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Whistleblowers deserve protection from powerful gambling industry

The Alliance for Gambling Reform has condemned ClubsNSW for pursuing legal costs from a whistleblower who exposed the gambling industry for failing to prevent money laundering via pokies.

Troy Stolz was so horrified that an internal ClubsNSW report from 2019 revealed that up to 95 percent of registered clubs in NSW were not compliant with federal anti-money laundering and counter-terrorism financing laws that he blew the whistle on this significant failure.

Through subsequent legal action, [ClubsNSW pursued Mr Stolz for breaching the confidentiality agreement](#) that was part of his employment contract with the organisation and has pursued recovery of costs against Mr Stolz.

Alliance Chief Advocate, the Rev Tim Costello, said this decision would be yet another deterrent for whistleblowers to come forward.

“The fact is that money laundering is a serious issue in Australia. It’s connected to all sorts of [crimes](#), including the trafficking of people and drugs, child pornography and terrorism,” Rev Costello said.

“It’s widely acknowledged that poker machines are the most easily exploited method of [money laundering](#) in Australia. That’s why it is so imperative that everything possible is done to reduce this criminal behaviour in our clubs -- clubs that are so often the heart of the community.

“Mr Stolz was standing up for our community when he blew the whistle on this abject failure to prevent money laundering, acknowledged in ClubsNSW’s own internal documents. Now he is at risk of losing his house for doing the right thing. This is an absolute disgrace, and a chilling example of how powerful the gambling industry is, and the lengths it will go to to ensure it protects its profits.

Rev Costello said there were many examples of the gambling industry attempting to silence people who speak out and expose predatory and sometimes criminal behaviours within the industry.

“You just have to look at what’s coming out in the Victorian Royal Commission into Crown Casino, or what was heard at the Bergin Inquiry, to know there is plenty of dirt to be dug up,” he said. “This is a powerful industry with deep pockets. People doing the right thing by exposing wrongdoing and criminal behaviour should be encouraged by our parliaments, not thwarted and silenced.

“Whistleblowers need much better legal protection. These people play an important role in our democracy, and our community. Allowing industries such as gambling to use their power to silence voices such as Mr Stolz sends the absolute wrong message to those speaking out.”

Gambling Reform Advocate Shonica Guy felt the full force of the gambling industry as she pursued Crown Casino in court. Ms Guy said she valued the role whistleblowers play.

“Gambling is an industry that benefits from \$25 billion in losses every year in Australia,” she said.

“Of course they will do everything they can to prevent people speaking up about their predatory behaviours and failures to intervene around criminality like money laundering. They want to protect their billions in profit, they don’t care at what cost that comes to the community or individuals.

“Our governments must ensure people can speak up freely. They should regulate gambling with the aim of reducing harm to people, to the community, not on the basis of what the industry wants. That includes making sure whistleblowers are protected when they help the community by exposing dangerous behaviour.”

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See [here](#) for a gambling language guide for journalists.