamilton Tables			Total flow on impact		
	Employment (FTE/million)	Value Added:Output ratio	Household Income: Output ratio	Employment (FTE)	Value Added ($million/annum)	GHHI
Gambling activities	3.87	0.96	0.40	7.74	$1.91	$0.80
Food and beverage services	14.89	0.88	0.69	57.60	$3.41	$2.67
Food and beverage services	14.89	0.88	0.69	73.24	$4.33	$3.40
Food and beverage services	14.89	0.88	0.69	0.00	$0.00	$0.00
Heritage and artistic activities	9.88	1.01	0.77	31.26	$3.19	$2.44
Retail trade (35 % gross margin) - Recreational, clothing, footwear, personal accessories	10.23	0.99	0.71	19.6	$1.90	$1.36
Sport and recreation services	8.77	0.89	0.72	14.99	$1.52	$1.22
Typical Hamilton consumption residents	3.39	0.55	0.23	15.45	$2.52	$1.07
Typical Hamilton consumption visitors	3.39	0.55	0.23	44.21	$7.22	$3.06
Trade Diversion Impacts (FTE, $million/annum)				264	$26.0	$16.0

Table 7.6: Estimating flow on impacts in the Waikato region from trade diversion in without casino scenario

Item	Multipliers from Waikato Tables			Total flow on impact		
	Employment (FTE/million)	Value Added: Output ratio	Household Income: Output ratio	Employment (FTE)	Value Added ($million/annum)	Household Income ($million per annum)
Gambling activities	3.46	0.91	0.36	7.69	$2.02	$0.80
Food and beverage services	14.90	0.90	0.69	71.34	$4.32	$3.28
Food and beverage services	14.90	0.90	0.69	83.72	$5.07	$3.85
Food and beverage services	14.90	0.90	0.69	-	$0.00	$0.00
Heritage and artistic activities	9.65	0.98	0.74	36.82	$3.75	$2.84
Retail trade (35 % gross margin) - Recreational, clothing, footwear, personal accessories	9.90	0.98	0.67	21.86	$2.16	$1.49
Sport and recreation services	8.64	0.87	0.70	17.52	$1.76	$1.41
Typical Hamilton consumption: residents	3.26	0.54	0.26	18.12	$3.01	$1.44
Typical Hamilton consumption: visitors	3.26	0.54	0.26	58.24	$9.68	$4.62
Trade Diversion Impacts (FTE, $million/annum)				315	$31.8	$19.7

7.1.4 COMPARISON OF WITH VS WITHOUT SCENARIOS

The total net impacts for the HCC area of the Casino are shown in Table 7.7. This adds the gross impacts of the Casino expenditure together with the tourism generation impacts associated with visitors to the town. The trade diversion impacts, which are the likely impacts of continued expenditure in Hamilton in the absence of the casino, are subtracted from the previous two items. The net impact is an estimated 96 FTEs in employment, $40.7 million per annum in value added, and $10.1 million per annum in household income.

The net impacts for the Waikato region are shown in Table 7.8. These show a net effect of 36 FTE, $34.8 million per annum in value added and $5.8 million per annum in household income. The impacts in the Waikato are smaller because a number of the visitors are from the Waikato region, so the trade diversion impacts are significantly larger as more of the diverted spending out of Hamilton would still be spent in the region.

Table 7.7: Comparison of with vs without scenarios for Hamilton City

Item	Employment (FTE)	Value Added (VA) ($million/annum)	Household Income (HHHI) ($million/annum)
Trade Diversion Impacts	-264	-$26.0	-$16.0
Tourism Generation Impacts	96	$8.0	$5.6
Casino Gross Impacts excl capital (from Casino impact model)	264	$58.8	$20.5
Net Impacts of Casino[79]	96	$40.7	$10.1

Table 7.8: Comparison of with vs without scenarios for Waikato region

Item	Employment (FTE)	Value Added (VA) ($million/annum)	Household Income (HHI) ($million/annum)
Trade Diversion Impacts	-315	-$31.8	-$19.7
Tourism Generation Impacts	82	$6.9	$4.8
Casino Gross Impacts excl capital (from Casino impact model)	269	$59.6	$20.7
Net Impacts of Casino[80]	36	$34.8	$5.8

79 Total may not add up to items above because of rounding differences.
80 Total may not add up to items above because of rounding differences.

IMPACTS ON CONSUMER AND PRODUCER SURPLUS

Benefits consist of increases in consumer and producer surplus, terms which refer to the difference between what something costs to produce, and what it is worth to consumers. The producer surplus is the difference between the price at which the producer would be willing to sell the item and the price at which it is actually sold. Consumer surplus is the difference between the price at which the consumer would have been willing to buy the item rather than do without, and the price they actually had to pay. It is likely that if the Hamilton Casino does not produce any consumer surplus, then consumers will not come to the Casino, and if there is no producer surplus then producers will not continue to operate the Casino.

Gambling is a form of entertainment that is undertaken by approximately 70% of the population, with Lotto as the most popular of these (Thimasarn-Anwar et al, 2018[81]). It is assumed that this gambling produces a consumer surplus to the gambler, and that at least some of this consumer surplus will be lost if they are no longer able to gamble at the Casino. Of the total of those surveyed in the intercept survey, 64% said they wouldn't gamble in Hamilton if the Casino were not present (Table 7.9), and 34% said they wouldn't gamble at a casino elsewhere in NZ (Table 7.10). The proportion of those who would not gamble without the Casino are those who do not receive any consumer surplus from gambling elsewhere, because the cost of gambling to them is more than or equal to any benefit they derive from it. We are unable to determine whether the gambling spend transferred inside Hamilton to other gambling spend represents an increase or decrease in producer surplus. 9% of those gambling in Hamilton would do it online in the absence of the Casino, and a proportion would transfer their spending out of Hamilton to other casinos. This transfer of spending to other locations represents a definite loss of producer surplus to the Hamilton economy, and, in the case of the online gambling, likely also a loss to the NZ economy[82]. Although the magnitude of this producer surplus loss is unknown, the estimate of real gross disposable national income (RGDNI) below can be used as a proxy for estimate of the producer surplus at the national level.

81 Thimasarn-Anwar, T., Squire, H., Trowland, H. & Martin, G. (2017). *Gambling report: Results from the 2016 Health and Lifestyles Survey.* Wellington: Health Promotion Agency Research and Evaluation Unit.

82 Other than GST and gambling levy collected.

Table 7.9: Alternative gambling options, Casino patrons intercept survey responses[83]

Alternative gambling location	Number of responses	Proportion of responses
At a club	32	13%
At a pub	52	20%
At the races	21	8%
Online betting	24	9%
Buy some / more lotto tickets	20	8%
Other (specify)	4	2%
I wouldn't gamble	164	64%
Total	256	100%

Table 7.10: Alternative casino gambling options, Casino patrons intercept survey responses[84]

Alternative gambling location	Number of responses	Proportion of responses
Dunedin	18	7%
Christchurch	31	12%
Queenstown	29	11%
Auckland	146	57%
In Australia	37	14%
Other (specify)	10	4%
I wouldn't gamble	86	34%
Total	256	100%

The net economic benefit of the Casino is the difference between the sum of the Hamilton Casino consumer and producer surplus, and the sum of the consumer and producer surplus associated with alternative consumption and investment. We have not attempted to calculate this because of measurement difficulties.

83 Respondents were able to choose more than one option of alternative gambling so the totals of numbers and proportions will not add to 100%.

84 Only the "I wouldn't gamble" option is a true representation of the proportion who would not gamble. Respondents could select more than one of the other options so the sum of the number of responses and proportion of responses will not equal the Total column.

TAX EFFECTS OF THE CASINO

There are $22.55 million per year in taxes and levies directly associated with Hamilton operations. These include PAYE ($2.76m), GST ($7.47m), income tax ($8.78m), casino duty and DIA levy ($0.55 million), problem gambling levy ($2.96m) and other levies ($0.04m) (Table 7.11).

Table 7.11: Taxes and levies paid by the Casino

Tax or Levy	FY22	FY23	FY24	FY25	Average
PAYE	$2.26	$2.60	$3.01	$3.16	$2.76
GST	$5.92	$8.43	$7.73	$7.80	$7.47
Income tax[85]	$6.26	$9.34	$12.27	$7.24	$8.78
DIA Levy and Casino duty	$0.55	$0.55	$0.55	$0.55	$0.55
Problem Gambling Levy	$2.29	$3.24	$3.17	$3.13	$2.96
Other licences and levies	$0.04	$0.04	$0.04	$0.04	$0.04
Total	**$17.32**	**$24.19**	**$26.78**	**$21.92**	**$22.55**

In addition, there is the potential for some further payment of personal income tax as the owners of the Casino receive profit distributions. The latest Sky City shareholding register (August 2023[86]) indicates that 17.1% of investors are based in New Zealand. For individual investors a proportion of the profits will be taxed at their marginal rate which is likely to be higher than the 28% company rate, but because a significant proportion (>50%) of investors are institutional, and we can assume that a reasonable proportion are PIE type investors including KiwiSaver funds, the tax paid is likely to be a maximum of 28% and likely less. Overall, there is not likely to be a major taxation benefit from dividends to owners over and above the income tax paid directly by the casino.

Some of this tax and levy paid by Hamilton Casino will be replaced by transferred spending and associated taxes at the alternate places where spending occurs, as described above. If the Casino were to close:

a) More than half of the Casino Duty and DIA levy would be lost, since ~60% of respondents indicated they would not gamble in the absence of the casino;
b) Company tax is likely to be much less because the Casino has a much higher-than-average ratio of profits to sales than the non-gambling businesses from which it diverts spending;

85 This is lower than actual tax paid. Actual income tax paid included tax on a large interest income component (circa $10m/annum), which is considered a non-casino income and the tax component (28%) of this income has been deducted from the total tax paid.
86 https://www.marketscreener.com/quote/stock/SKYCITY-ENTERTAINMENT-GRO-6492614/company-shareholders/#:~:text=USA%20Portfolio-,SKYCITY%20ENTERTAINMENT%20GROUP%20LIMITED,SKYCITY%20ENTERTAINMENT%20GROUP%20LIMITED

c) Transfer of spending to online gambling would also result in loss of income tax, GST PAYE and gambling duties, and;
d) PAYE will be less because:
   - the average pay including flow on impacts in the With Casino scenario is considerably higher than average pay in other industries to which spending would be transferred. (Total HHI/ Total FTE ratio of $77,000 $/FTE in the With Casino scenario vs $63,000/FTE in the Without Casino scenario) meaning that more tax would be paid in a higher tax bracket, and;
   - Household income in the Waikato would be $5.77 million lower without the casino, as shown in Table 7.8, which at an average NZ tax rate (OECD, 2022[87]) of 19.4% is equal to $1.61 million.

It is unlikely that GST would decrease significantly unless the current spending at the casino was diverted to savings or other overseas spending.

NATIONAL EFFECTS

We have not undertaken a CGE model of the Hamilton Casino operation. However, we can compare the likely effects of Hamilton Casino with the estimated national $70 million real gross national disposable income (RGNDI) effects from the Christchurch Casino.

Hamilton Casino has a similar revenue to the Christchurch Casino at the time of its economic impact report, so we would expect a similar $70 million per annum RGNDI impact from its closure.

87 OECD, 2022. Taxing Wages – New Zealand. *OECD Tax Policy paper*, 2022. Taxing Wages: Key findings for New Zealand (oecd.org).

SUMMARY OF ECONOMIC IMPACTS OF CASINO CLOSURE

The Hamilton Casino contributes to the Hamilton economy in a number of ways (Table 7.12). It currently (end FY2025) employs 200 FTE and spends $14.1 million per annum in operational expenses with suppliers, of which 32% is spent in Hamilton, and an additional $4.03 million per annum on capital items, of which 15% is spent in Hamilton. The trust associated with the Casino distributes about $0.99 million per annum to charities, and the Casino distributes a further $0.092 million per annum in sponsorships. All of the sponsorship, and 86% of the charity distributions, are to organisations in the Hamilton and Waikato area.

Table 7.12: Direct impacts of the Casino Hamilton, FY22 to FY25

Item	Total	Hamilton based
Employment (FTE)	200	82%
Operational spending ($m)	$14.1	32%
Capital spending[88]	$4.36	15%
Gambling trust distribution	$0.99	66%
Sponsorship	$0.092	100%[89]
Tourism (proportion of patrons who are visitors)	44%	56%

Table 7.13: Comparison of with vs without scenarios for Hamilton

Item	Employment (FTE)	Value Added (VA) ($million/ annum)	Household Income (HHHI) ($million/ annum)
Trade Diversion Impacts	-264	-$26.0	-$16.0
Tourism Generation Impacts (see below)	96	$8.0	$5.6
Casino Gross Impacts (from Casino impact model	264	$58.8	$20.5
Net Impacts of Casino[90]	96	$40.7	$10.1

When the expenditure, employment and other activities of the Casino are included in a model of the Hamilton economy, the Casino generates a total of 264 FTE, $58.8 million in value added and $20.5 million in household income. When these gross impacts of the Casino expenditure are aggregated together with the tourism generation impacts associated with visitors to the city, and the likely impacts of continued expenditure in Hamilton in the absence of the Casino are subtracted from the previous two items, the **net impact** of the Hamilton Casino is an estimated 96 FTEs, $40.7 million in value added, and $10.1 million in household income.

88 Includes capital spending for entire SkyCity Hamilton complex.
89 Hamilton and Waikato
90 Total may not add up to items above because of rounding differences.

In the context of the wider Hamilton City economy, with employment of 115,000 jobs and GDP of nearly $17 billion per annum, both the direct and net impact of the Casino are a small fraction of the local economy. This generally tallies with the information from stakeholders and the neighbourhood survey; that the Casino is valued but is not a major player in the city economy and few businesses are highly reliant on the Casino.

But this relatively low impact in the context of the wider economy should not be seen as discounting the Casino's value. The analysis has indicated that:

- The Casino is a source of employment that appears to be more highly paid than is typical for other hospitality type businesses. Its closure would cause disruption to those individuals and it seems likely that any replacement employment would be of lower salary than at the Casino;
- The Casino provides an entertainment option in the city, and its removal would decrease the range of options available as the alternate use of the space is likely to be accommodation, and;
- The Casino is obviously valued by its patrons, who have indicated high levels of satisfaction with the facilities at the Casino, and who would be expected to generate consumer surplus from their use of the Casino that is additional to the quantified impacts estimated here.

The national impacts of the Casino are also important. It generates $23 million in taxes and levies nationally, and in the absence of the Casino we would expect lower contributions to casino duty and Department of Internal Affairs (DIA) levy, and lower corporate income taxes paid. Scaling from the national impacts of Christchurch Casino, we would expect the Hamilton Casino to generate approximately $70 million in RGDNI/annum.

The Casino is a source of employment that appears to be more highly paid than is typical for other hospitality type businesses. Its closure would cause disruption to those individuals and it seems likely that any replacement employment would be of lower salary than at the Casino.

7.2 SOCIAL CONSEQUENCES

This social impact assessment has demonstrated that the Casino confers entertainment benefits to its users, and contributes to the appeal of Hamilton as a place to visit. The Tourism New Zealand website newzealand.com notes the importance of the Casino's contribution when it writes:

> Hamilton's central precinct is easy to walk and packed with cafes, restaurants, **a casino** and bars where you can wine, dine and dance the night away[91].

The SkyCity Hamilton complex is described by local stakeholders as an 'asset' for the city and region, acting as a major drawcard for both locals and visitors to Hamilton's CBD.

The SkyCity Hamilton complex is described by local stakeholders as an 'asset' for the city and region, acting as a major drawcard for both locals and visitors to Hamilton's CBD. These stakeholders were clear that the SkyCity Hamilton complex is "much more than just a casino" and a key part of the city's entertainment ecosystem. In particular, the venue spaces available in SkyCity Hamilton means the community can host events it might otherwise struggle to place – such as the Volunteering Waikato Awards. Beyond these entertainment and attraction benefits, the Hamilton and Waikato communities also benefit from the impact of the activities of the number of community organisations who receive financial assistance from the Casino through either the SkyCity Hamilton Casino Community Trust or direct corporate sponsorships. In this regard, this social impact assessment is broadly in line with those social assessments of North American casinos that show casinos enhance the quality of life of many in the community and have a positive effect on communities and their economies.[92]

In the community study that accompanies this social impact assessment, we asked residents directly if they thought "Hamilton would be better off with or without the Casino". Only 20% of respondents thought it would be better off without, while a third of residents (33%) thought Hamilton was a better place for having the Casino. Nearly half (47%) were either not sure or neutral (note that 11% of these respondents had never been to the Casino).

91 https://www.newzealand.com/nz/hamilton/
92 Giacopassi et al (1999) "Attitudes of community leaders in new casino jurisdictions regarding casino gambling's effects on crime and quality of life", *Journal of Gambling Studies*, 15 (2) (1999), pp. 123-147

Table 7.14 Community attitudes toward the Casino (N=187)

	Hamilton Residents	
Hamilton would be a much better place without a casino	10%	20%
Hamilton would be a somewhat better place without a casino	11%	
I'm not sure, or I am neutral about the Casino	47%	
Hamilton is a somewhat better place with a casino	26%	33%
Hamilton is a much better place with a casino	7%	
NET	100%	

Table 7.15 Community engagement with the Casino (N=400)

	Hamilton Residents	Waikato Residents
I have never been to the casino	16%	44%
I have been to the Casino but didn't do any gambling	32%	23%
I have been to the Casino and gambled	52%	33%
NET	100%	100%

Similarly, neighbouring residents were also positive about the role of the casino in Hamilton:

Table 7.16: Neighbouring residents' attitudes toward the Casino (N=76)

How much do you agree or disagree with these statements about the casino in general	Net agree
The Casino is an important part of Hamilton's business community	43%
I think the Casino is an important part of Hamilton's entertainment landscape	50%

While the community survey prompted residents for their opinion about the operation of the Casino, the social listening exercise[93] completed as part of this social impact assessment showed very low levels of community concern on social media channels about the Casino. Where the Casino is mentioned, it is typically positive and related to tourism in the region. There were also positive posts where people describe their winnings, on YouTube and in groups like Facebook's "Smart Pokies".

- The most prominent news story relating to SkyCity Hamilton Casino over the last two years was the NZ Herald story about a "money mule" who stole $23,500 out of a victim's account and proceeded to spend $10,000 at SkyCity Hamilton Casino on the same day;

93 Social listening (aka social media listening) is the process of identifying and assessing what is being said about a company or issue on social media channels. Typically, conversations in these channels can provide an insight into salient or emerging issues.

- Mentions of a safety incident in September 2025 in which eleven people were rescued by Fire and Emergency crews from being trapped in a SkyCity Hamilton lift for approximately twenty minutes also received national coverage, and;
- SkyCity Entertainment Group's introduction of mandatory carded play for New Zealand players was also covered nationally in the New Zealand Herald last year.

In contrast to the positive benefits noted above, the most common adverse effects associated with any casino's operation are gambling harm and crime. This analysis argues that there is negligible crime directly associated with the operation of the SkyCity Hamilton Casino, and hence it cannot be argued that no-renewal will contribute to public safety in Hamilton.

As for gambling harm, there is no doubt that gambling-related harm is a real and continuing issue in New Zealand. However this social impact assessment concludes that **the quantum of gambling harm directly attributable to the operations of the SkyCity Hamilton Casino is likely to be small.** Moreover, it is reasonable to assume that this harm could increase in a scenario of no-renewal if gamblers migrate to forms of less-regulated gambling–whether Class 4 venues (where there is lower oversight and a greater risk of continuous play) or online gambling.

The 2019 New South Wales Gambling Survey found that the problem gambling rate among internet gamblers was twice as high as gamblers who gambled in physical venues. This report stated:

> Internet gamblers were more likely than non-internet gamblers to be moderate-risk and problem (18% compared with 5%). Problem gambling prevalence among internet gamblers was twice as high (4% compared with 2% of non-internet gamblers). Similarly, internet gamblers were more than three times more likely to be in the moderate-risk category (14% compared with 4% of non-internet gamblers).[94]

The social listening found that this question of online gambling was also present. In particular, conversations about gambling on the video stream site *Twitch* spiked during the period of social media monitoring. Twitch currently allows a category of streamers called "Slots", which primarily consists of live streams of online slot machine websites, with some streams presenting a casino-like environment with a dealer and familiar casino games. There has been a robust debate about whether Twitch is an appropriate platform for this content, given the audience, which skews younger and includes children.

This pattern is consistent with international trends, where the longer lockdown periods provide more data about shifting gambling patterns. For instance, research from the University of Bristol published in the Journal of Gambling Studies showed regular male gamblers were particularly prone to gambling more often online during the lockdowns in the UK. The research builds on other evidence,

94 https://www.gamblinglaw.co.nz/download/NSW-Gambling-Survey-2019.pdf

including the YouGov Covid-19 tracker study, which found that regular gamblers turned to new online options during lockdowns.[95]

The Ministry of Health notes concerns about the growing opportunities for online gambling, including those offered by overseas-based gambling operators, and their potential to increase harmful gambling behaviour. The Ministry is particularly concerned about the potential impact of online gambling on vulnerable groups including Māori, Pacific peoples and young people. The Ministry is clear that people using overseas gambling websites are much more likely to be at risk of experiencing harm.[96]

95 Alan Emond, Agnes Nairn, Sharon Collard, Linda Hollén. Gambling by Young Adults in the UK During COVID-19 Lockdown. *Journal of Gambling Studies*, 2021; DOI: 10.1007/s10899-021-10029-y

96 Ministry of Health. 2022. *Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25.* Wellington: Ministry of Health.

Section 8:

Appendix One Assessment Design

8.1 ECONOMIC IMPACT DESIGN

ECONOMIC EFFECTS

"Effects" can refer to either economic impacts, or economic costs and benefits, or both. The initial ex ante assessments of New Zealand casinos in the 1990s generally focused on the economic impacts of casinos using Input-Output (I-O) models, and this approach is also taken by the vast majority of the studies identified in a literature review by the Christchurch Casino study[97] . The more comprehensive studies take into account not only the positive direct and flow-on economic impacts of a casino's operations, but also the negative ("trade diversion") effects of a reduction in consumers' spending in other businesses, as their spending shifts away from these areas and towards casinos. Studies may also take into account the effects of the Casino on tourism, and the associated economic impacts.

This report uses I-O models to estimate the Hamilton and Waikato economic impacts of the SkyCity Hamilton Casino on employment, household income and Value Added , taking into account the trade diversion effects and the tourism effects of the Casino.

The next level of analytical sophistication is a Computable General Equilibrium (CGE) model exploring the macro-economic analysis. A CGE model takes into account the re-allocation of resource amongst industries when a casino is opened and calculates the change in national GDP. While a CGE analysis can conceptually be done at the regional level, there are significant limitations at this scale. Moreover, CGE models are less suitable for establishing the impacts on employment, which is of major interest at the city and regional level. Because the SkyCity Hamilton Casino is a relatively small operation, CGE analysis has not been used in this analysis to estimate the effects of the Casino on Real National Disposable Income at a national level as was undertaken in the case of the Christchurch Casino analysis. It was considered likely that the scale of the SkyCity Hamilton Casino impacts would be too small relative to the margins of error of the CGE model, and therefore the CGE model would not be sensitive enough to adequately resolve the changes associated with the With and Without scenarios for the SkyCity Hamilton Casino.

There are changes to other values of interest to the community in addition to those of the market economy (non-market costs and benefits). Gambling generates recognised social costs through problem gambling, and while some studies have attempted to put a dollar value on these social costs, no such attempt has been made in this report. This does not imply that such costs are irrelevant but rather that valuation of these social costs is an extremely imprecise exercise, primarily because of the uncertainty associated with estimating both the number of affected people and the costs of the harm per affected person.

There are also unquantified impacts of the SkyCity Hamilton Casino associated with increased consumer choice in entertainment and the social vitality of the

97 Butcher G. and Baines, J. (2017) *Casino Impact Report: An assessment of the social and economic impacts of the Christchurch Casino*. Commissioned by Christchurch Casino Limited and prepared for the Gambling Commission 29 November 2017

town, with these increasing the attractiveness of the town as a visitor destination and for residents. It is the view of the authors that this weighing up of market costs and benefits against other unquantified costs and benefits is best undertaken by the Gambling Commissioners who will consider SkyCity Hamilton's application for a renewal of its venue licence. The purpose of this economic and social assessment is to enable the commissioners to weigh the values affected by the casino in an informed manner.

ISSUES TO CONSIDER IN ECONOMIC ASSESSMENT AND STUDY APPROACH

This economic assessment uses the approach adopted in the Christchurch Casino economic impact assessment, since this was based on a thorough review of the literature on the impacts of casinos and was accepted by the Gambling Commission as an appropriate approach. This approach has been replicated for the Dunedin and Hamilton Casino relicensing applications, and has been accepted by the peer review and the Gambling Commission as appropriate. The assessment also incorporates matters raised by the Gambling Commission as matters it would like to be included in the CIR. In the context of the Economic Impacts, the Gambling Commission has requested that the CIR include:

FACILITIES

a) prior casino expenditure on improvements (Section 4 Economic Impacts);
b) casino capital works budget (Section 4.1 Expenditure and Figure 4.1: Capital Expenditure Profile), and;
c) survey responses from past visitors regarding the standard of the casino facilities (as an additional topic to the survey below) (Table 5.3).

ECONOMIC EFFECTS

a) use existing data held by the casino in relation to the residence of the customers, their reasons for visiting, the frequency of their visits and their expenditure (Section 4: Economic Impacts and Section 7: Effects of Non-Renewal);
b) use existing data held by local authority or tourism organisations on the extent and importance of visits to the casino by tourists (Section 4.7: Qualitative Insights into other Business Benefits of the Casino), and;
c) in both cases, endeavour to identify the extent to which the visiting the casino was a reason for, or part of, the planned tourist experience (Section 4.6: Wider Impact).

TRUST COMPLIANCE

a) The operation of the trust, including its operational independence from the casino (Section 4.4: Gambling Trust), and;
b) SHL's historical compliance with charitable trust licence conditions, including verifying the sums paid and distributed (Table 4.4 and 4.5).

Combining the literature review and the requests from the Gambling Commission provides a list of issues that need to be taken into account in the economic assessment. These issues, together with the way in which they are addressed in this study, are described below.

- Impact metrics: This study reports on the commonly used metrics of value added (~GDP), household income and employment at a TLA and regional level;
- Measurement approach: This study uses appropriate input - output models for quantitative assessment of effects. The results take into account both the positive impacts of the casino and the negative impacts of trade diversion away from other businesses when consumers switch spending to the casino (illustrated by the casino closure scenario in Section 134 3(ii) of the Act). Impacts on tourism are also considered;
- Issues with combining costs and benefits: This study quantifies financial costs and benefits of market transactions and also describes, where possible, social costs and benefits but does not put a financial value on these;
- Time frame: The study takes a long-term operating perspective and uses four year average data when modelling casino operations. The period modelled is 2021/2022 to 2024/25. While the first part of this period may have been affected by ongoing impacts of the covid pandemic, because Hamilton is mostly domestically focused we do not consider these effects will have been significant. We consider therefore that the modelling and described impacts will be reasonably representative of a long term steady state, and;
- Inflation: the period of analysis included some reasonably significant increases in nominal prices (inflation). We adjusted all revenue and expenses to 2025 dollars the CPI increase between the year in question and 2025. These CPI adjustments are shown below in Table 8.1.

Table 8.1: CPI based inflation adjustments to $2025

Year	CPI adjustment multiplier to 2025
2022	1.12
2023	1.06
2024	1.03
2025	1

- Business units: The SkyCity Hamilton operation includes a number of business units in the premises in addition to the casino operation. These include a bowling alley, a conventions business (lower ground floor), and some food and beverage operations (ground floor atrium). These additional businesses are nominally stand-alone, but in practice some of them are reliant on support provided by the casino operation. For example the conventions centre uses the kitchen facilities of the casino for catering, and the food and beverage operations benefit from the foot traffic associated with the casino. It is not possible to determine how these operations would be affected by the cessation of the casino licence, but the working assumption we have used is that either the operation would continue, or that the revenue current generated by those businesses would transfer elsewhere in the city should they cease to operate on their current premises (either by the operation moving or through transfer to another business). We consider this to be a conservative assumption that likely underestimates the impact of the closure of the casino, because the synergies between the other business units and the casino mean that they either would not be as profitable or potentially would be nonviable without the casino. The analysis and impacts describe here relate only to the casino business.

- Geographic focus: The study looks at the TLA and regional impacts. The analysis indicates the likely magnitude of any national impacts based on its size relative to the Christchurch casino and its associated national impacts.

METHOD

Hamilton City Council (HCC) and Waikato region economic impacts have been estimated using appropriate TLA and regional input-output models. The models have been modified by including a SkyCity Hamilton Casino industry, the input structure of which was developed using actual Casino expenditure data averaged over a four year period from 2022 - 2025. While input-output models have their limitations, assuming as they do that there is spare capacity in the economy and that the Casino has not "squeezed out" other businesses by making labour and capital scarce, the alternative is to use general equilibrium models which have their own limitations, particularly at a TLA and regional level. It is our view that input-output models give the most useful view of the impacts at a TLA and regional level, provided that trade diversion effects are taken into account. At the national level, the balance of modelling limitations shifts, and it is felt that the most appropriate approach is to use Computable General Equilibrium (CGE) modelling. However, because of the relative scale of the Hamilton Casino to the Hamilton and Waikato economies, these impacts have not been calculated using CGE modelling, and the regional impacts should be used as a proxy for the national impacts. Where the national impacts are likely to differ from the regional impacts these have been described qualitatively based on the Hamilton Casino's size relative to the Christchurch casino and its associated national impacts (Section 4.6). Detail of the development of the Input - Output models is given in Appendix A. This report is based on:

- The actual financial operating data of the Casino over the four years to June 2025;
- Detailed analysis of the Casino's "Vendor Breakdown" records to determine where the Casino suppliers are located;
- A survey of Casino carded member from the database and an in person intercept survey to find out how they think the Casino affected their activity and spending decisions and, if they were visitors to Hamilton, their travel decisions;
- A survey of casino staff on where they reside and their income and expenditure patterns, and;
- A survey of businesses in the casino neighbourhood.

TREATMENT OF BUDGETS AND DATA

For the purposes of estimating the economic impacts of the casino, Casino Budgets over the period 2020 -2025 were reviewed. While we would have expected Covid to have had some impact on turnover in the year to March 2020 and a much greater impact in the year to March 2021, this is not obvious in the financial performance of the casino. The casino revenues also differ from those in the casino's financial statements, which use a slightly different basis.

Discussions were held with both casino suppliers and casino accounting staff so that casino expenses could be allocated to appropriate industry groups and an assessment made of their geographic source. For the purpose of assessing economic impacts, the source was split between Hamilton, Other Waikato, and Outside Waikato.

The expenditure within Hamilton, broken down by industry, was incorporated into a TLA economic model developed for this project. A similar process was carried out for expenditure within Waikato (including Hamilton). This enabled calculation of the total economic impact of the operations of the casino on the city and the region.

Expenditure by supplier by year was aggregated and divided by four to give average annual purchases. Each supplier was allocated to a geographic area (Hamilton, rest of Waikato, rest of NZ). This gave us expenditure by industry by geographic area.

Purchases by the casino from the various sectors of Wholesale and Retail trade (primarily CoGS shown in the Casino accounts, but also items such as cleaning items, fuel etc.) needed to be split between "gross margin" of wholesale and retail trade (which is the concept used in the economic model) and the costs incurred by Wholesale and Retail trade in purchasing those goods. In a few cases (e.g. Genesis Gas, Contact Energy) the analysis needed to split between generation and local distribution.

Goods and services which have been invoiced by an out-of-region company but supplied from a branch operating within the region (e.g. rubbish collection) needed to be coded as part purchases from within the region and part purchases from the head office which provided administration and management services.

Cash payments to players for promotions have been treated as an offset to Casino revenues for the purposes of calculating the negative economic impacts of expenditure which the casino displaces from other forms of household consumption. Hence before inflation, the gross average revenue after inflation of the casino is $63 million per annum, but of this some $2.57 million (before inflation) is paid back to households as complimentaries, so the total expenditure by patrons (equal to the displaced expenditure in the No Casino scenario) is $60.2 million after inflation.

SHL provided a summary of the capital expenditure for the whole SkyCity Hamilton complex, which was assigned to sectors as with operational expenditure. The casino only proportion of the total capital expenditure was estimated by pro rating the capital according to the split of operational expenditure between the casino and the other business units within the complex.

A variety of adjustments were made to the sector allocations to better reflect the actual spread of supplier impacts:

WHOLESALE AND RETAIL TRADE

A number of expenses are allocated to various aspects of wholesale and retail trade. The I-O tables split the accounting concept of purchases from W & R Trade into the economic concept of the production cost of the goods (which is allocated to the producing industry or to imports) and the W&R Gross margin (which is allocated to the relevant W & R Trade industry sector.

Cost of Goods is generally around 65 % of the total costs and the gross margin is about 35 %. We do not know what proportion of the goods are manufactured in the city or the region, but it is likely to be small. We also do not know where the W & R activity takes place. The specified location of companies can be misleading in that often the address is where the accounting and administrative centre of the business is located, rather than where the activity of supplying the casino takes place. Our understanding from major suppliers is that a very significant part occurs within Hamilton and the wider Waikato region.

Our assumption is that around 30 % of the total activity of W & R trade takes place within Hamilton (possibly 25 % of the 35 % W & R margin and 5 % of the 65 % Manufacturing production). We do not have the information to allocate the production amongst manufacturing industries, so we have simply incorporated it to the W & R gross margin. This might lead to some error in the calculation of impacts because of the differing production functions. A comparison between the average VA : Output ratio and Employment: Output ratios of the manufacturing sectors and the average ratios for the W & R Margin sectors suggests that there are significant differences between the two, but these will not be significant within the context of W & R impacts (< 10 %), and will be trivial within the context of total casino impacts (<1 %).

ELECTRICITY

Only 25 – 30 % of the cost of electricity is generation. The balance is national, regional and local distribution and retailing. It has been decided to allocate 40 % the total cost of electricity to Hamilton and a further 5 % to the rest of Waikato.

TREATMENT OF GAMING TAX

Gaming Tax is not a payment to central government administration, but is a part of operating surplus. It has been re-allocated there in the economic impact assessment.

CENTRAL GOVERNMENT SERVICES

From a regional economic modelling perspective, payments to government are generally seen as being a transfer to government (a tax) rather than a direct purchase of government services. That is because for most items, payment of more tax has no effect on the value of government services consumed. In some cases the tax is a part of operating surplus (e.g. Gaming Tax) and in other cases the payments are to fund government services (e.g. Problem gambling).

At local government level where local government income directly affects local government expenditure, partly through a requirement for local government services via everything from roads to waste water and partly by enabling income-constrained local government to spend more.

- DIA / CCA Levy: treated as a purchase of central government services from the rest of NZ, because it is expected to cover the relevant costs of these agencies, and the agencies spend very little within the region;
- Other Licences and Levies: includes NZTA and other licences, which were allocated to various sectors;
- Problem Gaming Levies: used for problem gambling agencies. Some will be within the region, but regional problems gaming levies are not hypothecated to regional problem gambling assistance programmes. Treated as a purchase from professional services in the rest of NZ. For convenience, left in purchase from central government, and;
- Gaming Taxes: treated as part of operating surplus.

EMPLOYMENT ESTIMATES AND HOUSEHOLD SPENDING

In assessing the economic impacts we surveyed staff[98] to determine where their household spending too place, and confirmed that what they told us was consistent with the consumer spending patterns contained in the regional economic models.

In that survey we also asked what percentage of gross income was tax, and what was savings. We combined the survey responses with other tax and household spending data to assess the ratio of household spending to income, and incorporated this ratio into the economic models. We estimated that household spending net of tax, savings, and GST[99] was 64 % of gross household income. This is slightly less than the ratio which has been assumed for other industries in the economic model[100] and reflects changes in tax rates and personal savings over recent years.

98 About one quarter of them responded to the survey.
99 In the Input – output model, prices are expressed as “approximate basic prices”, which exclude GST.
100 The City and Regional models are based on a 2019-20 National model.

Estimation of Flow on Impacts from Trade Diversion

EFFECTS ON VISITOR SPEND

Of the 256 visitors-patrons in the intercept survey, 113 (44%) came from outside Hamilton. They said that on average they'd have stayed 0.38 fewer nights in Hamilton ("half a day", was coded as 0.5 nights; a few hours was coded as 0.25 nights). Rating these results up to the total casino patronage figures, and assuming that patrons visit the casino 1.5 times on average per visit to Hamilton, we estimate a reduction of 35,700 fewer visitor nights per year. Assuming an average spend per visitor-night of $328[101] gives a total Hamilton casino-dependent visitor spending of $11.7 million per year. The associated economic impacts are 96 FTE jobs and $8.0 m / year of Value Addeed including $5.6 million of earned gross household income.

The 60 visitors who came from outside Waikato said that they'd have stayed an average of 0.61 nights fewer if there had been no casino, implying 30,700 fewer visitor-nights per year and a total Waikato casino-dependent visitor spend of $10.1m / year. The associated economic impacts are 82 FTE jobs and $6.9m / year of Value Addeed including $4.8million of earned gross household income.

ORIGIN OF PATRONS

The origin of patrons was based on responses to the patron intercept survey as shown in Table 8.2 below.

Table 8.2: Patron origin from intercept survey

	Intercept Survey responses		Rated up to Total patrons / yr	
	Patrons	Proportion	Number	Spend ($m)
Hamilton	143	55.9%	179,280	33.6
Other Waikato	53	20.7%	66,446	12.5
Other NZ	57	22.3%	71,461	13.4
Overseas	3	1.2%	3,761	0.7
Total	256	100%	320,948	$60.2

101 This is the number from the International Visitor Survey, and is also consistent with average spend reported by people attending events at Forsyth Barr stadium. While most visitor-patrons to the casino are not international visitors, they stay in accommodation more closely aligned to international visitors (52 % in hotel, 20 % with friend or relative) than to domestic visitors (25 % in hotels and 45 % with friend or relative) , many of whom stay in private accommodation, and are expected to have higher spending than the average domestic visitor. The domestic travel survey suggests $802 / overnight trip and I have estimated this to be $240 / person-night.

VISITOR DIVERSION

Of the 44 % (n=113) of Casino patrons who are visitors to Hamilton, 31.0 % reported that they would not have come to Hamilton in the absence of a casino. A further 29.2 % said they would have stayed a shorter time, and we assume that this reduction represents the time they would have spent at the casino. Hence for 60.2 % of patron-visitors, there would have been no "diversion" since they would not have been in Hamilton anyway. The proportion for visitors to Waikato was 60.0 %.

The diversion associated with the remaining visitors would depend on what else they would have done. We assume that they would have spent the same on another activity as they would have otherwise spent at the casino, unless they said they would otherwise have stayed in their accommodation, in which case we assume that there was no diversion of spending. We assess the negative impacts of the diverted expenditure by applying the economic multipliers associated with the diversion activity.

LOCAL DIVERSION

For the 55.9 % of patrons (n=143) who are local residents of Hamilton, we calculate a diversion impact associated with their alternative diversion activity if they specified one. If they say they would otherwise have stayed at home, we assume that in due course they would have spent their casino spend on some typical other consumption activity. In the former case we estimate impacts by applying Economic multipliers associated with the diversion activity. In the latter case we apply economic multipliers associated with typical household consumption activity for Hamilton / Waikato residents.

We followed a similar process to estimate the Waikato diversion impacts for the 23.5 % of patrons wo are visitors to the region, of whom 60.0 % said they would otherwise not have come or have come for a shorter period, and the 76.5 % of patrons who are residents of Waikato region.

ASSESSED LEVEL OF DIVERSION SPENDING

We assume that the level of diversion spending is equivalent to money otherwise spent at the casino[102], and we understand this to be about $185 per visit (excluding GST) for an annual total of $60.2 million.

We have assumed that all patrons spend the same amount at the casino because we do not have data to show otherwise. We are aware that there a number of "high rollers" who visit the casino, and we expect that these are among the people most likely to not come to Hamilton in the absence of the casino. Hence the average spend at the casino of patrons whose stay in Hamilton would be the same in the absence of the casino is probably less than the $185 that has been assumed here, and to that extent the estimated diversion impacts are over-stated.

102This is net spend = gross spend less winnings on gaming.

TYPE OF DIVERSION SPENDING

We asked respondents to the intercept survey what they would have done in the absence of the casino. We then allocated their alternative activity to the relevant industry and applied the relevant multipliers to assess the total economic impacts of diverted spending.

8.2 SOCIAL IMPACT DESIGN

8.2.1 DESIGN PRINCIPLES

When compiling this approach to the social impact assessment of SkyCity Hamilton Casino, The Curiosity Company referenced both the lessons learned from the assessment of the Christchurch Casino (James Baines and Geoff Butcher, 2017) and the principles developed by the Canadian Consortium on Gambling Research (Robert Williams, Jürgen Rehm, Rhys Stevens, 2011). As a result, the design has been informed by the following emerging best practice principles in regard to assessing the social impacts of gambling[103]:

- **Comprehensively Assess all Potential Social Impacts**: This principle ensures that all of the potential impact areas are covered. The Canadian Consortium on Gambling Research uses an impact framework based on the work of Anielski & Braatan (2008) to ensure the broadest range of impacts are included. This framework will form a central part of The Curiosity Company's assessment of SkyCity Hamilton Casino (see 3.1 below for an overview of this framework);
- **Recognise that Assessing Some Social Impacts is a Qualitative Assessment:** Because social impacts include how stakeholders experience the effects of gambling, there will always be an element of subjectivity in impact reports such as this one. This means that impact assessments need a mix of qualitative and quantitative methods to ensure these voices are heard. This is also why the Canadian Consortium on Gambling Research recommends reporting 'impacts' rather than 'costs and benefits';
- **Use a Counterfactual to Provide Meaningful Comparisons:** To fully understand the impacts of a casino it is important to create a comparative condition. This can be within a location before and after the development of a casino or it can be with a location where there is no casino. The purpose of this counterfactual comparison is to enable assessments to legitimately assess the 'effect size' of the casino's impact[104], and;
- **Report the Limitations and Parameters of these Results:** The Canadian Consortium on Gambling Research is also clear that all impact assessments are a function of "the context in which the study was conducted". This means that social impact studies need to report faithfully on the parameters of the assessment and its limitations.

103 The Curiosity company notes that that the CIR provides assessment of the operation of the casino and not solely about the impact of gambling. SkyCity Hamilton Casino provides services independent of gambling and these will be included in this Social Impact Assessment.

104 This is also why The Canadian Consortium on Gambling Research recommends using longitudinal; designs where possible. At the same time, the Consortium notes that most impact studies are 'snapshots' of one moment in time.

Beyond these principles, the design outlined here follows the lessons learned in the assessment of the Christchurch Casino (James Baines and Geoff Butcher, 2017). In particular, this social impact assessment is built around a mixed method approach. This means the social impact assessment of SkyCity Hamilton Casino will involve multiple data sources and data collection methods.

Mixed method approaches like this combine quantitative and qualitative approaches and start from the argument that the combination of approaches provides a better understanding of research problems and complex phenomena than either approach alone. It makes this argument because the strengths of one approach are able to complement the restrictions of another. In particular:

1. **Quantitative** research involves data collected from a large number of participants and can indicate the frequency and distribution of impacts as well as the relationships between them. This data can then be used to model those impacts in the community, and;
2. **Qualitative** research involves in-depth data collected from a smaller number of participants and is used to explore and illustrate impacts. These qualitative insights provide a way of interpreting the statistical trends found in the quantitative data.

In addition to this combination of quantitative and qualitative research, the SkyCity Hamilton Casino Social Impact Assessment also combined primary and secondary data sources, where:

1. **Primary** data are those collected by the researchers themselves. These data can directly assess specific local impacts and be targeted at priority groups. However, primary data collection is generally slow and resource intensive, and;
2. **Secondary** data comprise information that has been collected in the past by people outside of the research team. This includes official government statistics, research conducted by others, media reports, etc.

The principles outlined in this section have shaped the impact assessment design summarised in the next section and then discussed in more detail throughout this document.

8.2.2 ASSESSMENT OVERVIEW

The International Association for Impact Assessment (IAIA) defines Social Impact Assessment as:

> The processes of analysing, monitoring, and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions.[105]

Social Impact Assessment (SIA) is a mature methodology and there is a considerable body of international literature covering most aspects of SIA and its practice, including texts, guidebooks, case studies and reviews.

Professional practice standards for SIA (including foundation values and principles, and ethical guidelines) have been developed and promulgated by the International Association for Impact Assessment (IAIA, 2003). Practitioner groups in different countries have adapted these for local practice (e.g., by the NZ Association for Impact Assessment). A range of textbooks and guidelines are available for prospective assessors, including a New Zealand textbook (Taylor et al, 2004) and bibliography (Taylor & Fitzgerald, 1991).

There are many models for how to conduct a SIA though they have the same basic content (Burdge and Vanclay, 1995). The outlined provided here is consistent with those principles.

Similarly, SIA makes uses of a range of tools or techniques for prediction and estimation of effects, and typically utilises a ‘mixed methods’ approach for data gathering and analysis. A mix of methods is used to increase validity and broaden impact coverage. This commitment to mixed methods and multiple audiences is also incorporated into The Curiosity Company’s proposed design for SkyCity Hamilton Casino.

8.2.2.A ASSESSMENT DESIGN

The CIR is the most substantive piece of work required for the casino venue licence renewal process. As such it is important that it provides the most rigorous assessment of impacts possible.

To do this for the social impact assessment, The Curiosity Company used the following methods:

1. A review of the literature about gambling and problem gambling in Hamilton and Waikato;
2. An analysis of the media and social media relating to gambling in Hamilton and Waikato, and the operations of SkyCity Hamilton Casino;
3. Interviews with (N=25) stakeholders and community representatives across Hamilton and Waikato;
4. An in-situ survey of Casino patrons (n=256);
5. An online survey of Casino members (n=426);

105https://www.iaia.org/wiki-details.php?ID=23

6. A survey of residential neighbours of the Casino (n=76);
7. A survey of business neighbours of the Casino (n=87);
8. A community survey of Hamilton (n=187) and Waikato residents (n=213)[106], and;
9. A nationwide survey (n=1,002).

As noted in Section 2, the research instruments in this social assessment made use of the impact framework developed by Anielski and Braatan (2008) to ensure the broadest range of impacts are included. The assessment was also designed to ensure that it captured the views of the community by location, age, gender, ethnicity, and socio-economic group.

Figure 8.1 Casino impact framework (Anielski and Braatan (2008)

SOCIAL IMPACTS (i.e., impacts that are primarily non-monetary in their nature)	
Problem Gambling	Changes in the prevalence of problem gambling and the main indices potentially associated with problem gambling (i.e., personal bankruptcy rates, divorce rates, suicide rates, treatment numbers). There are also monetary costs associated with changes in problem gambling that should be tabulated (and included in the Economic Impact section). Specifically, these are the amount of money spent on a) treatment and prevention; b) policing, prosecution, incarceration, and probation for gambling-related crime; c) child welfare involvement for gambling- related family problems; and d) unemployment and welfare payments and lost productivity because of gambling-related work problems.
Crime	Change in the rate of crime and gambling-related crime. This would also include any observed decreases in illegal gambling with the introduction of a legalized form.
Employment	The number of full and part-time jobs that are directly or indirectly created as a result of gambling introduction and the percentage of the general workforce that this represents.
Socioeconomic Inequality	Evidence that the introduction of gambling has a differential financial impact on people of different socioeconomic levels (e.g., potentially making it more or less 'regressive').
Leisure Activity	Changes in the pattern of leisure behaviour associated with gambling introduction.
Public Attitudes	Change in public attitudes associated with gambling introduction. This could include changed attitudes about gambling (e.g., perceived benefits/harms), or changed attitudes about government or the role of government for allowing/ providing gambling, etc.
Quality of Life/ Public Health / Social Capital / Values	Change in the general quality of life, state of public health, societal interconnectedness, societal values, and related indices. These indices are often difficult to measure and also difficult to attribute to the introduction of gambling. Nonetheless, they are relevant impacts if they exist, and if they can be captured.

The Curiosity Company notes that the Anielski and Braatan framework (above) focuses on the **negative** impacts of a casino's operation. The current Social Impact Assessment acknowledges that there also potentially positive social impacts as well, and these will be included in the Assessment.

106A community survey of Hamilton and Waikato residents was added to the assessment design to supplement the numbers interviewed in the neighbourhood survey (76 households)

RESEARCH ADVISORY OVERSIGHT

To provide ongoing oversight of the research process, The Curiosity Company appointed Gerard Fitzgerald to a research oversight role. Mr Fitzgerald is an expert in social impact assessment and community engagement. In this role Mr Fitzgerald provided ongoing oversight of the data collection process, as well as input into a mid-point review and a post-data collection sensemaking workshop. This Oversight input helped ensure the research team's approach and methods remained fit for purpose.

8.2.3 SECONDARY SOURCE ANALYSIS

The first data collection step in the assessment process was a secondary source review to:

1. Outline the community context SkyCity Hamilton Casino operates within;
2. Summarise what has been said about SkyCity Hamilton in printed and electronic media;
3. Identify what the casino operator already knows about the scale and composition of its patrons/visitors, their visitation patterns and the nature of the activities they engage in while at the casino;
4. Identify what the casino operator knows about its current staff as well as historical trends and patterns in staffing;
5. Identify what the casino knows about its suppliers;
6. Identify what the casino knows about organisations and groups that receive any kind of support from the casino, and;
7. Identify the nature of the relationships that the casino has with various social agencies including problem gambling addiction services, other social service agencies in the city, etc.

This stage involved literature review and sentiment analysis components. The design of this stage was heavily informed by the work done by Baines and Butcher (2017) in their assessment of the Christchurch Casino.

This stage also involved talking to a small number of key informants expert in the socio-demography of Hamilton and the surrounding region.

A key output of this stage was the identification of the communities of interest to be engaged in the focus group component.

8.2.4 KEY STAKEHOLDER INTERVIEWS

The second stage of this Social Impact Assessment involved key informant interviews with relevant stakeholders. These stakeholders were chosen to ensure the Assessment covered the full range of casino impacts such as:

- Planning issues, amenity etc;
- Role in local economy;
- Social contribution;
- Social issues (gambling, budgeting, advice services, health etc);
- Order and disorder – facility and gambling, and;
- Management performance and compliance, regulation etc,

This engagement was done using in-depth interviews. These interviews lasted between 40 minutes and an hour in length and were semi-structured' in nature. With this kind of interviewing, the researcher starts from a list of topics to cover and prompts to use but remains open to following other issues of concern to the participants. This provides the flexibility to allow the interviews to develop in novel and unsuspected ways as well as reproduce the social processes involved in opinion development. The spontaneity this engenders reduces defence mechanisms and self-editing and encourages respondents to share genuine opinions.

Interviews were conducted through a combination of face-to-face meetings, phone, and videoconference interviewing. The method of engagement was matched to the participants' preference, which also helped facilitate engagement, build rapport, and minimise the burden on participants[107].

8.2.5 POPULATION SURVEYS

To ensure the social impact assessment had the quantitative data it needs to be robust, a critical component was a series of surveys with populations of interest. These populations included:

1. Casino patrons;
2. Casino staff;
3. Businesses operating in the vicinity of SkyCity Hamilton Casino[108];
4. Neighbouring residents, and;
5. Residents of Hamilton City district and the Waikato region.

The most cost-effective way to survey patrons, staff, neighbourhood residents and businesses operating in the vicinity of SkyCity Hamilton Casino was through (separate) online surveys.

For patrons and staff, the online surveys made use of SkyCity databases via an open link provided and administered by The Curiosity Company, with distribution

107 The stakeholders participated on the promise of confidentiality which is why they are not identified by name in this list nor throughout this report (except in those specific circumstances where stakeholders asked to be identified by name).
108 The Social Impact Assessment does not include surveying businesses supplying goods and/or services to the casino on the assumption this will be covered in the Economic Impact Assessment, separately.

managed by SkyCity. The patron survey was also augmented with on-site surveying with visitors to gain an in-situ perspective.

Interviews with neighbourhood residents and businesses were conducted face to face by interviewers within the vicinity of the casino location.

Residents of Hamilton City district and the Waikato were also interviewed via online survey and identified via use of a panel provider.

For all of these surveys, the questionnaires were designed to maximise engagement and completion (which in practice means a survey designed to take a maximum of ten minutes).

8.2.6 DATA ANALYSIS

8.2.6.A COMBINING INSIGHTS

The strength of mixed method research designs like this one is in the combination of insights from across the different methods. What researchers look for most in mixed method projects are the common themes across the different parts of the project. This is known as 'triangulation' and describes the use of multiple sources and perspectives to create a coherent picture of the topic being studied. By constructing such a picture from multiple standpoints and approaches, researchers can be assured that it presents a robust and valid view.

8.2.6.B A NOTE ABOUT QUALITATIVE ANALYSIS

The peer review of the Christchurch CIR identified a need for CIRs to be more explicit about how they handle their qualitative data. Qualitative data deal with perceptions, motivations, emotional responses and 'gut feelings'. Qualitative data are not only exploratory and illustrative in nature but it is also highly 'textured'. In practice, this means that qualitative data typically involves the following:

1. Transcripts;
2. Notes;
3. Worksheets and posters (if used);
4. Photos of whiteboards (if used), and;
5. Notes from the debrief with the research team.

This process of data 'analysis' is about searching for patterns and regularities in the data collected. In all cases, analysis can be thought of as a process consisting of the following steps:

1. **Data reduction.** Because researchers are interested in patterns, analysis begins by reducing the collected data into a manageable form. This involves 'coding' the data into distinct categories. In qualitative research this is done by compiling coding 'memos' (see below);
2. **Data organisation.** Once the data have been 'reduced' into a manageable form, they are then organised around certain themes. Qualitative research generally does this by creating text strings (and is often completed by qualitative data analysis software), and;

3. **Data interpretation.** The final step is to use the patterning of data to make some decisions and draw the conclusions. Here patterns and regularities are identified, and explanations offered.

Note that qualitative researchers are unable to summarise their data in the shorthand of statistics like quantitative researchers (precisely because the point of qualitative research is to preserve as much of the original 'texture' of the data as possible). Instead, coding in qualitative research involves reading through the collected notes and transcripts as soon as they have been written, 'marking up' the text as the researcher cycles through the data. This involves making a series of notes about the data known as 'memos'. These 'memos' highlight interesting research themes, data that seems to sit outside research themes, and those places where the researcher might need to collect more data. These codes are then compiled into a 'summary' around the research themes. As these summaries are refined through subsequent data analysis they start to morph into the body of the final research report. This process is outlined in detail in Tolich and Davidson (1999), and this will inform how the research team makes sense of the qualitative data here.

8.2.6.C HOW TRUSTWORTHY ARE QUALITATIVE INSIGHTS?

The question of how trustworthy qualitative insights are is a question of methodology rather than method (that is, it concerns the philosophical assumptions that underpin the method). In sum this means that qualitative researchers argue for different standards than those used by quantitative researchers for judging the quality of research. One common approach identifies four criteria for judging the soundness of qualitative research (Table 8.3).

Table 8.3: Criteria for judging qualitative research

QUALITATIVE RESEARCH	*TRADITIONAL CRITERIA*
• Credibility • Transferability • Dependability • Confirmability	• Internal validity • External validity • Reliability • Objectivity

These criteria are:

1. **Credibility**: The credibility criterion involves establishing that the results of qualitative research are credible or believable from the perspective of the participants in the research. Since from this perspective, the purpose of qualitative research is to describe or understand the phenomena of interest from the participant's eyes, the participants are the only ones who can legitimately judge the credibility of the results;
2. **Transferability**: Transferability refers to the degree to which the results of qualitative research can be generalised or transferred to other contexts or settings. The qualitative researcher can enhance transferability by doing a thorough job of describing the research context and the assumptions

that were central to the research. The person who wishes to “transfer” the results to a different context is then responsible for making the judgment of how sensible the transfer is;

3. **Dependability:** The traditional quantitative view of reliability assumes of replicability or repeatability. Essentially it is concerned with whether the researcher would obtain the same results if they could observe the same thing twice. The idea of dependability, on the other hand, emphasizes the need for the researcher to account for the ever-changing context within which research occurs. The research is responsible for describing the changes that occur in the setting and how these changes affected the way the research approached the study, and;
4. **Confirmability**: Qualitative research tends to assume that each researcher brings a unique perspective to the study. Confirmability refers to the degree to which the results could be confirmed or corroborated by other researchers.

Section 9:

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Section 10:

Appendix Three Potential Alternative Use

Valuation Consultancy

SkyCity Hamilton

340-346 Victoria Street, Hamilton

Prepared For

SkyCity Hamilton

Address

C/- LWP
PO Box 70
Lyttelton
Christchurch 8841

Attention

James Chapman and Simon Harris

Date: **23 February 2026** | Ref: **25327CONS/AL**

Contents

Appendices

1. Introduction

Property Address	SkyCity Hamilton, 340-346 Victoria Street, Hamilton
Instructing Party	SkyCity Hamilton C/- LWP
Date of Inspection	19 January 2026
Date of Report Preparation	23 February 2026

We have been requested to provide expert advice and opinion as to the most probable and feasible alternative uses of the property at 340-346 Victoria Street, Hamilton, that currently houses SkyCity Hamilton. Our advice is intended to support a Casino Impact Report for re-licencing of the casino within SkyCity Hamilton.

We confirm that the individual valuer who is signatory to this report, is experienced in the valuation of property in this location and has suitable experience and knowledge to provide an informed opinion on the probable alternative uses of the property.

2. Current Accommodation and Usage

The SkyCity Hamilton Building comprises a part eight-level building occupying a prominent position on Victoria Street, within the Hamilton central business district. The building is L-shaped with the three level structure facing Victoria Street comprising the former Chief Post Office constructed in 1940. That building incorporates a central void with a ground floor atrium and glazed roof dome over. In 2002 significant extensions and upgrades were completed, with SkyCity Casino and Conference Centre officially opening in September 2002. This extension included four split levels of basement parking, a lower ground floor conference centre with extensive back of house facilities, and two levels of retail and entertainment space above. Additional upgrades to the complex were undertaken in 2015.

Today the property offers a casino, conference and function centre, bowling alley, bars and restaurants, offices, ancillary amenities and basement parking for approximately 316 vehicles. The building's total gross floor area is estimated to be just under 25,000 square metres, which includes four split levels of basement parking and plant rooms. We estimate the lettable area of the building to approximate 12,920 square metres. The proportionate share of areas given over to the different activities within the complex are given below:

	Lettable Area m²	Proportionate Share of Total Lettable Area
Estimated Total Lettable Area	*12920*	*100%*
SkyCity Casino	2995	23%
Conference Rooms	1272	10%
Bowling Alley & Bar	2264	18%
Level 3 Offices	1184	9%
Retail (F&B) - Ground & Level 2	1732	13%
All Skycity Occupied & Shared Areas (excl. tenanted areas)	11830	92%

Current Operation and Occupancy

SkyCity Hamilton Limited own the building and occupy approximately 92% of the lettable area, with a portion of this area providing shared atrium, access and amenities. Currently there are three independent tenants within the complex; these being Palate Restaurant and Shanghai Restaurant on the ground floor, and The Instillery office tenancy on Level 3.

There are three further restaurant and bar operations on the ground floor, which are operated by SkyCity Hamilton.

The lower ground floor comprises a Conference Centre that can accommodate up to 600 delegates (cocktail style), with event food catering provided by the production kitchen on Level 1.

Level 2 of the building is predominantly occupied by Bowl and Social, and Zone Sports Bar, both of which can operate largely independently of the casino operations, with dedicated kitchens and bars.

At present, the majority of activities within the SkyCity Hamilton complex are inter-dependent, with back of house facilities and staff shared across the SkyCity businesses. We are advised by SkyCity management that between 30-40% of food and beverage revenue within the complex is derived from casino custom. Promotions run regularly to incentivise casino visitors to frequent the other retail and entertainment operations within the complex. The primary revenue-generating activity at the property is the casino.

Alternative Occupancies

We have been requested to provide expert advice and opinion as to the most probable and feasible alternative uses of the property at 340-346 Victoria Street, Hamilton. In our view, the potential alternatives for consideration include:

- A building conversion to accommodate office, hotel or residential uses. A conversion may retain one or more of the existing occupancies that could be considered complimentary, and economic to preserve.
- A full redevelopment of the site to accommodate office, hotel or residential uses.
- No conversion or redevelopment of the property, with those components of the property currently occupied by SkyCity Hamilton Limited either being leased, or becoming vacant.

We now turn to exploring the local market conditions that will underpin the feasibility of other potential uses of the property.

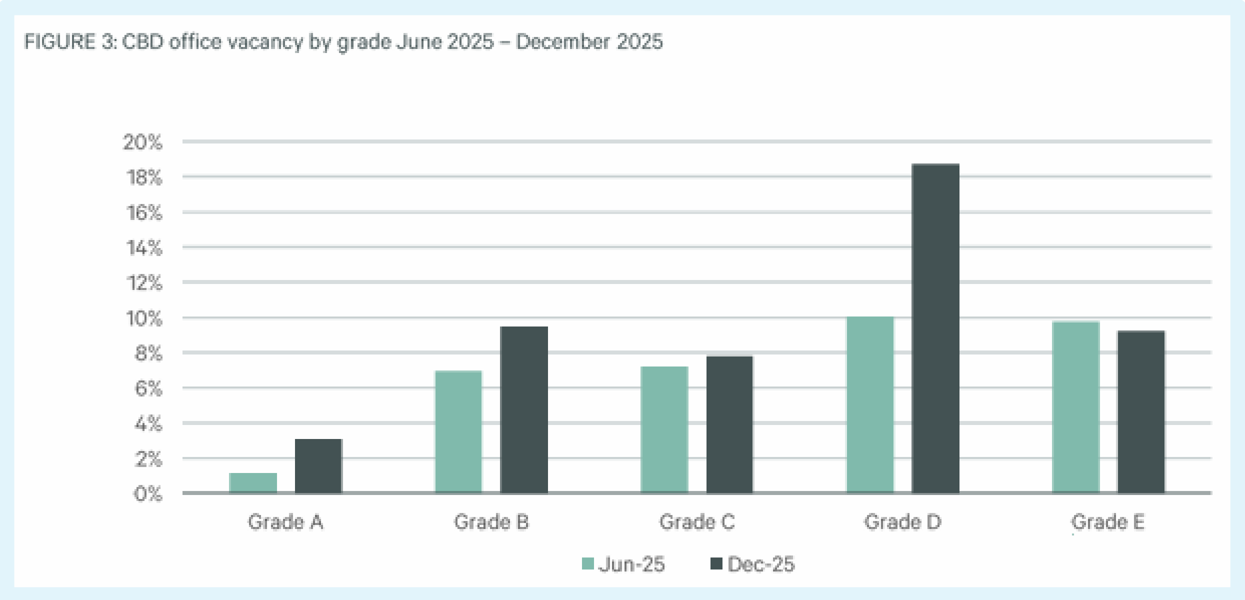
3. Hamilton CBD Office Market Commentary

The Hamilton office market comprises approximately 305,000 square metres of office stock, predominantly characterised by older style of 1960's - 1990's constructed buildings that are now mostly considered to offer C and D Grade accommodation, with floor plates typically under 1,000 sqm. However since the late 2000s, a number of new commercial developments constructed in and around the CBD have added significant A Grade stock to the market, with A Grade accommodation now representing around 25% of the total office stock in the city. Major new office developments to have been delivered in the past 10-15 years include:

- Deloitte House, Hamilton East
- 1 London Street
- ASB Building, Bryce Street
- Corrections Building, London Street
- Genesis Energy Building, Tristram Street
- ANZ Centre, Grantham Street
- Tristram Precinct, corner Ward & Tristram Streets
- NZ Blood, corner Anglesea and London Streets
- Amohia Ake, corner Tristram and Collingwood Streets
- Union Square, corner Anglesea, Hood and Alexander Streets

In addition to new A Grade supply, there has been a growing trend of refurbishment and repositioning of older office accommodation, with Stark Property and Foster Construction leading the local market in this respect. Assets that have been recently refurbished and repositioned include 18 London Street, North and South Bloc, 193 London and 15-19 Knox Streets.

As at December 2025, NAI Harcourts and CBRE report an office vacancy rate of 8.9%, up from 6.4% in the six months prior. This increase was spread across all office grades however the greatest increase in vacancy was seen in the D Grade sub-sector, a shift from 10.0% to 18.7% in six months. Total stock currently under refurbishment has reduced over the past six months, however remains significant at approximately 25,300 sqm. A Grade vacancy almost tripled in the six months to December 2025, to now sit at 3.1%, however this is the lowest vacancy of all sub-sectors. B and C Grade vacancy increased to 9.5% and 7.8% respectively, these increases being largely driven by recently completed refurbishments coming online with space available for lease.



Source: CBRE & NAI Harcourts Hamilton CBD Office Market Overview, Q1 2026

Despite the increase in vacancy at December 2025, the overall net change in occupied office stock was reported to be 4,300 sqm, due to leasing activity in newly completed refurbishments. However with additional space becoming vacant in the second half of 2025, net absorption was in fact negative.

In terms of office developments in the pipeline, Building B Union Square is under construction, with this largely pre-committed by AECOM and Tetrapak. Completion is estimated for late 2026.

With respect to the outlook for Hamilton's office market over the next 12–36 months, secondary grades are expected to continue to see negative net absorption as occupiers consolidate footprints and sub-lease surplus space. The recent wave of refurbished space re-entering the market has further increased vacancy and despite more than half of this re-positioned office stock being leased, there remains significant stock available for lease. It is expected that over time this space will be taken up, particularly by tenants occupying C and D Grade offices who are seeking an improvement in the quality of their premises.

The preference for quality accommodation is expected to persist, reinforcing a 'flight to quality' trend that favours A Grade stock. Limited availability of A Grade space is expected to place upward pressure on prime rents and reduce incentives, however secondary rents are unlikely to see short-term growth given ongoing vacancy challenges and the volume of space under refurbishment.

4. Hamilton Conference Facility Commentary

Hamilton has a small number of conference facilities, with the majority located within the central business district. The largest facilities within Hamilton include the subject SkyCity Hamilton – Waikato Suites, which will accommodate up to 600 people (cocktail style event), and the following key competitors:

- Claudelands Conference & Exhibition Centre at Claudelands Arena – large-format, multi-zoned conference and exhibition venue, capable of hosting 1,200+ delegates with 11 breakout rooms, whilst the arena can supports major plenaries and banquets of up to 6,000 people.
- Distinction Hamilton Hotel & Conference Centre - a hotel-integrated conference venue with capacity for up to 600 delegates across multiple pillarless rooms. The complex includes large conference suites, seminar rooms, and attached reception lounges, supported by complimentary parking for 300+ vehicles, and 147 onsite accommodation rooms.
- Jet Park Hamilton Airport Hotel and Conference Centre – a hotel-integrated conference venue located at Hamilton Airport, offering five distinct spaces - including a ballroom with capacity for 200 attendees.
- Mystery Creek Events Centre – a multi-purpose venue in the Waikato, available for indoor and outdoor events of any size, scale or type. The venue is situated on 114 hectares of natural surroundings, conveniently located 2 minutes from Hamilton Airport and 10 minutes off the Waikato Expressway. The pavilion extends to 6,064 sqm and has hosted a number of major conferences and events. The convention centre extends to over 2,000 sqm and can accommodate up to 1,200 attendees in a theatre style configuration. Other facilities include Bledisloe and Gallagher spaces which can facilitate 400 to 500 guests in a theatre setting, respectively.
- Novotel Hamilton Tainui - six conference rooms suitable for board meetings, workshops, and events of up to 300 delegates, supported by 217 onsite accommodation rooms and multiple pre-function areas.
- The Atrium at Wintec - a large event space designed for major corporate functions, exhibitions, awards nights, and large-format conferences. Can accommodate up to 350 guests for theatre and banquets functions.

In addition to the above, there are a number of smaller capacity facilities including Panama Square, Ferrybank Reception and Conference Centre and Trust Waikato Community Meeting and Event Rooms. All of these facilities have capacities of 150 people or less.

We have no information in regards to the operational or financial performance of these conference facilities.

5. Hamilton Hotel Market Commentary

According to Hotel Data New Zealand, at December 2025, Hamiton's hotel occupancy rate sat at 66.4%, this being a 2.5% decrease on the 2024 year prior. The Average Day Rate (ADR) sits at $207/day, down 2.6% from December 2024. Revenue is down 5.0% to sit at $138 per average room (Rev/PAR).

With regards to how Hamilton's hotel occupancy compares with the national average, and other regional cities, we note the following occupancy rates at December 2025:

- New Zealand average – 70.5%
- Rotorua 70.0%
- Wellington 66.1%
- Nelson/Marlborough – 69.4%
- Christchurch – 78.5%
- Dunedin – 73.0%
- Queenstown – 76.5%

Colliers

Colliers Valuation and Advisory maintains a hotel database for Hamilton which indicates the following total hotel stock as at February 2026:

Property	Address	Location	Rooms	Star Rating	Category
Abbots Hamilton	222 Ulster Street	Hamilton	33	3	Hotel
Alcamo Hotel	290 Ulster Street	Hamilton	66	3	Hotel
Distinction Hamilton Hotel & Conference Centre	100 Garnett Avenue	Hamilton	147	4	Hotel
Heartland Ambassador Hamilton	86 Ulster Street	Hamilton	51	4	Hotel
Ibis Hamilton Tainui	18 Alma Street	Hamilton	126	3+	Hotel
Jet Park Hotel Hamilton Airport & Conference Centre	201 Airport Road	Hamilton	62	4	Hotel
Novotel Hamilton Tainui	7 Alma Street	Hamilton	217	4+	Hotel
Quest Hamilton Serviced Apartments	51 London Street	Hamilton	38	4	Serviced Apartment
Quest on Ward	43 Ward Street	Hamilton	27	4	Serviced Apartment
Ramada by Wyndham	287 Victoria Street	Hamilton	69	3	Hotel
Ventura Inn & Suites	23 Clarence Street	Hamilton	50	3	Hotel
VR Hamilton	237 Victoria Street	Hamilton	38	4	Hotel
TOTAL Hamilton Hotel Stock - February 2026	***Current no. of rooms***		**924**		

In mid 2024 it was announced that Hamilton's tallest office building, the Mistry Centre that sits above Centre Place Shopping Centre, would be converted to a 191-bed 5 star Pullman Hotel. This significant conversion and refurbishment over 13 levels is set for completion in Q4 2026. This will add 191 rooms to Hamilton's total hotel stock, a significant increase of 22% in the total number of rooms available.

In early-mid 2025, the sale of Council-owned land at 242-254 Victoria Street to Templeton Group was confirmed. The mooted development is a tiered 25-storey development that may include 218 rooms of hotel accommodation, apartments and a riverfront dining and entertainment precinct.

Key performance milestones for New Zealand's hotel property sector, as at the current date, are as follows:

- International Visitor Arrivals to New Zealand in the 2025 calendar year reached 3.51 million, an increase of 6% on the previous year (90% of 2019 calendar year arrivals).
- International Guest Nights across all accommodation types were recorded at 14.17 million in 2025, an increase of 6.0% on the previous year in line with increase in the visitor arrivals noted above.
- Domestic Guest Nights across all accommodation types were recorded at 25.6 million in 2025 a similar level to the previous year.

There is a slow but steady increase in numbers of international visitors to New Zealand, however Hamilton is more reliant on domestic tourists, compared with other cities such as Christchurch and Queenstown that receive a higher proportion of international visitors. Year on year occupancy and ADR performance can vary depending on cultural, musical and sporting events that bring people to stay in Hamilton City.

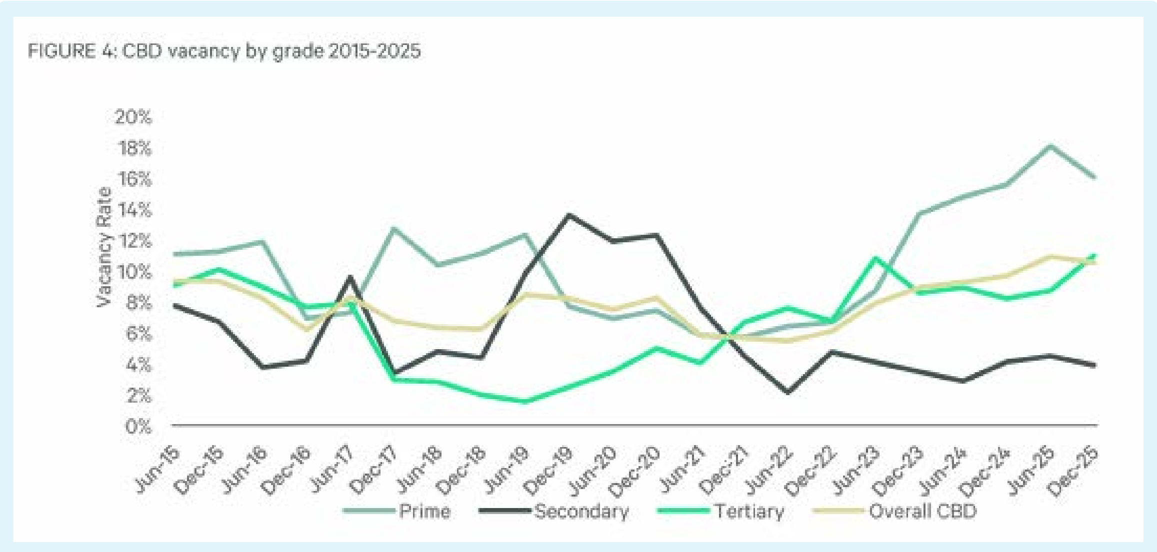
Hamilton City Council commissioned a feasibility study in 2023 which uncovered a need for almost 500 extra hotel rooms by 2030, however included within this study was a large amount of secondary stock noted at 100% occupancy due to it's utilisation for emergency housing.

Hamilton's hotel sector is likely to be challenged in the short to medium term, with a significant 21% increase in the total room numbers with the opening of Pullman Hamilton in Q4 2026. It is expected that the increase in stock will place downward pressure on day rates and revenue of existing hotel properties in the short to medium term. Additional rooms in the pipeline include the Templeton development (currently at resource consent stage) which, with a mooted 218 rooms, will further increase the total hotel stock by 44% over existing levels.

6. Hamilton Retail Market Commentary

As at December 2025, NAI Harcourts and CBRE report a CBD retail vacancy rate of 10.5%, down 0.4% on the six months prior. This decrease was seen across primary and secondary grades and was primarily driven by take-up of space by 11 tenants, including a substantial 1,400 sqm leasing to City Fitness on Barton Street.

The graph below shows the upward trend in prime grade vacancy rates since mid to late 2022, which peaked in June 2025.

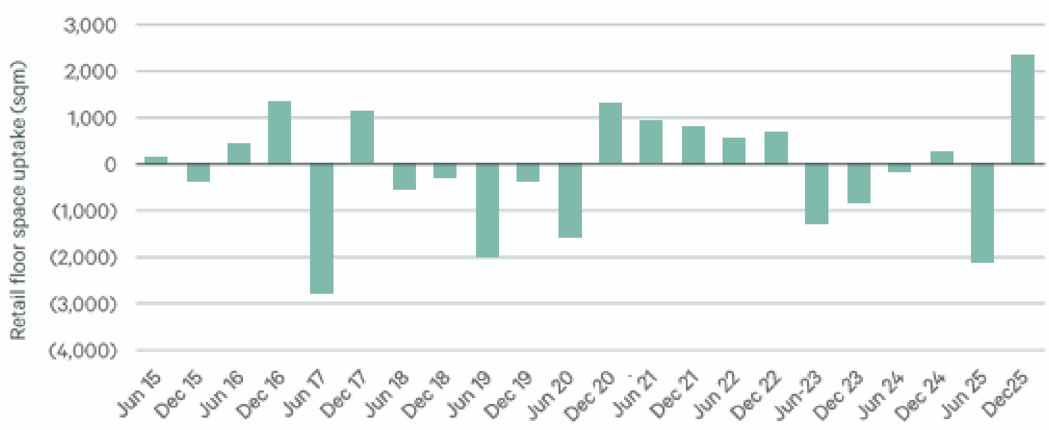


Source: CBRE & NAI Harcourts Hamilton CBD Retail Market Overview, Q1 2026

With regard to current and future stock, NAI Harcourts and CBRE report an increase in total retail stock in the six months to December 2025, driven by the re-introduction of a number of refurbished premises including a notable 1,617 sqm of hospitality and function space at the BNZ Theatre at 184 Victoria Street. Within Hamilton there is now an estimated 30,500 sqm of "prime" retail space in the CBD, representing 37% of the total retail stock of some 81,700 square metres.

The completion of BNZ Theatre (the former Waikato Regional Theatre) had a significant impact on the net uptake of retail premises in Hamilton, with 1,124 sqm of food retailing space added, and absorbed, into occupied total stock. Retail churn decreased during the second half of 2025 and whilst occupied stock now stands at an estimated 73,000 sqm, this remains below the 75,000 sqm of total occupied stock that was recorded in 2022.

FIGURE 5: Net uptake of CBD retail space 2015-2025



Source: CBRE & NAI Harcourts Hamilton CBD Retail Market Overview, Q1 2026

After six consecutive half-yearly increases in vacancy rates recorded since 2022, the second half of 2025 recorded a positive result with an decrease in the vacancy rate to now sit at 10.5%. This signals a positive shift for retailers in Hamilton, which may be supported by the quarterly (seasonally adjusted) retail sales values released by Statistics NZ which showed a 1.9% increase in retail sales values for Waikato, ahead of the previous quarter.

7. Discussion of Probable Alternative Uses

Office Accommodation Conversion

As outlined previously, the Hamilton CBD office is challenged at present, with a significant amount of secondary quality office space currently vacant. In addition to the substantial C, D and E Grade vacancies, as at December 2025, vacancy had increased in the A and B Grade sub-sectors, to 3.1% and 9.5% respectively. There has been around 12,000 sqm of refurbished office stock re-introduced to the market in the past few years, and supply has outstripped occupier demand.

When considering a potential conversion of the subject building to office accommodation, we highlight the following key considerations:

- Level 3 of the former Chief Post Office Building, which is incorporated within the subject development, currently provides approximately 1,184 square metres of office space that would be considered C Grade quality. Of this, approximately 602 square metres is occupied by SkyCity, and the remaining 582 square metres is tenanted by The Instillery.
- Whilst Level 3 is already configured as office accommodation, and thus little to no refurbishment cost would be necessary to make the premises suitable for alternative office occupiers, there is significant competing office stock at present. In our opinion, sizeable tenant incentives may need to be offered to attract tenants, and avoid prolonged vacancy of the Level 3 office premises.
- Level 2 east side of the subject development houses Bowl and Social and Zone Sports Bar. The east elevation enjoys extensive glazing with views over the Waikato River. However the north and south elevations are solid walls with no glazing and no natural light penetration. There is a generous floor to

ceiling height of over 4 metres. The floorplate depth from the glazed east elevation is up 38 metres and the resultant lack of light and dimensions of the floorplate deem it unsuitable for an office conversion, without significant structural change.

- Level 1 (this being somewhat contiguous with Level 2 but stepped down via internal stairs) comprises the former Chief Post Office building structure. At present, it provides a Garden Function Room, Staff / Prep kitchen, and a multitude of store rooms, with a central void over the atrium below. This component of the building benefits from glazing on the west Victoria Street frontage and some natural light is obtained from the central void with glazed roof dome. The floor to ceiling height is 3 metres to the majority of this space. This space has the potential to be converted to C Grade office accommodation however we consider the lack of natural light inhibits the potential for a higher grading. We estimate this lettable area to extend to 1,137 sqm, excluding void.
- The ground floor of the development comprises the SkyCity Casino to the east section of the floorplate, and a variety of eateries and bars centred around the atrium and shared access way to the casino, lift and stairwells. Given the current configuration, profile and street frontage, the atrium and food and beverage outlets on the ground floor could be retained in a potential redevelopment of the property. As with Bowl and Social and Zone Sports Bar premises on Level 2 above, the casino premises enjoy extensive glazing with balconies and an outdoor gaming area at the east elevation. The north, south and west elevations are solid concrete construction, offering no glazing or natural light. There is a generous floor to ceiling height of over 4 metres. We estimate the lettable area currently occupied by the casino to extend to 2,995 sqm. The floorplate depth from the glazed east elevation is up 38 metres and the resultant lack of light and large dimensions of the floorplate, also deem it unsuitable for an office conversion without significant structural alteration.
- The Lower Ground Floor provides for back of house facilities associated with both the casino and the conference centre. Access is taken via stairs or lifts from the upper floors and basement levels, and a porte cochere is positioned at the north-east corner of the site, providing drop off/pick up and walk in access. This access is via Alma Street with a shared right of way easement over the properties at 370 Victoria Street (Novotel Tainui) and 354 Victoria Street (St Peters Apartments). The western portion of the Lower Ground Floor comprises predominantly low stud accommodation with no natural light. The eastern portion of this level comprises a reception, conference rooms with associated bars and serving kitchens. There are also substantial plant rooms located on this level. The conference rooms enjoy a glazed east elevation, which provides reasonable natural light, albeit restricted due to the balcony overhang from the (upper) Ground Floor. We estimate the conference centre lettable area to extend to 1,272 sqm. In our view, the back of house and plant rooms are wholly unsuitable for office conversion. The conference facility has greater potential from conversion, however we view the lack of profile and direct access to be a significant detractor from the suitability of this space for office conversion.

Costs of conversion and refurbishment vary significantly, and are heavily influenced by the required deconstruction or demolition, services upgrades and structural alterations (if required) and quality of internal finishes. Based on published cost data from QV Costbuilder (Q4.2, November 2025), office renovation costs within Hamilton currently sit within the following ranges:

- Basic standard office renovation, no HVAC (internal finishes, upgrading of services, minimal demolition) - $350 - $500 per sqm of NLA
- Basic standard office renovation, with HVAC (internal finishes, upgrading of services, minimal demolition) - $580 - $730 per sqm of NLA

Basic standard renovation rate range ***$350 to $730 per sqm***

- Medium standard office renovation, no HVAC (internal finishes, external cladding, upgrading of services, provision of sprinklers, minimal demolition) - $710 - $910 per sqm of NLA
- Medium standard office renovation, with HVAC (internal finishes, external cladding, upgrading of services, provision of sprinklers, minimal demolition) - $950 - $1,150 per sqm of NLA

*Medium standard renovation rate range **$710 to $1,150 per sqm***

- High standard office renovation, no HVAC (internal finishes, external cladding, upgrading of services, provision of sprinklers, minimal demolition) - $1,300 - $1,600 per sqm of NLA
- High standard office renovation, with HVAC (internal finishes, external cladding, upgrading of services, provision of sprinklers, minimal demolition) - $1,550 - $1,850 per sqm of NLA

*High standard renovation rate range **$1,300 to $1,850 per sqm***

We highlight these rates are for office renovations within existing office buildings, and do not reflect the additional costs associated with the demolition, engineering, design, construction, upgraded services that may be required for office premises within a non purpose-built structure. It follows that the above indicative rates will set the lower limits of potential conversion costs to offices on a per square metre basis. We are confidentially aware of recent adaptive re-use and major commercial refurbishment projects within Hamilton, which have cost up to $2,750 per sqm.

For any developer or property owner to contemplate a conversion or major refurbishment, there must be a return on cost incurred. Net effective rent rates currently being achieved within new office buildings in Hamilton are generally between $450 - $525 per square metre, however we highlight that these rent rates are within new purpose-built offices or retro-fitted and refurbished office buildings. There are additional costs associated with converting a specialised building such as the subject, into more conventional office accommodation, and a developer would seek a higher net rental return in order to undertake such a venture.

Conference Accommodation

The Conference Centre and associated facilities currently operate inter-dependent of the casino operation, with food preparation for events principally conducted in the production kitchen on Level 1 and delivered via a service kitchen on the lower ground floor. Should the casino cease to operate, alternative catering arrangements would need to be sought.

The conference facility market in Hamilton is a small one, and we have no data from which to draw conclusions on the performance and operation of such facilities. We do note that competing facilities within Hamilton are associated with hotel, polytechnic or arena properties and conference rooms do not appear to operate in isolation, but are ancillary to the core property functions.

Hotel or Apartment Accommodation Conversion

Conversion of the subject premises, or parts thereof, to hotel or apartment accommodation, would face similar challenges to those discussed above in regards to office conversion. The lack of glazing and natural light to central portions of the L-shaped floor plate, are considered a significant detriment to efficient use for hotel accommodation. Similarly if residential apartment usage was contemplated, significant structural alteration would be necessary to provide for natural light and ventilation requirements.

The former Chief Post Office Building structure is considered slightly more readily adaptable for hotel or apartment use, although not without significant costs to convert.

As discussed earlier, the hotel occupancy rate and ADR in Hamilton is below the national average and below comparable regional cities. This, coupled with an impending increase of some 21% in the number of hotel rooms in Hamilton in the next nine months, will put further pressure on occupancy and ADR. We do not consider the current market fundamentals support hotel usage in the short to medium term.

Retail and Entertainment Accommodation

The property currently offers seven food, beverage and entertainment venues in addition to the casino. The ground floor venues include two Victoria Street facing premises, that enjoy foot traffic and profile and could conceivably operate independently of other occupancies within the subject building. Three further ground floor premises are internal facing and these, together with Bowl and Social, and Zone Sports Bar, take access via the shared atrium and/or stair and lift wells.

Bowl and Social is a destination entertainment venue, and we note that previously, an 'escape room' business operated from an area adjacent to the bowling alley. There is therefore the potential for expansion of complimentary entertainment venues, such as Virtual Reality (VR) rooms, simulation and/or gaming arcades. Whilst the current configuration of the premises may lend itself to these uses, we are unable to comment on the economic viability of such ventures. We do highlight there are several businesses already in existence in Hamilton, including Fun Zones Virtual Reality within Centre Place Shopping Centre, and Timezone at both 460 Victoria Street and The Base Te Rapa.

We are advised by SkyCity management that between 30-40% of food and beverage revenue is derived from custom driven through other activities at the property, namely the casino, bowling alley and conference centre. Promotions run regularly to encourage casino visitors to frequent the retail and entertainment businesses within the complex. Should the casino cease to operate at the site, the retail and entertainment occupancies are likely to see a significant reduction in revenue.

8. Opinion and Conclusions

The subject property is a unique and predominantly purpose-built complex offering entertainment, retail, conference, and office accommodation, with adequate basement carparking provisions. The main revenue generating activity of the property is SkyCity Casino, with additional uses ancillary and complimentary to the casino operation.

Approximately 92% of the building's lettable area, some estimated 11,830 square metres, is occupied or utilised by SkyCity Hamilton Limited.

The structure and configuration presents significant challenges to an adaptive re-use of the building, should the casino and its associated businesses cease to operate from the site. The floor plates are L-shaped with solid concrete walls to some elevations, and the deep dimensions restrict natural light penetration to some areas. The current occupations require air-conditioning and ventilation plant and mechanical services, that are costly to run and would exceed the operating costs associated with more conventional office accommodation, although perhaps these would not be too dissimilar to expected operating costs for hotel accommodation.

Notwithstanding, the building is not considered to be readily adaptable to office, hotel or residential accommodation uses, without substantial structural alterations.

Conversion for either hotel or office use could potentially involve the demolition of Levels 2 and 3 of the building, to allow for a purpose-built tower to be constructed above the ground and lower ground floors. The two lower levels of accommodation (retail, conference facilities and back of house), along with the four levels of basement parking, could potentially be incorporated into a comprehensive redevelopment of the site. We are not in receipt of structural engineering advice as to whether these lower levels could support a tower development above however.

An office or hotel conversion is considered uneconomic in the current market. Given current occupancy rates in both these sectors, there does not appear to be unmet market demand in Hamilton so support a conversion or redevelopment of the property for these uses. In our opinion, a significant uplift in achievable net office rents and average day rates, couple with a fundamental shift market demand, would be required to justify the significant cost of conversion or comprehensive redevelopment.

Should the casino cease to operate and the building be preserved in its existing form and configuration, we would expect limited market demand for leasing vacant space and prolonged vacancy periods could be expected. Tenanted premises (Palate, Shanghai and The Instillery) are likely to experience a sharp decline in custom and consequently revenue, as the property became substantially vacant. It would also become uneconomic to continue operating mechanical, electrical and security services with only 8% of the building's lettable area occupied.

Should SkyCity Hamilton cease to operate from the subject property, we would also expect a marked decrease in foot traffic in the immediate area, which will have a flow on effect to nearby retailers and businesses.

In conclusion, the adaptive re-use or refurbishment of this specialised building is deemed uneconomic at the present time, and should the majority of the building become vacant, we expect prolonged vacancy periods would apply.

9. Disclaimers

- We have inspected all readily accessible parts of the improvements considered necessary for us to provide an expert opinion appropriate for the scope of works agreed with our client. We have not sighted a structural survey of the improvements, nor its plant and equipment, by a qualified engineer. The valuer is not a building construction and/or structural expert, and is therefore unable to certify as to structural soundness of the improvements. We have not inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation of the improvements.

- No detailed physical, engineering, service installation or mechanical survey has been undertaken. The opinion expressed here is conditional upon any electrical, hydraulic, mechanical, or other system or installation being in proper working order and functioning for the purpose for which it was designed.

- A current survey has not been sighted. This consultancy advice is offered on the basis that there are no encroachments by or upon the property and this should be confirmed by a current survey or report and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report we reserve the right to review our opinion expressed herein.

- In offering our opinion as to the alternative uses of the property, it has been assumed that a full and frank disclosure of all relevant information has been made.

- We confirm that we are not aware of any conflicts of interest or pecuniary interests of the property upon which we offer our opinion, on the part of either CVAS (NZ) Limited or the valuer.

- The commentary and opinions expressed are provided by us solely for the use of our client. We do not assume any responsibility to any person other than the client for any reason whatsoever by reason of or arising out of the provision of this consultancy advice.

- Neither the whole nor any part of this report nor any reference to it may be included in any published document, circular, or statement without our written approval.

The assumptions we have made in respect of our projections and offering an opinion as to probable and feasible alternative uses of the property are as follows:

- There will be no major economic downturn during the projection period.

- A continued stable economy and reasonable levels of growth as currently predicted over the next five years.

- The property will continue to be managed in an experienced professional manner.

- There will be no new taxes or rates introduced which have a direct impact on the property over the projected period.

- This report is relevant as at the date of preparation and to circumstances prevailing at the time. However, within a rapidly changing economic environment experiencing fluctuations in interest rates, availability of finance, insurance, rents, building expenditure and returns on investments, values can be susceptible to variation over a relatively short time scale.

We trust that this report is suitable for current purposes. If you have any questions, please contact the writer directly.

CVAS (NZ) Limited trading as Colliers

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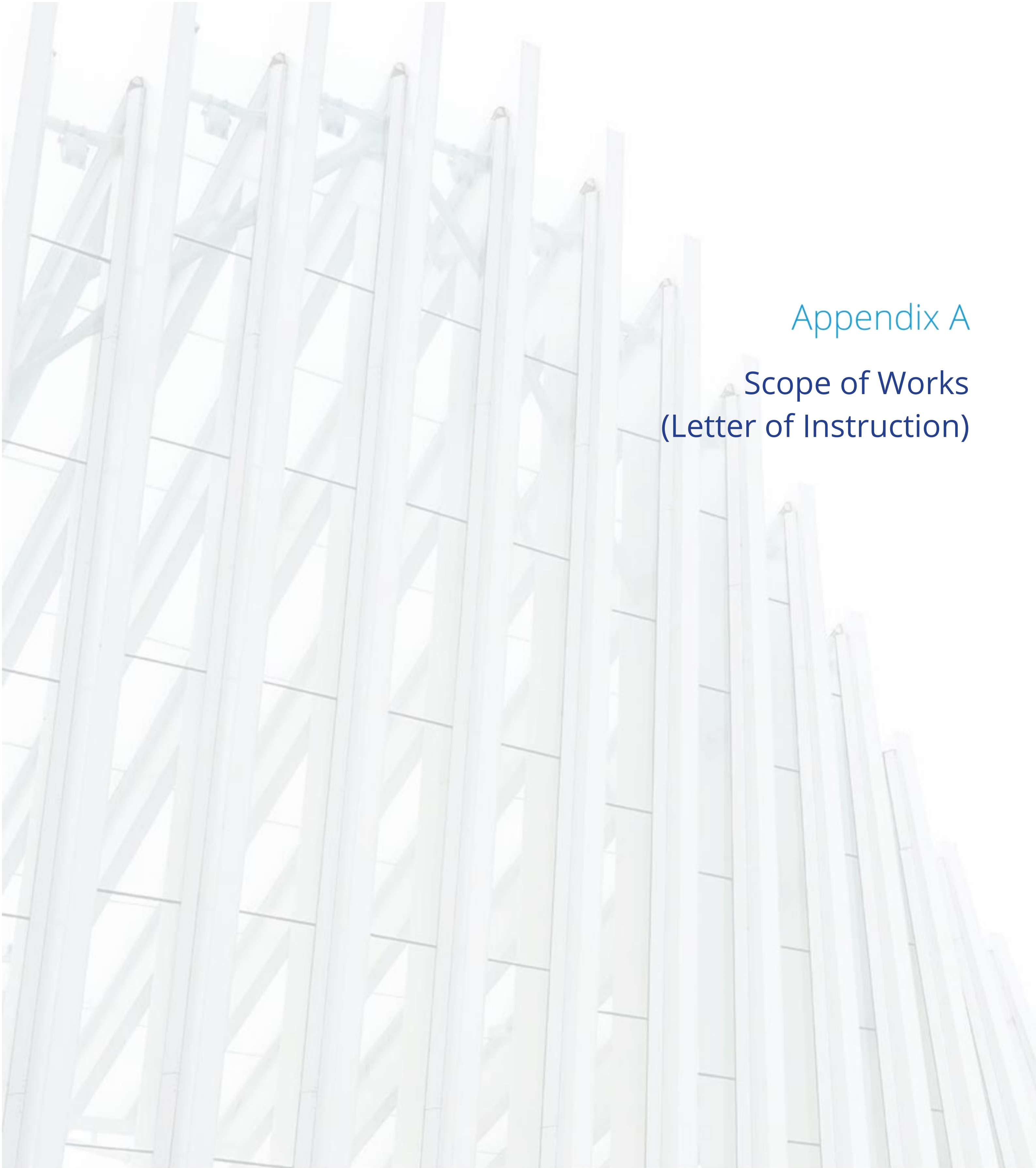

Appendix A

Scope of Works (Letter of Instruction)

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Colliers

TOE_01450/AL

4 December 2025

Sky City Casino Hamilton C/- LWP Limited
PO Box 70, Lyttelton
Christchurch
8841

Via Email: simon@lwp.nz

Dear Simon

SCOPE OF WORKS
SKY CITY HAMILTON CASINO CONSULTANCY

Further to your email dated 27 November 2025, we thank you for the opportunity to quote for the provision of professional property advisory services. Confirmation of details relevant to the services is as follows:

Subject Property:	Sky City Hamilton Casino Consultancy
Instructing Party:	Sky City Casino Hamilton C/- LWP Limited
Service Provider:	CVAS (NZ) Limited trading as Colliers ("The Company")
Form of Advice:	Consultancy advice in short letter format.
Purpose of Advice:	The report is to be independent expert advice and opinion as to the most probable and feasible alternative uses of the Property, to support a Casino Impact Report for relicensing of the Sky City Hamilton Casino. Our report should not be relied upon for any other purpose.
Reliance:	Reliance will only be extended to *Sky City Casino Hamilton C/- LWP Limited*.
Basis of Advice:	Our advice will be formulated on research and analysis in respect of the Hamilton commercial market and the potential alternate uses of the Property should they no longer operate as a Casino. Our report will cover supply and demand dynamics, current and future pipeline and vacancy rates within the Hamilton commercial market. We will discuss at a high level, potential timeframes in the Hamilton market for conversion, redevelopment and leasing. Potential refurbishment cost estimates depending on the most probable alternative use scenarios will also be provided.
Fees:	
Billing Entity:	We require confirmation of the full details for the billing entity prior to commencement of this instruction.
Collection of Fees Upfront:	In accordance with our Company Policy, we will require 50% of the aforementioned fee to be paid prior to commencement of our services.
Early Termination:	Where the brief is terminated by the instructing party and/or client prior to its conclusion, you (the client) will be invoiced for the cost of work completed at an hourly rate of plus GST, to a maximum of 80% of the total fee, along with all disbursements at cost. A copy of partially completed work will not be provided. The Company reserves the right at any time prior to issuing a final report to terminate this instruction at its sole discretion. If such a decision is made by The Company no fee will be charged for work to date and any fee paid in advance to The Company will be reimbursed in full to the payer.

Additional Fees: Any additional advice/consultation beyond the scope of the initial brief will incur an additional fee at a rate of unless otherwise agreed in writing (your written request will be required). This includes any negotiation, formal or otherwise, and/or request to present our report, after completion of the initial report.

Payment: Our fees are due for settlement on the 20th day of each month following submission, submission being on a delivery of the valuation. Fees unpaid for 30 days will attract an administration charge of 2.5% per month or part thereof.

Personnel: Anna Lomas, Director and Registered Valuer, will complete the consultancy advice with support from Rob Dol, Waikato Regional Director – Colliers Project Leaders on behalf of Sky City Casino Hamilton C/- LWP Limited.

We note that the principal valuer is suitably experienced and authorised to undertake the subject consultancy advice. In addition, we confirm that the valuer does not have a pecuniary interest, financial or otherwise, that could conflict with the proper independent advice in respect of the subject property.

Required Information: This submission is predicated on the basis of the following information relating to the subject property being provided to us:

- Surveyed floor plans
- Detailed seismic assessment (if available)
- Contact details to arrange inspection

Date of Advice: Date of inspection.

Completion Date: 30 January 2026, subject to the provision of all required information.

Standard Conditions: All opinions of value expressed by the firm or its employees are subject to "The Company's Terms and Conditions" attached to this correspondence.

In executing this specific instruction, it is acknowledged by the parties that there is no real or perceived conflict of interest in performing the requirements detailed in this TOE. Specifically, it is acknowledged that no real or perceived conflict of interest is arising from current or previous engagements undertaken for or against the instructing party (or related entities). If appointed, it in no way imposes restrictions on Colliers regarding previous or current separate engagements for or against the instructing party and/or their related entities.

Please indicate your acceptance of the Terms and Conditions outlined herein by signing and returning a copy of this letter by email.

Should you have any queries regarding this matter, please do not hesitate to contact the writer on 0275 841 843 or by e-mail to anna.lomas@colliers.com. We look forward to confirmation of your instructions.

Yours sincerely

CVAS (NZ) Limited Trading as Colliers

ANNA LOMAS BBS (VPM), BA (B.Psych), Grad Dip Bus. Mgmt ANZIV SPINZ
Registered Valuer
Director | Valuation & Advisory Services

Colliers

CONSULTANCY ADVICE: SKY CITY HAMILTON CASINO – POTENTIAL ALTERNATIVE USES

Acknowledgment

I hereby accept the "CVAS (NZ) Limited Terms and Conditions", including the fee proposal, which I have read and agree to be the terms thereof.

I acknowledge that I/we will be contracting exclusively with CVAS (NZ) Limited and not with any other member of the Colliers Group.

Signed:	
Name & Title:	James Chapman, GM Regulatory & Policy Affairs
Dated:	23/12/25
Invoice to be issued to:	James Chapman

Account details for payment:

BANK OF NEW ZEALAND, 80 Queen Street, Auckland
Account Name: CVAS Limited
Account Number: 02-0108-0351291-000

CVAS (NZ) LIMITED
TERMS AND CONDITIONS

IT IS AGREED AS FOLLOWS

1. **DEFINITIONS**

'**Confidential information**' means information that:
(a) Is by its nature confidential
(b) Is designated by Us as confidential
(c) You know or ought to know is confidential
(d) And includes, without limitation; Information comprised in or relating to any of Our intellectual property in the services or any reports or certificates provided as part of the services, and

'**Effective date**' means, in relation to any valuation or consultancy report, the date as at which our professional opinion is stated to be current.
'**Fee**' means the amount agreed to be paid for services as set out in the quotation.
'**Parties**' means You or Us as the context dictates.
'**Quotation**' means the written quote provided by Us in relation to the Services.
'**Services**' means the valuation or consultancy services provided pursuant to these Terms & Conditions and the Quotation and includes any documents, reports or certificates provided by Us in connection with the services.
'**We**', '**Us**', '**Our**' means **CVAS (NZ) Limited**.
'**You**', '**Your**' means the entity engaging Us to perform the Services as set out in the Quotation.

2. **PERFORMANCE OF SERVICES**

2.1 We will provide the services in accordance with:
(a) The Terms & Conditions contained herein; or
(b) As specifically instructed by You for the purposes of the Services, and
(c) The required provisions of the current NZ Property Institute Professional Practice Standard.

3. **CONDITION OF THE PROPERTY**

3.1 In undertaking the Services, We will have regard to the apparent state of repair, condition and environmental factors in relation to the property based upon a visual inspection, but We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
3.2 We will assume that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
3.3 We will not undertake a detailed inspection of any plant and equipment or obtain advice on its condition or suitability.
3.4 We recommend that You engage appropriately qualified persons to undertake investigations excluded from the Services.
3.5 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. **ENVIRONMENT AND PLANNING**

4.1 We will obtain only verbal town planning information. It is Your responsibility to check the accuracy of this information by obtaining a certificate under the appropriate legislation.
4.2 We do not hold ourselves out to be experts in environmental contamination. Our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. **BUILDING AREAS AND LETTABLE AREAS**

5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the Property Council of NZ Method of Measurement.
5.2 If you do not provide Us with a survey, We will estimate building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the Property Institute of New Zealand / Property Council of New Zealand Method of Measurement.
5.3 Where such a survey is subsequently produced which differs from the areas estimated then You will refer the valuation or consultancy advice back to Us for comment or, where appropriate, amendment.

6. **OTHER ASSUMPTIONS**

6.1 Unless otherwise notified by You, We will assume:
(a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
(b) All licenses and permits can be renewed and We will not make any enquiries in this regard.
6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with the Services (including but not limited to surveys, quantity surveyors' reports, environmental audits, structural/dilapidation reports), We will rely upon the apparent expertise of such experts/specialists. We will not verify the accuracy of this information or reports.

7. **VALUATION FOR FIRST MORTGAGE SECURITY**

7.1 Where the Services are provided for mortgage purposes, You agree that You will not use the valuation or consultancy report where the property:
(a) Is used as security other than by first registered mortgage;
(b) Is used as part of a group of securities (except where the property forms part of a trust); or
(c) Is used as security for more than one loan.
7.2 We reserve the right, at Our absolute discretion, to determine whether or not to assign Our valuation to any third party. Without limiting the extent of Our discretion, We may decline a request for assignment where:
(a) The proposed assignee is not a major recognised lending institution (such as a major bank);
(b) The assignment is sought in excess of 3 months after the date of valuation;
(c) We consider that there has been a change in conditions which may have a material impact on the value of the property.
(d) The proposed assignee seeks to use the valuation for an inappropriate purpose (including in a manner inconsistent with Your agreement at Clause 7.1); or
(e) Our fee has not been paid in full.
7.3 Where we decline to provide an assignment on either of the basis at 7.2(b) or (c), we may be prepared to provide an updated valuation on terms to be agreed at that time.
7.4 In the event that You request us to assign Our valuation and We agree to do so, You authorize Us to provide to the assignee a copy of these Terms and Conditions, the Quotation and any other document, including instructions provided by You, relevant to the scope of Our Services.

8. **ESTIMATED SELLING PRICE**

8.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
8.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

9. **EFFECTIVE DATE OF VALUATION**

9.1 Due to possible changes in market forces and circumstances in relation to the subject property, the Services can only be regarded as relevant as to the Effective date.
9.2 Where You rely upon Our valuation or consultancy report after the Effective date, You accept the risks associated with market movement between the Effective date and the date of such reliance.
9.3 Without limiting the generality of 9.2, You should not rely upon Our valuation or consultancy report:
(a) After the expiry of 3 months from the Effective date;
(b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation of consultancy report.

10. **MARKET PROJECTIONS**

10.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
10.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
10.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

11. **YOUR OBLIGATIONS**

11.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
11.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
11.3 You authorize and license us to incorporate Your intellectual property within our report(s).
11.4 You will not release any part of Our valuation or consultancy report or its substance to any third party without Our written consent. Such consent will be provided at Our absolute discretion and on such conditions as We may require including that a copy of these Terms and Conditions be provided to such third party. This clause shall not apply to persons noted as recipients in Your prior instruction to Us or in the Quotation provided that You shall provide any such recipient with a copy of these Terms and Conditions.
11.5 Our fees and instalments are payable by the 20th day of each month following invoicing. Fees that remain unpaid at the due date may be liable for all costs of recovery (including collection fees) and shall attract an administration charge at the rate of 2.5% of the total invoice due calculated per calendar month or part thereof.
11.6 We reserve the right to reconsider or amend the valuation or consultancy advice, or the Fee set out in Our Quotation to You, if;
(a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
(b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
11.7 If You release any part of the valuation or consultancy advice or its substance without written consent, You agree: a) to inform the other person of the terms of our consent; and b) to compensate Us if You do not do so. We have no responsibility to any other person even if that person suffers damage as a result of any other person receiving this valuation or consultancy advice.

12. **CONFIDENTIALITY**

12.1 You must not disclose or make any of the Confidential Information available to another person without Our written consent.
12.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
12.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.

13. **PRIVACY**

13.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy. The Privacy Act 2020 requires us to advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organization other than Us. A copy of Our Privacy Policy can be obtained by contacting Our Chief Privacy Officer.

14. **SUB-CONTRACTING**

14.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

15. **LIABILITY**

15.1 You agree to release Us (and any related Company) and hold Us harmless from all liability to You in relation to:
(a) any claims (whether in contract, tort (including negligence) or otherwise), demands, suits, proceedings, loss of profits, costs and expenses (including legal costs and expenses), savings, or wasted expenditure whatsoever; and
(b) for any direct, indirect, incidental, special or consequential damages arising from the Services or Your use of any information provided as part of the Services.
15.2 The release in Clause 15.1 shall not apply in the case of any gross negligence or wilful misconduct by Us in the provision of the Services but our liability in any such case shall be limited to NZ$100,000 or five times the agreed net fee excluding GST, whichever is the lower.
15.3 For the avoidance of doubt, the Services are provided by Us and no individual valuer or any other employee of Ours assumes any liability or responsibility for the Services.

16. **ENTIRE AGREEMENT**

16.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorized officers.
16.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

The Curiosity Company
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Christchurch Central
www.curiositycompany.co.nz