

Crown, in governance, and otherwise, that further substantiate the findings of Bergin and Finkelstein.

In these circumstances it is clear that the best model for regulation of the casino (and indeed, other forms of gambling) would avoid placing significant trust in the operator to self-regulate. Recent media reports (McKenzie & Tozer 2021) regarding allegations of widespread money laundering in NSW clubs and hotels further indicate the desirability of better regulation. Clearly, in the case of Crown, self-regulation failed, and the effective oversight of the regulator in Victoria was undermined by Crown's political access and influence, and its ability to browbeat and harass the regulator.

In these circumstances, and with the importance of establishing public confidence in both the regulatory system and government, the model for regulation of the casino (and indeed other gambling forms) should be independent, well resourced, adequately empowered

five years after they cease to be employed or engaged in their original role. The practice of engaging such personnel by gambling operators is widespread (Livingstone 2016), and in the

Fourthly, that regulatory arrangements must not be undermined by the extent to which the casino contributes to state revenue or economic effects (including employment), and that the regulator must act as necessary when breaches of regulation or legislation are detected (see Livingstone 2021c).

Risks

- A. Should the regulatory framework prescriptively legislate for the regulator (or an external expert) to undertake risk assessments and devise risk management plans for the Perth Casino?

Yes. If so:

- a. At what intervals should that assessment take place?

Initially, at intervals of not more than two years from the date of the PCRC report being provided to government. Subsequently, depending on the regulator's assessment of the extent to which the operator is complying with legislation and regulation, this might be extended beyond two year intervals.

- b. How should those tasks be funded?

The casino operator should fund these tasks via a special levy. The casino operator, however, must not have any say in the terms of reference or the personnel involved in such assessments. These must be fully independent of the involvement of the operator, or political actors.

- B. Should the regulatory framework prescriptively legislate for the licensee of Perth Casino to undertake risk assessments and devise risk management plans for its own operation subject to approval by the Regulator?

This should be a general standard for operator practice. If this is legislated, it needs to be in respect of all areas covered by the objects of the legislation, and should be overseen by the regulator. It should have transparent, measurable goals and these should be assessed using publicly available evidence scrutinized by the regulator.

- C. If so, at what intervals should that assessment take place?

Initially annually, with a review subject to satisfactory implementation as assessed by the regulator allowing these plans to be incrementally upgraded annually rather than fully revised.

- D. In relation to B, to what extent should a regulator be involved in the process by which the licensee develops the risk

The regulator should provide guidelines to assist in developing these plans, should have oversight of the plan and the process of its implementation, and should be provided with all necessary data and evidence to assess the extent to which the plan has been implemented and observed by the operator.

Review of the Licensee

- A. Should the WA regulator have a legislated power to review the casino license holder?

Yes. If so:

- a. What matters ought to be reviewed?

Any aspect of casino operations the regulator thinks fit, subject to issues of harm prevention and minimization, integrity of casino operations, and protection of state revenue being required for any such review.

- b. Who should bear the cost of the review?

The casino operator should bear the cost of the review, via a special levy. The casino operator should not have any ability to determine the scope of the

Yes.

- b. any conditions of the delegation (for example, can the delegate decide whether to exercise the power independently or must the delegate act in accordance with an in-principle decision of the delegator);

Delegated powers should be exercised independently. Where an in-principle decision of the regulator has been made, this should guide decision making. Further, the objects and principles of legislation and regulation must be observed and implemented in any decision making.

and

- c. the content and purpose of reports to the regulator concerning the exercise of delegated powers (for example, whether the report is simply for noting and recording or whether the exercise requires ratification before taking effect).

Reports should advise the regulator of the exercise of power for purposes of noting and recording.

Harm minimisation and the responsible service of gaming within the casino environment

- A. Should a prescriptive approach be taken in respect of harm minimization?

Yes. Finkelstein was at some pains to point out the gross failings of the casino operator in relation to harm prevention and minimization, regarding this as a highly egregious breach of responsibilities. Accordingly, legislation should provide for limits of time and money spent gambling (particularly on electronic gambling machines, EGMs, which are highly addictive, readily accessible in the casino environment, and very harmful)(see Yucel et al 2018); for cashless gambling requiring a registration or account system, and for regular breaks in gambling activity, with a maximum number of hours per week and a universally applied break in gambling activity on a daily and weekly basis (see also Livingstone et al 2010 break

E. Should interference with inspector functions carry with it a strict liability offence?
Yes.

F. To what extent should the GWC be responsible for oversight of inspectors at the Perth Casino?

Inspectors should be employed and directed by the regulator.

G. Should the role of inspectors be dedicated to casino inspection or include other compliance functions such as liquor?

Inspectors ought be devoted to casino compliance. Note the comments of Bergin and Finkelstein in this respect.

Ministerial Powers

A. What are the advantages or disadvantages of expanding Ministerial powers to include delegation of the Minister's powers to the Director-General of the Department?

Where it is approved by the Parliament.

- H. In the case of proposed models 1 and 2, should the regulator be assigned to regulate other industries, for example liquor? Why?

The regulator should be focused on the regulation of gambling, as noted by Bergin and Finkelstein.

Junkets

- A. Should there be an unconditional statutory prohibition on junket operations at Perth Casino?

Yes.

- B. If junkets are to be prohibited, shited, shited, shited,

Livingstone C. 2021c. Crown Resorts is not too big to fail. It has failed already. The Conversation. 9 August. Available at: