



2 December 2021

Solicitors Assisting the Perth Casino Royal
Commission
Corrs Chambers Westgarth
Level 6, Brookfield Place Tower 2
123 St Georges Terrace
Perth WA 6000

Attention: Kirsty Sutherland / David Yates

Dear Colleagues

Perth Casino Royal Commission (PCRC) ±Further Submissions on Regulatory Framework

- 1 We refer to the PCRC's invitation to the interested parties on 10 November 2021 to make written submissions relating to the Regulatory Framework Discussion Paper (Discussion Paper).
- 2 We also refer to Crown's previous submissions dated 30 April 2021 relating to the regulatory framework as set out in paragraphs 8 to 11 of the Terms of Reference (Initial Submissions).
- 3 Crown understands that the Discussion Paper contains a high-level overview of issues relevant to Term of Reference 11 and is intended to

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- (v) junkets; and
- (vi) remote betting.

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Independent well-resourced regulator

- 11 Having a regulator with more rather than less independence from the Department is beneficial from a resourcing perspective. Having the regulator reliant upon resources of the Department or the casino regulation function being embedded in the Department risks producing resourcing and budgetary constraints and conflicts, which may see the requirements of casino regulation subordinated to other focus areas within the Department from time to time.

Scale of operations

- 12 The Perth casino is not large enough to justify a stand-alone casino regulator. The Discussion Paper refers to both Victoria and Singapore as jurisdictions in which the stand-alone regulator model was (or will be) implemented. It should be noted, however, that Western Australia, as compared to Singapore and Victoria, has a significantly smaller casino and gaming landscape. Singapore has two large casinos, and Victoria has over 27,300 community gaming machines. Singapore has two large casinos, and Victoria has over 27,300 community gaming machines.

content and purpose of the delegation. Preferably, the written instrument would be available to Crown so that in its dealings with the regulator it is aware of who holds and is exercising the relevant

Junkets

- 39 As noted in the Discussion Paper, the Casino Control Act provides for regulations to be made for and with respect to regulating or prohibiting the conduct of junkets. Regulations relating to junkets were repealed in June 2010.
- 40 On 17 November 2020 Crown issued a release to the ASX stating that the Board had determined that Crown will permanently cease dealing with all junket operators, subject to consultation with gaming regulators in Victoria, Western Australia and New South Wales. It is also noted that Crown will only recommence dealing with a junket operator if that junket operator is licensed or otherwise approved or sanctioned by all gaming regulators in the States in which Crown operates.
- 41 On 23 February 2021 the GWC issued a direction proscribing the operator from participating in junkets, Premium Player Activity or Privileged Player Activity.
- 42 As noted in the *Interim Report on the Regulatory Framework* dated 30 June 2021 at [365]-[366], an unconditional legislative prohibition on junkets does not allow for any possible benefits from junkets to be enjoyed by the State, including increased activity at the casino and taxation revenue. A more balanced approach is represented by the Singaporean approach which provides for the regulator to approve specified dealings with junkets by regulatory supervision. The advantage of this approach is that it offers flexibility in that the licensing regime permits a case-by-case evaluation of the risks associated with a particular junket operator.