

Privacy Commissioner's submission to the Governance and Administration Committee on the Online Casino Gambling Bill 178–1

- 1. I am pleased to provide this submission to the Governance and Administration Committee (the Committee) on the Online Casino Gambling Bill (the Bill).
- 2. The Privacy Act 2020 is New Zealand's main privacy statue. One of my functions under the Privacy Act is to examine proposed legislation that may affect the privacy of individuals.

The Bill proposes to establish a licensing regime for online casino gambling to facilitate a safer and regulated online casino gambling market

- 3. The online casino gambling system in New Zealand is not currently regulated. The Bill seeks to regulate:
 - a. online gambling to facilitate a safer and compliant regulated online gambling market;
 - b. prevent and minimise online gambling harm; and
 - c. limit opportunities for crime and dishonesty, and provide protections for consumers, within the regulated online gambling market.
- 4. I support the intent of the Bill as a way to regulate the online casino gambling market as there is no current regulatory system in place that manages the risks to New Zealanders from participating in online gambling.
- 5. This unregulated status quo can mean New Zealanders are at risk of providing highly sensitive personal information to online casinos that do not have appropriate privacy safeguards in place. This means the risk of inappropriate use or bad actors using their personal information is significant.

The Bill requires applicants to show how they will comply with the Privacy Act 2020

- 6. The Bill includes that when applying for a licence, an online casino must provide specified information to the Secretary for Internal Affairs.
- 7. I am supportive of the inclusion of section 18(1)(a)(iv) which requires an applicant to provide a compliance strategy when applying for an online casino licence.
- 8. A compliance strategy is defined as "a document that sets out an operator's strategies, plans, policies, systems, and process...to comply with...the Privacy Act 2020."
- 9. Given the considerable privacy risks with the online gambling ecosystem, I am pleased to see this included in the Bill. Requiring applicants to have a compliance strategy in place



means that they will need to be able to record, in a document, how they manage privacy. It is consistent with advice I have given through my Office's work programme "Poupou Matatapu – Doing Privacy Well" which recommends agencies develop a Privacy Management Plan to lift privacy capability and manage risk.

Regulating online casino gambling presents additional privacy risks that need to be considered

- 10. Although I support the regulation of online gambling, there are privacy risks that accompany the regulation.
- 11. I am conscious that there is a need to verify an individuals' age and identity when accessing the licenced online casinos. How age and identity verification is undertaken will be developed in regulations.
- 12. I also know that online gambling operators will be collecting highly sensitive information financial information, information about gambling habits (or information that can be used to infer gambling habits), information used to create personalised advertising, as well as the possibility that age verification is undertaken using biometric processing.
- 13. I have recently issued a <u>Biometric Processing Privacy Code</u> that creates specific privacy rules for agencies using biometric technologies to collect and process biometric information.
- 14. I encourage those in the sector to read the Biometric Processing Privacy Code when considering the use of biometric technologies to verify and individual's age and identity.
- 15. I look forward to working with the Department of Internal Affairs on the development of regulations and operational details for age and identity information, as well as other areas, to ensure privacy is safeguarded.

Conclusion

16. I trust my comments are of use to the Committee. I do not seek to be heard on my submission but am happy to appear before the Committee if that would be of assistance.

Michael Webster

Privacy Commissioner

15 August 2025

