

# Hidden pressures of gambling

**Pokie trusts are asking charities to support pro-gambling policies. AMY CAMPBELL reports on what some say are dangerous trends.**

**P**okie machine money churns on a treadmill of dependency. Community organisations depend on charitable trusts to allocate them money.

Those trusts depend on gamblers to lose their money to the machines.

Yet problem gamblers depend on community organisations to pick up the pieces.

In Manukau, where submissions have recently closed for the Manukau City Council's proposed reduced cap on pokie machine numbers, concerns have come to light about the tactics of some charitable trusts during the submission period.

The Problem Gambling Foundation (PGF), an anti-gambling support group, says it has seen letters sent by pokie trusts to the charities they fund, asking them to support little or no restrictions on pokie numbers.

PGF health promotion advisor for Manukau, Pesio Siitia, says three community groups have told her they had received letters asking them to support pokie trusts.

"They support what we are doing [opposing the growth of pokie machines] so they were quite angered that the trusts even had the cheek to ask for support."

Siitia says the letters were almost threatening with the attitude that "we fund you – you need to support us on this".

Under the Gambling Act 2003, councils are required to review their pokie machine policies at least every three years.

That review can lead to reinstating the original policy, amending it, or completely replacing it.

If amendment or replacement takes place, a strong tension between those who want a generous cap and those who want a sinking lid – which could eventually see pokies become extinct – can develop.

So the treadmill has effectively changed direction. Charitable trusts have now become dependent on community organisations to put in a good word for them.

"It just shows the underhanded, dirty tactics the industry uses. For little organisations that don't have a lot of money, the threat is really worrying. What are they meant to do?" says Siitia.

**O**ne community organisation has received three letters pressuring it into supporting a favourable outcome for pokie machines.

It is so concerned it will be looked upon unfavourably and won't receive any grants if it goes public, that it will not speak publicly.

For this reason, the trusts that sent the letters cannot be identified.

The Charitable Gaming Association (CGA) represents the collective interests of its gaming machine trust members.

Chief executive Francis Wevers says he was aware of some letters in circulation in Manukau but believes



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such fear is unwarranted.

"I don't believe any trust would decline to give money to a community organisation because it didn't give a submission.

"It is contrary to the appropriate and ethical standard of behaviour for a trust member of the CGA. It is entirely inappropriate for any trust."

But he also says that the trusts are completely within their rights to send such letters.

"Community groups who receive them have an interest, I would have thought, in whether there are going to be restrictions on pokie gambling in the community.

"But most of them are volunteers, so how are they going to know what opportunity arises, unless someone tells them."

He also said it is the same principle as the PGF asking problem gamblers to make submissions.

Robyn Bacon, from Kerikeri, is a reformed gambler who stole \$110,000 to fuel her addiction and

has spoken at two Far North District Council policy hearings.

"It's not the same thing because I don't want anything in return. They're not saying, 'We'll give you this if you speak on the foundation's behalf.'"

Bacon sees her role as informing community organisations who don't know where the money has actually come from.

"They need to realise it is money lost by people. It's stealing from the poor. Some community organisations are just too lazy to do an old fashioned sausage sizzle."

A spokesperson from the Department of Internal Affairs says that as the regulator in this situation, it has no comment on who makes submissions.

"Its concern is that territorial authorities clearly understand the processes they must follow and that they take all relevant matters into consideration and no inappropriate or unlawful pressure is placed on

people by trusts to make submissions."

PGF chief executive John Stansfield is not impressed with the situation.

"It's an absolute abuse of privilege. You don't get the ASB Trust ringing a hospice and saying, look vote this way in the council elections. It's not how giving works."

**A** similar example took place in Hamilton in 2004. Submissions prior to the adoption of the Hamilton City Council's initial fixed cap policy are now on public record.

Hamilton City Council policy analyst Paul Gower said 27 of the 79 submissions were identical.

At face value, it appears the Scottwood Charitable Trust, a member of the CGA, created a submission for community organisations to sign and send in.

The submission included the statement: "Grants from gaming machines play a very important part in maintaining community services, schools, cultural and sports groups – in fact the very fabric of our city. Our organisation relies on funds from groups like Scottwood to keep going."

National grants manager on behalf of Scottwood Charitable Trust Jennifer Palmer says the trust prepared submissions for recipients to use, only if they wished to.

She also says that no record was ever kept as to which recipients, if any, used the templates, so the trust would have no idea who did use them.

"The trust often receives enquiries from its recipients about how best to support the gaming industry as many grant recipients could not exist without gaming funds."

For this reason, it sees its funder-recipient relationship more as a partnership.

In regards to 27 letters being found, Palmer says the trust had actually given grants to thousands of Hamilton groups over the years.

"So it would be fair to say there is no bias against any group who does not partake in a letter campaign."

Gower says the only comment the council would make is that each submission is treated as a submission in its own right.

Siitia is hoping the community organisations in Manukau will speak up at the local policy hearings on November 12, 13 and 14.

"I want them to get up in public and say, 'These are the letters we are getting from the industry – those people across the room.'"

It seems unclear whether this is just a case of unwarranted fear or a real abuse of privilege.

But one thing is for certain – the public has the right to know what happens during the public submission process.

Still, the treadmill of co-dependency continues to spin.

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