

Media release

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It's time to farewell pokie trusts

The Problem Gambling Foundation says now is the time to review the current system of distributing pokie funds through trusts, a system which continues to be abused.

Te Ururoa Flavell's Gambling Harm Reduction Bill, commonly referred to as the 'People before Pokies Bill', proposes that the distribution of pokie funds through corporate societies or 'pokie trusts' will be phased out within a year.

Graeme Ramsey, Problem Gambling Foundation CEO, says this will address the issue of the blatant misuse of pokie money by people held in positions of trust that is rife in New Zealand.

"Year after year, the number of cases involving the misuse of pokie funds is outstanding. People who are trusted with the distribution of large sums of public money continue to flout the law, and it is the community that is deprived of valuable funding for worthy causes," he says.

Graeme Ramsey says there are around 50 pokie trusts operating in New Zealand and anyone can set them up.

"This makes monitoring extremely difficult and, as we have seen from the frequent stories in the media, leaves the system open to abuse," he says.

Earlier this year, the Department of Internal Affairs was reported as saying that 30 of the country's 50 trusts had issues of non-compliance.

The DIA also investigated this year the largest theft of pokie money since the Gambling Act was introduced in 2003 when the owner of an Invercargill pub failed to bank \$1.2 million of gaming machine money that was used to prop up a failing business.

Graeme Ramsey says there are too many 'snouts in the trough' of public money and enough is enough.

"We have seen cases this year where large sums of public money have been spent on entertainment for trustees, refurbishment of venues, and other payments that the Secretary of Internal Affairs described as inappropriate and unlawful," he says.

Graeme Ramsey says this certainly won't be the last time we hear of the misappropriation of pokie funds by trustees as there is more to come.

Te Ururoa Flavell's Gambling Harm Reduction Bill is due to have its first reading in Parliament on Wednesday 10 November.

Ends

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